

22 March 2016

CAPITAL FOR COLLEAGUES PLC
(‘Capital for Colleagues’ or the ‘Company’)

GBP 1.15 Million Subscription

The Directors of Capital for Colleagues, the investment vehicle focused on opportunities in the Employee Owned Business (‘EOB’) sector, are pleased to announce that the Company has raised approximately GBP 1.15 million (gross of expenses) through the issue of 1,949,094 new ordinary shares of 40p each in the Company (‘Ordinary Shares’) at a price of 59p per share (the ‘Subscription’).

The proceeds of the Subscription will be used to make further investments in line with the Company’s investment strategy and to provide working capital for the Company’s ongoing operations.

All of the Directors of the Company participated in the Subscription, subscribing for a total of 338,983 Ordinary Shares as follows:

Director	Ordinary Shares Subscribed	Resultant Shareholding	% of Enlarged Issued Share Capital
Richard Bailey	84,746	122,246	1.3
John Eckersley	33,898	314,674	3.3
Alistair Currie	169,492	226,952	2.4
Ed Jenkins	50,847	50,847	0.5

In addition, the Company is aware of the following significant shareholdings in the Company as a result of the Subscription:

Investor	Number of Ordinary Shares	% of Enlarged Issued Share Capital
Alliance Trust Sustainable Future UK Growth	406,780	4.2
Alliance Trust Sustainable Future UK Ethical	610,169	6.3

Dealings in the Ordinary Shares issued in the Subscription will commence on the ISDX Growth Market today, 22 March 2016.

John Eckersley, Chief Executive of Capital for Colleagues, said:

‘I am delighted to welcome funds managed by Alliance Trust as significant shareholders in the Company. Their status as professional investors with a focus on sustainability and social impact is

very much aligned with our own view that employee ownership offers the potential for both attractive financial returns and the generation of demonstrable social good. It is also particularly pleasing to receive the support of my fellow directors and that of other stakeholders in Capital for Colleagues. These new funds will allow us to continue with the implementation of our strategy, as we continue to build our portfolio and generate shareholder value.'

Following completion of the Subscription, the Company's issued share capital comprises 9,624,526 Ordinary Shares. The figure of 9,624,526 Ordinary Shares may 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 share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

The Directors of the Company are responsible for the contents of this announcement.

****ENDS****

For further information please contact:

CAPITAL FOR COLLEAGUES PLC

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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.