

4 September 2015

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

PORTFOLIO UPDATE

Capital for Colleagues, the investment vehicle focused on opportunities in the Employee Owned Business (‘EOB’) sector, is pleased to announce an update regarding one of its existing investee companies, Ecomerchant Natural Building Materials Limited (“Ecomerchant”), a specialist supplier of natural and environmentally sustainable building materials to the UK housing market.

Capital for Colleagues has subscribed GBP 100,000 for 100,000 redeemable, non-voting A Ordinary shares in Ecomerchant, which have preferential rights with respect to ongoing dividends and with respect to capital value in the event of the occurrence of certain exit events. The proceeds of the subscription have been used by Ecomerchant to repay the existing GBP 75,000 loan made to it by the Company and for additional working capital.

Capital for Colleagues has re-structured its investment in Ecomerchant to align its interest more directly with those of the existing Employee owners of that company.

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

****ENDS****

For further information please visit www.capitalforcolleagues.com or contact:

CAPITAL FOR COLLEAGUES PLC

0161 233 4891

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.