



Capital for Colleagues

28 February 2017

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

ANNUAL GENERAL MEETING STATEMENT

At the Annual General Meeting of Capital for Colleagues to be held at 11.00 today, Richard Bailey, Chairman of the Company, will make the following statement:

‘We have made strong progress since Capital for Colleagues was established in 2013, investing in a diverse portfolio of companies focused on employee ownership and actively promoting the benefits of employee ownership to a wider audience.

In the context of this progress, the recent news that two of our investee companies, FJ Holdings Limited (‘FJH’) and FJH’s wholly owned subsidiary, Ham Baker Adams Limited (‘HBA’), had been placed into administration was particularly disappointing. As expected, the Administrators have now confirmed that the unsecured creditors of FJH and HBA, including Capital for Colleagues, are unlikely to receive any distribution in respect of amounts due to them. As at 30 November 2016, the Company’s loans to FJH and HBA totalled approximately £0.5 million; as at the same date, the carrying value of the Company’s equity stake in FJH was approximately £0.8 million.

The impact of the administration at FJH and HBA on the net asset value of the Company will be reflected in the Company’s portfolio update as at 28 February 2017, which will be announced by 31 March 2017.

Despite this set-back, we remain committed to the continued expansion of our investment portfolio, which generated revenues of £560,000 in the year ended 31 August 2016. We have increasing access to numerous potential investee companies, in varying sectors and of various sizes, which we believe can deliver attractive returns to shareholders and allow us to build on our leading position in the EOB sector.

We look forward to updating shareholders in due course.’

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

Richard Bailey, Chairman

John Eckersley, Chief Executive

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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.