

5 September 2016

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

**INVESTMENT IN 2C SERVICES LIMITED AND PORTFOLIO UPDATE; DIRECTOR’S INTEREST**

Capital for Colleagues, the investment vehicle focused on opportunities in the Employee Owned Business (‘EOB’) sector, is pleased to announce that the Company has invested GBP 50,000 in a new portfolio company, 2C Services Limited, and restructured its investment in an existing investee company, The Homebuilding Centre (Holdings) Ltd.

**2C Services Limited (‘2C’)**

2C is a recently established information technology service provider, based in the South West of England, with its own state of the art private cloud hosting infrastructure. It offers flexible and customised hosting solutions, with offsite backup and replication and virtual disaster recovery. 2C is itself employee owned and provides services to a number of employee owned customers.

Capital for Colleagues has subscribed GBP 50,000 for A Ordinary Shares of GBP 1 each in 2C. The ‘A’ Ordinary Shares have preferential rights with respect to capital value in the event of the occurrence of certain exit events. In addition, the Company has subscribed for ordinary shares of GBP 1 each in 2C, equivalent to 20 per cent of its issued ordinary share capital, on payment of a nominal sum.

The proceeds of the subscription by Capital for Colleagues will be used by 2C in financing the recent acquisition of a customer base and for general working capital purposes.

**The Homebuilding Centre (Holdings) Ltd (‘HBC’)**

HBC owns the trade and certain assets of the National Self Build and Renovation Centre (‘NSBRC’), which comprises a substantial permanent exhibition and trading venue, based at Swindon. The NSBRC promotes the opportunities available to consumers who want to build their own home or renovate an existing property. NSBRC also generates trade with builders’ merchants and providers of affordable housing.

In accordance with its strategy of aligning its interests more directly with that of the employee owners of investee companies, Capital for Colleagues has converted its GBP 250,000 fixed term loan to HBC into 250,000 A Ordinary Shares of GBP 1 each in HBC. The ‘A’ Ordinary Shares have preferential rights with respect to ongoing dividends and with respect to capital value in the event of the occurrence of certain exit events. In addition, certain existing short term loans from the Company to HBC, amounting to GBP 97,000 in aggregate, have been consolidated into a single 3-year loan. The loan bears interest at an appropriate commercial rate and is repayable within 3 years.

## **Director's Interest**

Following his appointment as a Trustee in relation to his late father's estate, Alistair Currie, a Director of the Company, is now deemed to be interested in a further 3,390 ordinary shares of 40p each in the Company ('Ordinary Shares'), taking his total interest in the Company to 230,342 Ordinary Shares, representing 2.4 per cent of the Company's issued share capital.

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

**\*\*ENDS\*\***

For further information, please visit [www.capitalforcolleagues.com](http://www.capitalforcolleagues.com) or 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.