

31 May 2019

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

Unaudited Interim Results for the six months ended 28 February 2019

Capital for Colleagues, the investment vehicle focused on opportunities in the Employee Owned Business (‘EOB’) sector, is pleased to announce its unaudited interim results for the six months ended 28 February 2019

Highlights

- Additional GBP 150,000 of follow-on funding invested in the period
- Revenues of GBP 198,000 (2018: GBP 138,000), comprising interest receivable and other fees
- The valuations of certain existing investments were increased by a total of around GBP 630,000 during the period, to reflect underlying performance and prospects
- Net assets of GBP 7.4 million as at 28 February 2019 (28 February 2018: GBP 6.4million)
- Profit of GBP 585,000 for the six-month period (2018: loss of GBP 170,000)
- Investment portfolio at the period end comprised 17 unquoted EOBs (28 February 2018: 17)
- NAV per share of 48.05 pence (28 February 2018: 41.52 pence per share)
- Directors confident of continuing growth from existing and new investments

Chief Executive’s Statement

There has been continued progress across the Company’s portfolio during the six months ended 28 February 2019, and this has enabled the Directors to increase the value attributable to a number of the Company’s investments. We are particularly pleased with the performance of our investments in the Technology sector, which we have revalued upwards by GBP 599,000 to reflect their progression from early stage companies to established businesses. This revaluation also serves to re-balance the portfolio and reduce the previous weighting towards Industrials.

In November 2018, a follow-on loan of GBP 150,000 was made to existing investee company, TG Engineering Limited, to provide that company with additional working capital.

After the end of the period, the Company discontinued its joint venture agreement with Castlefield Corporate Advisory Partners (‘CCAP’), as the Directors believe that the activities previously undertaken by CCAP on behalf of the Company, namely educating and assisting companies which are looking to launch employee ownership schemes and advising them on how to secure investment, can be more efficiently undertaken by and within Capital for Colleagues itself.

Financial Results

In the six months ended 28 February 2019, the Company generated income of GBP 198,000 (2018: GBP 138,000), principally from interest receivable and other fees associated with our investments. As at 28 February 2019, the Company had net assets of GBP 7.4 million (2018: GBP 6.4 million), with the increase in value reflecting the revaluation of our investments in the Technology sector. The reported profit for the period of GBP 585,000 is driven by the unrealised gains arising from these revaluations.

Outlook

Whilst ongoing uncertainty around Brexit continues to have some impact on the wider economy, the Directors are confident that the breadth and quality of the Company's portfolio will ensure that our investments will continue to prosper.

We continue to promote the commercial and financial benefits of EOBs at every opportunity and are pleased to see increasing recognition of EOBs as important generators of equitable and dynamic growth.

Alistair Currie
Chief Executive

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

CAPITAL FOR COLLEAGUES PLC 0161 464 3260
Richard Bailey, Chairman
Alistair Currie, Chief Executive

PETERHOUSE CAPITAL LIMITED 020 7469 0930
Mark Anwyl
Duncan Vasey

PROFIT AND LOSS ACCOUNT

	Unaudited 6 months to 28 February 2019 GBP 000's	Unaudited 6 months to 28 February 2018 GBP 000's	Audited 12 months to 31 August 2018 GBP 000's
Revenue	198	138	384
Realised (losses)/gains	-	-	(4)
Unrealised gains/(losses)	630	(104)	437

	828	34	817
Administrative expenses	(243)	(204)	(443)
PROFIT FROM ONGOING OPERATIONS	585	(170)	374
Impairment of investments and loans	-	-	(134)
PROFIT/(LOSS) BEFORE TAXATION	585	(170)	(240)
Tax	-	-	(138)
PROFIT/(LOSS) FOR THE PERIOD	585	(170)	102

BALANCE SHEET

	As at 28 February 2019 GBP 000's	As at 28 February 2018 GBP 000's	As at 31 August 2018 GBP 000's
ASSETS			
Non-Current Assets			
Investments held at fair value through profit or loss	5,233	4,570	5,034
Investments in Associates	-	24	24
Loans and receivables	1,836	1,034	1,321
	7,069	5,628	6,379
Current Assets			
Trade and other receivables	152	88	416
Cash and cash equivalents	278	789	175
	430	877	591
TOTAL ASSETS	7,499	6,505	6,970
EQUITY AND LIABILITIES			
Equity			
Called up share capital	6,176	6,167	6,176
Share premium	1,099	1,099	1,099
Retained (loss)	144	(853)	(581)
Total Equity	7,419	6,413	6,694
Current Liabilities			
Trade and other payables	72	84	130
Provision for liabilities	8	8	1,146
TOTAL EQUITY AND LIABILITIES	7,499	6,505	6,970

The interim results have not been reviewed by the Company's auditors.

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

Capital for Colleagues

Capital for Colleagues is an investment company focused on the UK EOB sector. The Company 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 capitalise on EOB-focused investment opportunities.

Market Abuse Regulation (MAR) Disclosure

The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (EU) No. 596/2014. Upon the publication of this announcement via a Regulatory Information Service, this inside information is now considered to be in the public domain.