

9 June 2022

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

Unaudited Interim Results for the six months ended 28 February 2022

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 2022

Financial Highlights

- Revenues of £216,000 (2021: £198,000), comprising interest receivable, dividends received and fees
- Profit of £0.23 million for the six-month period (2021: profit of £1.29 million, after tax adjustments)
- Net assets of £12.65 million as at 28 February 2022 (28 February 2021: £9.43 million)
- NAV per share of 68.38 pence as at 28 February 2022 (28 February 2021: 61.05 pence per share)

Portfolio Highlights

- Exit/redemption of shares in 3 investees for combined cash proceeds of £840,000
- £220,000 of additional debt funding provided to 2 investee companies
- Certain investments revalued upwards by a total of £390,000, to reflect underlying performance and prospects
- Investment portfolio at the period end comprised 14 unquoted EOBs (28 February 2021: 15)

Chief Executive’s Statement

There was continued progress across the Company’s portfolio during the six months ended 28 February 2022 and this has enabled the Directors to increase the value attributable to a number of the Company’s investments.

Material developments in the six months

- Capital for Colleagues raised £1.95 million (before expenses) through a placing of 3,050,337 new ordinary shares at a price of 64p per share.
- The Company sold its investment in portfolio company, Office for Public Management Limited (‘OPML’), for cash consideration of £469,000. The Company invested £250,000 in OPML in 2016 and realised its investment to leave OPML as a 100% EOB.
- The Company’s holding of ‘A’ ordinary shares in portfolio company, TPS Investment Holdings Limited (‘TPS’), was redeemed for cash consideration of approximately £121,000. The Company retains an interest in the TPS ‘B’ ordinary shares, which were valued at £510,000 as at 31 August 2021.

- Portfolio company, Bright Ascension Limited ('BAL'), redeemed the Company's interest in BAL's 'A' ordinary shares for cash consideration of £250,000.
- The Company agreed to sell its interest in the 'A' ordinary shares of The Homebuilding Centre (Holdings) Limited ('HBC') for minimum consideration of £250,000 over a 5-year period. The Company retains a 15% interest in HBC's issued ordinary shares.
- Loans totaling £220,000 were made to two existing investees: Computer Application Services Limited and South Cerney Outdoor Limited, providing those companies with additional working capital.

Financial Results

In the six months ended 28 February 2022, the Company generated income of £216,000 (2021: £198,000), principally from interest and dividends receivable and fees associated with our investments. As at 28 February 2022, the Company had net assets of £12.65 million (2021: £9.43 million).

Outlook

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:

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PROFIT & LOSS ACCOUNT

| | Unaudited 6 months to 28 February 2022 £'000 | Unaudited 6 months to 28 February 2021 £'000 | Audited 12 months to 31 August 2021 £'000 |
|---------------------------------------|---|---|--|
| Revenue | 216 | 198 | 435 |
| Fair value gain on investments | 297 | 1,042 | 2,423 |
| | <hr/> 513 | <hr/> 1,240 | <hr/> 2,858 |
| Administrative expenses | (286) | (236) | (518) |
| PROFIT FROM ONGOING OPERATIONS | <hr/> 227 | <hr/> 1,004 | <hr/> 2,340 |

| | | | |
|-------------------------------|-----|-------|-------|
| Finance Income | - | - | 1 |
| PROFIT BEFORE TAXATION | 227 | 1,004 | 2,341 |
| Tax | - | 286 | 286 |
| PROFIT FOR THE PERIOD | 227 | 1,290 | 2,627 |

BALANCE SHEET

| | As at 28 February 2022 £'000 | As at 28 February 2021 £'000 | As at 31 August 2021 £'000 |
|---|---------------------------------------|---------------------------------------|-------------------------------------|
| ASSETS | | | |
| Non-Current Assets | | | |
| Property, plant & equipment | 4 | 7 | 6 |
| Investments held at fair value through profit or loss | 7,278 | 6,987 | 7,820 |
| Loans and receivables | 1,063 | 943 | 239 |
| | 8,345 | 7,937 | 8,065 |
| Current Assets | | | |
| Trade and other receivables | 172 | 545 | 892 |
| Cash and cash equivalents | 4,180 | 1,027 | 1,907 |
| | 4,352 | 1,572 | 2,799 |
| TOTAL ASSETS | 12,697 | 9,509 | 10,864 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Called up share capital | 7,397 | 6,176 | 6,176 |
| Share premium | 1,810 | 1,099 | 1,099 |
| Retained profits | 3,438 | 2,152 | 3,489 |
| Total Equity | 12,645 | 9,427 | 10,764 |
| Current Liabilities | | | |
| Trade and other payables | 52 | 82 | 100 |
| TOTAL EQUITY AND LIABILITIES | 12,697 | 9,509 | 10,864 |

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. In addition, the Company educates and assists companies

that are looking to launch employee ownership schemes, advising them, amongst other things, on how to secure investment and achieve their objectives.

Market Abuse Regulation (MAR) Disclosure

This announcement contains inside information for the purposes of Article 7 of the Market Abuse Regulation EU 596/2014 as it forms part of retained EU law (as defined in the European Union (Withdrawal) Act 2018).