

12 January 2024

CAPITAL FOR COLLEAGUES PLC
(‘Capital for Colleagues’, ‘C4C’ or the ‘Company’)

QUARTERLY INVESTMENT UPDATE

Capital for Colleagues, the investment vehicle focused on opportunities in the Employee Owned Business (‘EOB’) sector, announces an investment update in respect of the quarter ended 30 November 2023.

Key Statistics for the quarter:

- Portfolio comprised of 14 unquoted EOBs at the end of the quarter (31 August 2023: 14)
- Net Asset Value (‘NAV’) of £15,103,155 (31 August 2023: £15,162,569)
- NAV per share decreased, marginally, to 81.67 pence in the quarter (31 August 2023: 81.99 pence per share)

Key Developments in the quarter:

- The Company led a funding round of £1.5 million for Bright Ascension Limited (BAL) in October 2023. C4C invested a further £750,000 in this round, alongside Bill Ainscough, a non-executive Director of the Company, and TJ Morris Limited, a significant shareholder in C4C. The committed funds were initially provided to BAL as loans, which will in due course be reclassified as loan notes convertible into ordinary shares in BAL. The loan notes will be convertible within the next three years, at a value dependent on the achievement of key milestones by BAL.
- During the period, C4C has also made follow on loans of £300,000 to three investees to support their working capital requirements.

As at 30 November 2023, the Company had cash balances of £1,666,571. The Company has no debt.

Further information on the Company’s investment portfolio is set out below.

UNQUOTED INVESTMENTS

As at 30 November 2023, the Company’s portfolio of unquoted investments was valued at £13,697,319 and comprised 14 companies operating across a range of sectors, as set out below:

Industrials (value: £5,986,264; 43.70% of Portfolio)

Construction & Materials

Ecomerchant Natural Building Materials Limited
Carpenter Oak Group Limited
TPS Investment Holdings Limited

Support Services

Hire and Supplies Limited
Flow Control Company Limited
The Security Awareness Group Limited

Industrial Transportation

Place 2 Place Logistics Limited

Engineering

Morris Commercial Limited

Leisure & Travel (value: £540,521; 3.95% of Portfolio)

Recreational Services

The Real Outdoor Xperience Limited

Media (value: £510,267; 3.73% of Portfolio)

Exhibition Centres

The Homebuilding Centre (Holdings) Limited

Technology (value: £6,660,267; 48.62% of Portfolio)

Software & Computer Services

EO MSP Holdings Limited

Bright Ascension Limited

Computer Application Services Limited

Craft Prospect Limited

The loans and investments made by the Company to or in unquoted EOBs are aimed at delivering equity-like returns. Each loan or investment is tailored to the individual investee company's operating performance and specific working capital needs.

The Directors believe that the unquoted EOBs in the Company's portfolio currently generate total turnover of around £47.1 million (£46.2 million) per annum and support approximately 345 (335) jobs.

Total Unquoted Investments (including short-term loans) as at 30 November 2023

Cost: £9,770,261

Valuation (including capitalised costs): £13,697,319

BASIS OF VALUATION

Each of the unquoted investments is included at the Directors' assessment of fair value, in accordance with International Private Equity and Venture Capital Guidelines.

Account is taken of any potential taxation liability in respect of the increase in value of investments on a quarterly basis.

****ENDS****

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

CAPITAL FOR COLLEAGUES PLC

01985 201 980

Richard Bailey, Chairman
Alistair Currie, Chief Executive
John Lewis, Finance Director

PETERHOUSE CAPITAL LIMITED

020 7469 0930

Mark Anwyl

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).