

The information contained in this announcement is restricted and is not for publication, release or distribution in the United States of America, any member state of the European Economic Area, Canada, Australia, Japan or the Republic of South Africa.

27 August 2024

Literacy Capital plc ("Literacy Capital" or "BOOK" or the "Company")

Literacy Capital FY24 Interim Results

Strong first half; celebrates third year anniversary with NAV performance ranked #1 out of all UK-listed investment companies

Literacy Capital, the listed investment trust focused on helping to build great businesses to generate superior returns, is pleased to report its unaudited interim results for the six months ended 30 June 2024.

A PDF copy of the results can be viewed at: www.literacycapital.com/investors/reports-and-results

Performance highlights

- ♦ **NAV per ordinary share of 522.6p¹** (31 December 2023: 500.4p; 30 June 2023: 488.5p)
 - Net assets of **£313.6m¹**, an increase of **4.4%** in the six months to 30 June 2024
 - Over the same period, **BOOK's share price increased 9.9%** compared to a 5.8% increase for the FTSE Investment Company Index and a 7.4% increase for the FTSE All-Share
- ♦ **Cash inflows in the six-month period remained strong and consistent with recent periods, reflecting the active management of the portfolio**
 - **£25.0m of cash received in H1 2024**, which matched the record amount received in H2 2023, and exceeded the £21.3m received in H1 2023
 - This was achieved without selling any portfolio companies, with the majority of cash proceeds received following the refinancing of a portfolio company announced in April
- ♦ **Literacy continued deploying capital into new opportunities and the existing portfolio, remaining focused on investments into smaller, profitable businesses based in the UK**
 - **A new investment completed in March 2024**, with BOOK taking a significant minority stake in Live Business Group, a founder-led business providing entertainment solutions to travel operators
 - On top of this new investment, Literacy has continued to deploy capital into existing portfolio companies, whilst supporting and strengthening the management teams of these businesses
- ♦ **In June 2024 Literacy celebrated its third anniversary since the fund's listing. During this three-year period, BOOK's NAV performance ranked the fund #1 out of all UK-listed investment companies**
 - The fund delivered uplifts to NAV of more than **47% per annum compound** in the three years to June 2024, a pleasing level of performance over the medium term
 - The focus remains on the same type and size of investments that have been successful for Literacy since its inception, despite the increased scale of the fund
- ♦ **Increasing charitable donations, helping disadvantaged children across the UK learn to read**
 - **£1,429k of charitable donations** provided for in H1 2024, up 7% on the same period in 2023, as a result of the fund's growth in NAV
 - Total donations now **amount to £10.0m** since inception of Literacy Capital

Performance to 30 June 2024

% total return	6 months	1 year	3 years	Since Admission ²	Since Inception ³
BOOK net asset value	+4.4%	+7.0%	+185.5%	+225.4%	+480.7%

BOOK share price	+9.9%	+12.7%	n/a	+229.7%	n/a
FTSE Investment Company Index	+5.8%	+14.1%	(2.2)%	(2.1)%	+45.1%
FTSE All-Share Index	+7.4%	+13.0%	+23.9%	+22.3%	+35.1%

Comparison to prior periods

	At 30 June 2024	At 30 June 2023
Net asset value	£313.6m ¹	£293.1m ¹
NAV per ordinary share	522.6p ¹	488.5p ¹
	Six months to 30 June 2024	Six months to 30 June 2023
Capital invested	£17.8m	£19.4m
Cash realised	£25.0m	£21.3m
Charitable donation provision	£1,429k	£1,334k

¹ The NAV and NAV per share figures include the impact of the warrants in issue. The calculation is shown on page 33 of the interim accounts

² BOOK was admitted to the London Stock Exchange on 25 June 2021

³ Inception date treated as 30 April 2018. £54 million of capital raised

Richard Pindar, CEO of the Investment Manager and Director of Literacy Capital plc, commented:

"We are pleased that BOOK has continued to grow NAV in H1, increasing 4.4% in the six months, whilst also continuing to generate positive returns for shareholders, with the share price rising 9.9%. Whilst slower growth than BOOK's performance in previous periods, this is against a backdrop of domestic macroeconomic conditions that have been noticeably weaker for UK businesses.

We do not expect macroconditions to improve immediately for all businesses and nor do we expect progress within portfolio companies to be linear, but there are signs that trading conditions generally are improving. This should bode well for the portfolio as a whole over the medium term.

In June 2024, Literacy Capital celebrated its third anniversary since its listing. Over this period the fund was ranked #1, with its NAV performance being comfortably ahead of all other UK-listed investment companies. Whilst a relatively short period of time, we are satisfied by this early performance and feel it further underpins our strategy of focusing on smaller businesses that are poorly served or ignored by traditional private equity funds, as well as the benefits that our fund structure can deliver to portfolio companies and BOOK's shareholders. We believe it is worth continuing to emphasise these points, as they are still not widely understood by the market.

Two significant exits were achieved in 2023, realising substantial cash and NAV uplifts for the fund, and strong cash inflows have continued in H1 2024. The expectation is that this will continue in H2 2024 and 2025 but the outcome of these transactions is binary, given the nature of selling private businesses. As a result of Literacy's fund structure and lack of financial incentives to crystallise gains compared to traditional private equity, we are able and willing to be patient to get the best outcome for BOOK's shareholders.

Whilst uncertainty within the UK economy remains, we are appraising a healthy number of new investment opportunities where Literacy has the opportunity to deploy capital on sensible terms in interesting businesses with driven founders and where we can add significant value to these companies."

-ENDS-

For further information, please contact:

Literacy Capital plc / Book Asset Management LLP

Tom Vernon / Richard Pindar

+44 (0) 20 3960 0280

MHP Group

Reg Hoare / Ollie Hoare / Matthew Taylor

book@mhpgroup.com

+ 44 (0) 7827 662831

Singer Capital Markets Securities Limited

Robert Peel

+44 (0) 20 7496 3000

About Literacy Capital plc

Literacy Capital (BOOK.L) is a closed-end investment company that was co-founded by Paul Pindar and Richard Pindar in 2017 with £54m of capital. Literacy listed on the London Stock Exchange's Main Market in June 2021, before gaining Investment Trust status on 1 April 2022. The Company focuses on opportunities to invest for the long-term in growing private businesses where a clear route to creating additional value can be seen with its support.

It also has a unique charitable objective, to donate 0.9% of annual NAV to charities focused on improving UK literacy in children. £10.0 million has been donated or reserved for donation to charities since the trust's creation in 2017. For more information, please visit our website: www.literacycapital.com.

A copy of this announcement will be available on the Company's website at www.literacycapital.com.

The information contained in this announcement regarding the Company's investments has been provided by the relevant underlying portfolio company and has not been independently verified by the Company. The information contained herein is unaudited.

This announcement is for information purposes only and is not an offer to invest. All investments are subject to risk. Past performance is no guarantee of future returns. Prospective investors are advised to seek expert legal, financial, tax and other professional advice before making any investment decision. The value of investments may fluctuate. Results achieved in the past are no guarantee of future results. Neither the content of the Company's website, nor the content on any website accessible from hyperlinks on its website for any other website, is incorporated into, or forms part of, this announcement nor, unless previously published by means of a recognised information service, should any such content be relied upon in reaching a decision as to whether or not to acquire, continue to hold, or dispose of, securities in the Company.

This announcement may include "forward-looking statements". All statements other than statements of historical facts included in this announcement, including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to the Company's products and services) are forward-looking statements. Forward-looking statements are subject to risks and uncertainties and accordingly the Company's actual future financial results and operational performance may differ materially from the results and performance expressed in, or implied by, the statements. These factors include but are not limited to those described in the formal Prospectus. These forward-looking statements speak only as at the date of this announcement. The Company expressly disclaims any obligation or undertaking to update or revise any forward-looking statements contained herein to reflect actual results or any change in the assumptions, conditions or circumstances on which any such statements are based unless required to do so by the Financial Services and Markets Act 2000, the Listing Rules or Prospectus Regulation Rules made under Part VI of the Financial Services and Markets Act 2000 of the Financial Conduct Authority or other applicable laws, regulations or rules.

LEI: 2549006P3DFN5HLFGR54

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact rns@seg.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

DOCQKNBBABKDAFB