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7 January 2026

Literacy Capital plc ("Literacy Capital", "BOOK" or the "Fund")

Portfolio Realisation

***Literacy Capital completes transaction to exit Wifinity,
generating a total expected return of 5.2x MoM***

Transaction highlights

- **Total return of 5.2x MoM expected, in line with previous carrying value, and an IRR of 22.3%**
- **£15.0m of cash due to be received at completion, with a further £0.4m expected during 2026**
- **Sale of BOOK's oldest and eighth largest holding (5.0% of Q3'25 NAV)**
- **Cash proceeds will be used to repay the RCF, with further cash inflows expected in 2026**

Literacy Capital is pleased to announce the sale of its portfolio company, Wifinity, to Arcus Infrastructure Partners, a European-focused infrastructure fund. Wifinity is a UK-based internet managed service provider delivering connectivity to organisations and consumers.

Wifinity was one of Literacy Capital's earliest investments, with the Fund originally acquiring a stake in December 2017. In September 2021, the business was sold to a private equity investor, Lloyds Development Capital ("LDC"), with BOOK reinvesting its proceeds alongside LDC. The eight-year hold period demonstrates the Fund's long-term, patient approach to value creation. Since BOOK's investment, Wifinity's sales organisation was significantly strengthened alongside material enhancements to both finance and operations. As a result, the business delivered strong organic growth through market expansion and the securing of numerous new long-term contracts. Complementary bolt-on acquisitions further accelerated this growth, and consequently EBITDA increased five-fold during BOOK's period of investment.

As at 30 September 2025 (the date of BOOK's most recently published NAV), Wifinity was one of the Fund's ten largest holdings, equating to 5.0% of NAV at the end of Q3. This transaction sees the Fund sell its entire stake in line with the previously reported carrying value.

Under the terms of the transaction, £15.0m will be received in cash at completion, with a further £0.4m expected around the end of 2026 subject to a specific milestone. The total return for BOOK shareholders from this investment, including cash distributions previously received and the contingent consideration (expected to be received within 12 months) is 5.2x MoM (IRR of 22.3%).

Signing and exchange have taken place, with regulatory clearance and completion expected during Q1 2026.

The cash received by BOOK following completion will be used to repay amounts drawn under its Revolving Credit Facility.

Richard Pindar, CEO of BOOK's Investment Manager, commented:

"The sale of Wifinity marks a significant milestone, both for Wifinity and Literacy Capital, with the business having been a longstanding and successful holding for the Fund.

We are grateful to the CEO, Costas Demetriou, for his excellent leadership and development of the business since joining following our original investment in December 2017, and for his role in helping to achieve this successful outcome and exit.

This transaction represents another notable realisation event for BOOK. Again, the counterparty or buyer is a substantial institutional investor, demonstrating the marked enhancement of Wifinity's attractiveness to larger investors since Literacy Capital's original investment eight years ago.

As has been widely discussed, M&A conditions were difficult during 2025, resulting in many transactions

being delayed or cancelled. Despite this, we are pleased to be able to announce this sale and hope to announce further successful realisation events soon.

Our priority remains generating cash proceeds from longer held, more mature assets to focus capital and management bandwidth on less mature holdings that have significant potential."

Notes

This announcement does not constitute or describe an updated NAV for the Company. Shareholders should take note that the calculation of the NAV per share as at 31 December 2025 will take account of the latest valuations of all the Company's investments as at this date.

Enquiries

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About Literacy Capital:

Literacy Capital (BOOK.L) is an investment trust that was co-founded by Paul Pindar and Richard Pindar in 2017 with £54 million of capital. Literacy subsequently listed on the London Stock Exchange in June 2021. The Fund 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. The fund structure is evergreen, allowing it to be more flexible and to accommodate the wishes or needs of founders.

It also has a unique charitable objective, to donate 0.5% of annual NAV to charities focused on improving UK literacy in children. £12.4 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.

Website:
www.literacycapital.com

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

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