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This announcement contains inside information.

28 January 2026

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

**Portfolio update following FY25 year-end**

***Significant cash inflows recently announced and a modestly positive NAV return expected for FY25***

Literacy Capital plc, a listed investment trust primarily focused on investing directly into private businesses based in the UK, today provides shareholders with an update on recent activity.

The Company expects to publish its Q4 net asset value ("NAV") and quarterly factsheet for the three-month period ending 31 December 2025 before the end of February 2026, and its audited results for the year ended 31 December 2025 in late March 2026.

**Recent Highlights:**

- Three significant exits announced in the past six months, including two earlier in January 2026. These transactions involved Velociti (14.8x MoM; 70% IRR), Wifinity (5.2x MoM; 22% IRR) and Tyrefix (2.5x MoM; 25% IRR). Each sale generated strong returns and significant cash proceeds. Importantly, in aggregate £81.2m of value was realised, at a 39% premium to the combined reported carrying value of £58.6m.
- Cash inflows in Q1'26 will exceed all other quarters in BOOK's history, enabling the Company to fully repay its revolving credit facility. As a result, BOOK has moved into a net cash position, materially strengthening the balance sheet and reducing financing costs.
- The total NAV return in FY25 is expected to be modestly positive. A decline is expected in the Q4 NAV, primarily due to softer trading in the quarter at RCI and Grayce, resulting in their carrying values being reduced. Positive contributions are expected from Red Sky Food Group, Tyrefix, Bright Ventures and Trinitatum.
- In November 2025, Red Sky Food Group completed the significant acquisition of Delenco Foods, meaning the group now has two manufacturing sites and revenue of approximately £35m. Bolt-on M&A activity is expected to remain a priority for several Literacy portfolio companies in 2026 to build further scale and value.
- Literacy completed its first capital distribution to shareholders in November 2025, returning approximately £6m via the Company's B Share scheme. BOOK does not currently expect to make a further return of capital until additional exits complete.
- BOOK announced the appointment of Deutsche Numis as the Company's sole broker and financial adviser with immediate effect on 17 November 2025. Since then, the bid-offer spread has materially reduced, with trading volumes and the share price having improved. Further marketing initiatives are planned during 2026 to increase shareholder interest and reduce the discount further.

**Comment from Richard Pindar, CEO of BOOK's investment manager:**

*"We are pleased to have announced the recent, successful disposals, having been a strategic focus for the team during 2025. These transactions generated a healthy premium to their previously reported carrying values, despite M&A activity more broadly remaining subdued. The absolute returns and premiums delivered upon these realisation events demonstrate the value that can be generated by BOOK's methods and the prudent approach to valuing these businesses.*

*Economic growth and business activity in the UK remained fragile and unpredictable in 2025, which had an impact on*

Economic growth and business activity in the UK remained fragile and unpredictable in 2020, which had an impact on the organic revenue growth and the performance that the overall portfolio could deliver. Despite this backdrop, we expect to report a modestly positive NAV return in 2025.

The discount to NAV has reduced slightly in recent months. Whilst the positive news flow in relation to the two transactions announced in January is helpful, the bid offer spread has more than halved since the change of broker in November, which also helps to improve the attractiveness of BOOK's shares. We will continue our efforts to reduce this discount, which we consider excessively wide, given BOOK's track record and prospects.

We look forward to publishing the Q4 factsheet in approximately a month and year end results in late March."

#### **Master Investor Show**

Paul Pindar (Chair) and Richard Pindar (CEO) of Literacy's Investment Manager will be presenting at the **Master Investor Show** at the Business Design Centre on **25 April 2026**.

More information on this event can be found here: <https://www.masterinvestorshow.com/>

#### **Investor Meet Company presentation**

Paul Pindar (Chair) and Richard Pindar (CEO) of Literacy's Investment Manager will provide a live presentation and update on **27 April 2026 at 14:00 BST**. This will follow the publication of BOOK's Q1 2026 factsheet.

The presentation is open to all existing and potential shareholders. Questions can be submitted pre-event via your Investor Meet Company dashboard up until 26 Apr 2026 09:00 BST, or at any time during the live presentation. Investors can sign up for free at the following link: <https://www.investormeetcompany.com/literacy-capital-plc/register-investor>.

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#### **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 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 0.5% of annual NAV to charities focused on improving UK literacy in children. £12.4m 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](http://www.literacycapital.com).

A copy of this announcement will be available on the Company's website at [www.literacycapital.com](http://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.

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