THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Circular or about what action to take, you are recommended immediately to seek your own professional advice from your stockbroker, solicitor, accountant or other appropriately qualified independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended) if you are taking advice in the United Kingdom or, if you are taking advice in another jurisdiction, from another appropriately authorised independent financial adviser. All Shareholders are advised to consult their professional advisers regarding their own tax position.

If you have sold or otherwise transferred all of your Shares in Literacy Capital Plc you should pass this Circular as soon as possible to the purchaser or transferee or to the person through whom the sale or transfer was effected for transmission to the purchaser or transferee. This Circular and all accompanying documents should not, however, be forwarded or transmitted in or into the United States, Canada, Australia or Japan or into any other jurisdiction if to do so would constitute a violation of the relevant laws and regulations in such other jurisdiction.

International financial sanctions regimes, including those related to the ongoing war in Ukraine, may constrain the ability of Shareholders subject to such sanctions to exercise the rights attaching to their Ordinary Shares, including rights to vote, and to have those votes recognised by the Company. The Company's obligation to take into account the votes of its Shareholders will at all times remain subject to compliance with all applicable law and regulation.

This Circular should be read as a whole and in conjunction with the accompanying documents. Your attention is drawn to the Chair's letter which is set out in Part 1 of this Circular. The letter contains a recommendation that you vote in favour of the Resolutions to be proposed at the Annual General Meeting.

LITERACY CAPITAL PLC

(incorporated and registered in England and Wales with registered number 10976145, an investment company within the meaning of Section 833 of the Companies Act 2006)

Notice of

Annual General Meeting

Notice of the Annual General Meeting of the Company to be held at 3rd Floor, Charles House, 5-11 Regent Street, St James's, London, United Kingdom, SW1Y 4LR at 10.00 a.m. on 15 May 2025 is set out at the end of the Circular. Your attention is drawn to the section headed "Action to be taken" on page 10 of the Circular.

Shareholders casting proxy votes online must do so through the Investor Centre app or web browser at https://uk.investorcentre.mpms.mufg.com/ and submitting their instructions by no later than 10.00 a.m. on 13 May 2025. Likewise, shareholders appointing a proxy via the CREST system or an institutional investor appointing a proxy electronically via the Proxymity platform must ensure their instructions are received by 10.00 a.m. on 13 May 2025.

If you require hard copies of the Forms of Proxy, these may be obtained by contacting MUFG Corporate Markets by email at shareholderenquiries@cm.mpms.mufg.com or by telephone on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. They are open between 9.00 am – 5.30 pm, Monday to Friday excluding public holidays in England and Wales. To be valid, any hard copy Forms of Proxy should be completed and returned to the Company's Registrars, MUFG Corporate Markets, PXS1, Central Square, 29 Wellington Street Leeds, LS1 4DL as soon as possible and, in any event, so as to arrive not later than 10.00 a.m. on 13 May 2025. Completion of a Form of Proxy will not preclude you from attending and voting at the meeting in person if you wish.

The definitions used in this Circular are set out on pages 4 to 5 of this Circular.

CONTENTS

	Page
Expected Timetable of Events	3
Definitions	4
Part 1 – Letter from the Chair	6
Notice of Annual General Meeting	12

Expected Timetable of Events

Latest time for receipt of online Proxy Votes or Forms of Proxy	10.00 a.m. on 13 May 2025
Annual General Meeting	10.00 a.m. on 15 May 2025

The above times and/or dates are indicative only and may change. If any of the above times and/or dates change, the revised times and/or dates will be notified to Shareholders through an RIS Announcement and, if required, the publication of a supplementary circular.

All references to times in this Circular are to London times unless otherwise stated.

Definitions

In this Circular, unless the context otherwise requires, the following expressions bear the following meanings:

Act	the Companies Act 2006
AIC	Association of Investment Companies
AIC Code	the AIC code of corporate governance that sets out a framework of best practice in respect of the governance of investment companies
Annual General Meeting	the annual general meeting of the Company to be held at 3rd Floor, Charles House, 5-11 Regent Street, St James's, London, United Kingdom, SW1Y 4LR at 10.00 a.m. on 15 May 2025 (or any adjournment of that meeting)
Articles	the articles of association of the Company as adopted on 15 May 2024
Auditors	Mazars LLP or such other persons from time to time appointed by the Company as its auditors
B Share Return of Capital	each return of capital pursuant to the allotment and redemption of B Shares to be made at such time or times as determined by the Board, at its absolute discretion, and "B Share Returns of Capital" shall be read accordingly
B Share Scheme	the proposed mechanism to enable returns of capital through the issue and redemption of B Shares
B Share Scheme Resolutions	Resolutions 1 and 2
B Shares	unlisted redeemable fixed rate preference shares of £1 each in the capital of the Company carrying the rights and restrictions set out in Part 3 of the circular published by the Company dated 8 April 2024
Board	the board of directors of the Company (or any duly authorised committee thereof) from time to time
Business Day	any day (excluding Saturdays, Sundays and public holidays) on which banks are open for normal banking business in the City of London
CGT	UK taxation of capital gains and corporation tax on chargeable gains
Circular	this document dated 11 April 2025
Company	Literacy Capital Plc
Company's Website	www.literacycapital.com
CREST	the relevant system (as defined in the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755)) for the paperless settlement of transfers and the holding of shares in uncertificated form which is administered by Euroclear
Directors	the directors of the Company, from time to time being, as at the date of this Circular, the persons whose names are set out on page 6 of this Circular
Euroclear	Euroclear UK & International Limited, the operator of CREST
Form of Proxy	the form of proxy for use by Shareholders in connection with the Annual General Meeting
HMRC	HM Revenue & Customs
London Stock Exchange	London Stock Exchange plc
London Stock Exchange Trading System	the trading system used by the London Stock Exchange from time to time

NAV	net asset value in pence per Ordinary Share
Notice of Annual General Meeting	the notice convening the Annual General Meeting set out on pages 12 to 17 of this Circular
Registrar	MUFG Corporate Markets, Central Square, 29 Wellington Street Leeds, LS1 4DL
Report and Accounts	the reports of the Directors and the Auditors and the audited accounts for the year ended 31 December 2024
Resolution	a resolution to be put to the Annual General Meeting as detailed on pages 6 to 10 of this Circular and in the Notice of General Meeting and, where a Resolution number is provided, the Resolution thereby indicated
RIS Announcement	an announcement to a regulatory information service that is approved by the FCA as meeting the primary information provider criteria and that is on the list of regulatory information service providers maintained by the FCA
Shareholders	holders of Ordinary Shares
Shares or **Ordinary Shares**	ordinary shares of £0.001 each in the capital of the Company designated as Ordinary Shares

Part 1 – Letter from the Chair

LITERACY CAPITAL PLC

(incorporated and registered in England and Wales with registered number 10976145, an investment company within the meaning of Section 833 of the Companies Act 2006)

Directors	*Registered office:*
Paul Pindar** *(Chair)*	3rd Floor, Charles House,
Richard Pindar**	5-11, Regents Street,
Simon Downing*	St James's
Rachel Murphy*	London
Christopher Sellers*	SW1Y 4LR

* *Independent, non-executive director*

** Non-executive director

11 April 2025

Dear Shareholder,

Notice convening the Annual General Meeting

I am pleased to be writing to you with details of our Annual General Meeting, which will be held at the Company's registered office at 3rd Floor, Charles House, 5-11 Regent Street, St James's, London, United Kingdom, SW1Y 4LR at 10.00 am on 15 May 2025.

Shareholders may attend the Annual General Meeting, in person or by proxy, or if a corporation, by a duly appointed representative.

Voting on the resolutions to be proposed at the Annual General Meeting will be conducted on a poll, rather than a show of hands. This means that Shareholders will have one vote for each Ordinary Share held.

Formal Business of the Annual General Meeting

Set out on pages 12 to 17 of this Circular is the Notice of Annual General Meeting which contains the full text of the Resolutions.

In respect of the Annual General Meeting, Resolutions 1 to 13 (inclusive) are proposed as ordinary resolutions. Resolutions 14 to 16 (inclusive) are proposed as special resolutions. In order for an ordinary resolution to be passed, more than half of the votes cast must be in favour of the resolution. In order for a special resolution to be passed, at least three quarters of the votes cast must be in favour of the resolution.

In order for a quorum to be present at the Annual General Meeting, it is necessary for there to be present in person, by corporate representative or by proxy, two or more Shareholders. If, within half an hour after the time appointed for the Annual General Meeting, a quorum is not present, then the Annual General Meeting will stand adjourned until 10.00 a.m. on 22 May 2025. At any adjourned meeting, those Shareholders present in person, by corporate representative or by proxy and entitled to vote will constitute a quorum. Forms of proxy will also be valid at any adjourned meeting. An explanation of each of the resolutions is set out below:

Resolutions 1 and 2 – B Share Scheme authorities

Resolution 1 authorises the Directors to capitalise from time to time sums standing to the credit of certain of the Company's reserves and to apply such sums in paying up in full up to 54,225,825 B Shares. If approved, this authority to utilise the Company's reserves to pay up B Shares will expire and, if the Directors consider appropriate, be proposed for renewal, at the next annual general meeting of the Company in 2026 and at each annual general meeting thereafter.

Resolution 2 (which is conditional on Resolution 1 being approved) authorises the Directors to issue B Shares from time to time up to an aggregate nominal amount of £54,225,825 on a *pro rata* basis to the holders of Ordinary Shares by way of bonus issues. If approved, this authority to allot and issue B Shares will expire and, if the Directors consider appropriate, be proposed for renewal, at the next annual general meeting of the Company in 2026 and at each annual general meeting thereafter.

If passed, Resolutions 1 and 2 will allow the Company to return capital to Shareholders through bonus issues of B Shares. Shortly after their date of issue, the B Shares would be redeemed at the option of the Company and cancelled in accordance with their terms. The redemption proceeds would then be sent to Shareholders, as set out more fully in Part 1 and Part 3 of the Company circular dated 8 April 2024, which contained details on the Company's B Share scheme. Subject to Resolutions 1 and 2 being passed, each B Share Return of Capital would be implemented at the discretion of the Company.

Resolution 3 – To receive and adopt the Report and Accounts

Resolution to receive the Report and Accounts, together with the relevant strategic report, Directors' report, and auditor's report.

The Directors are required to present the Report and Accounts for the year ended 31 December 2024, together with the strategic report, Directors' report, and auditor's report on those accounts, to the meeting at the Annual General Meeting. These are contained in the Report and Accounts.

Resolution 4 – Directors' remuneration report

Advisory resolution to approve the Directors' remuneration report contained in the Report and Accounts.

The Directors' remuneration report is set out on pages 36 to 37 of the Report and Accounts. The Company's independent non-executive Directors receive an annual fee appropriate for their responsibilities and time commitment but receive no other incentive programmes or performance-related emoluments. The Board does not intend to make any such pension contributions going forward. As Paul Pindar and Richard Pindar are both non-executive Directors of the Company, and members of the Investment Manager, it has been agreed that neither will receive any remuneration from the Company.

Resolutions 5, 6, 7, 8 and 9 – Re-election of Directors

In accordance with the provisions of the AIC Code and the Company's Articles, all of the Directors are subject to annual re-election by Shareholders. Therefore, Paul Pindar, Richard Pindar, Simon Downing, Rachel Murphy and Christopher Sellers will seek re-election.

The Board believes that the Directors provide the Board with an appropriate balance of skills, experience, knowledge and diversity and that it is in the best interests of Shareholders that the Directors be re-elected. As explained in the corporate governance statement in the Report and Accounts, however, given the experience of the Directors as a collective and the minimal complexity of the Company's business, size and recent listing, the Board has not carried out an internal or external evaluation of the performance of the Directors seeking re-election. Each Director (other than Paul Pindar and Richard Pindar) continues to be independent in accordance with the principles for independence set out in the AIC Code.

Full biographies of all the Directors are set out on pages 28 to 29 of the Report and Accounts. They are also available on the Company's website, www.literacycapital.com. A biography and a summary of each Director's contribution can be seen below:

Paul Pindar

Non-executive Chair of Literacy Capital plc and Chair of Book Asset Management LLP, Paul formerly served as CEO of Capita, which he co-founded in 1987 and grew from 33 people to 62,000 by his retirement in February 2014. Then, it had an enterprise value of £8.5 billion and was the 52nd most valuable listed UK company. Since retiring from Capita, Paul has served as Chair of five VC and PE-backed businesses. Paul is a member of the Company's Audit Committee. As Chair of the Investment Manager, Book Asset Management LLP, Paul's role is focused on the Company and assisting its portfolio companies maximise their potential, whilst also assessing new investment opportunities. Paul is not deemed to be an independent director.

Richard Pindar

Non-executive Director of Literacy Capital plc and CEO of Book Asset Management LLP, Richard is ACA qualified with the ICAEW and has a background in investing, private equity and acting as a consultant to private equity owned businesses. He previously worked at Lonsdale Capital Partners,

a lower midmarket private equity firm, and started his career in Transaction Services and M&A Corporate Finance at KPMG. Richard is a member of the Company's Audit Committee. As CEO of the Investment Manager, Book Asset Management LLP, Richard's role is focused on the Company and assisting its portfolio companies maximise their potential, whilst also assessing new investment opportunities. Richard is not deemed to be an independent director.

Simon Downing

Independent Non-Executive Director of Literacy Capital plc, Simon was the founder of Civica in 2000. He grew the business to become one of the UK's largest software companies, with revenues of £500 million, 5000 people and operations across 10 countries. Simon led the business through IPO and multiple private equity transactions, with the business valued at $2.5 billion at the time of his departure in 2024. Since 2012 Simon has been Chair of five private equity backed businesses. He is currently Chair of Audiotonix Group, one of the world's largest music technology businesses. He has been Chair of the business through three private equity ownership cycles, the most recent of which valued the business at £2.5 billion. In addition to his board roles, Simon is an active investor in the technology sector and acts as senior UK advisor to Ardian Europe, a large private investment fund with $176 billion of assets under management. He is also a past winner of the EY Technology Entrepreneur of the Year award. Simon is the Chair of Literacy Capital plc's Management Engagement Committee and a member of the Audit Committee.

Rachel Murphy

Independent Non-Executive Director of Literacy Capital plc, Rachel is an independent consultant and coach. She has worked with a wide range of organisations since setting up her own business in 2006. She provides business consultancy and corporate finance advice as well as business coaching to board directors and senior managers. Her clients range from private-equity backed business through to large quoted multinationals. She has worked in a variety of sectors including media, IT, financial services, retail, as well as oil and gas. Prior to setting up her own business she spent seven years as a member of the private equity team at Alchemy Partners where she was responsible for deal sourcing, deal execution and portfolio management. Areas of expertise included both special situations (such as turnarounds and public-to-private transactions) and buy-and-build investments. She had a lead role in several investments, including: Industrial Control, Centric Telecom, Just Learning and Right4Staff. She joined the Board of all four of these Alchemy portfolio companies. Prior to joining Alchemy, Rachel spent eight years at Shell, followed by Diageo. Currently, Rachel is a Trustee of Missing People and was previously on the Board of Trustees of Riverside Studios. Rachel is the Chair of Literacy Capital plc's Audit Committee and is a member of the Management Engagement Committee.

Christopher Sellers

Independent Non-Executive Director of Literacy Capital plc, Chris is currently Chair and CEO of RCI Group which is a Literacy Capital plc portfolio company. He formerly spent 12 years at Capita plc, which included being a member of the Group Board as Head of Business Development as well as six years as Executive Sales Director. In his role as Executive Sales Director, Chris secured a number of large contracts with public sector bodies ranging from £50 million to £1.7 billion in value. Prior to this, Chris set up Capita's Health division in 2008, growing revenue to £160 million within two years. Prior to joining Capita, Chris spent 14 years as a consultant, BD Director and Managing Director for various companies, having originally trained as an engineer with Shell. Chris is a member of Literacy Capital plc's Management Engagement Committee and Audit Committee.

Resolutions 10 and 11 – Re-appointment and remuneration of auditor

The Act requires a company to appoint an auditor for each financial year. Accordingly, Resolution 10 at the Annual General Meeting proposes the re-appointment of Mazars LLP as Auditors of the Company until the conclusion of the Company's annual general meeting in 2026. It is normal practice for a company's directors to be authorised to agree how much the Auditors should be paid. Accordingly, Resolution 11 at the Annual General Meeting grants this authority to the Directors.

Resolution 12 – Dividend policy

A resolution to approve the Company's existing dividend policy. This is an advisory rather than a binding vote. The Company's dividend policy is to achieve Shareholder returns through capital growth rather than income, subject to the Directors' discretion to pay dividends as an investment trust. The Company is not permitted to retain more than 15 per cent. of its income in any accounting period. Accordingly, to the extent required to maintain compliance with the investment trust rules, the Board's intention is to distribute any income in excess of this threshold by way of interim dividend without the need for prior approval of the Company's Shareholders, in accordance with the Company's Articles. Shareholders should note that the dividend policy is not a profit forecast and if dividends are declared by the Board, they will only be paid to the extent permitted in accordance with the Companies Act.

Resolution 13 – Authority to allot Ordinary Shares and Resolution 14 – Authority to disapply pre-emption rights in relation to Ordinary Shares

Resolution 13 is intended to renew the Company's existing authority to allot Ordinary Shares on a non-pre-emptive basis. Accordingly, Resolution 13 at the Annual General Meeting authorises the Board to allot Ordinary Shares generally and unconditionally in accordance with section 551 of the Companies Act up to an aggregate nominal value of £12,035, representing 20 per cent. of the issued Ordinary Share capital as at 10 April 2025, being the latest practicable date before the publication of this Circular. Under the Companies Act, the Company is restricted from issuing shares on a non-pre-emptive basis unless permitted pursuant to a special resolution of the Company of the sort proposed in Resolution 14 at the Annual General Meeting. Under Resolution 14, the Directors may only issue shares on a non-pre-emptive basis at a gross price which is at least equal to the latest published net asset value per existing Ordinary Share at the time of their issue. Taken together, these factors mean that the Directors must issue shares in a manner which enables investors to avoid dilution to the then prevailing net asset value attributable to their shares. These authorities will expire (unless previously renewed, varied or revoked) on the conclusion of the 2026 annual general meeting of the Company (or, if earlier, at the close of business on 14 August 2026). The Directors have no current intention to utilise the authorities granted under Resolutions 13 and 14. If granted, the authorities to allot Ordinary Shares on a non-pre-emptive basis pursuant to Resolutions 13 and 14 at the Annual General Meeting will be in addition to the authority previously granted to the Directors to allot, grant rights to subscribe for, or otherwise convert securities into Ordinary Shares with an aggregate nominal of £3,000 (or, if less, 5 per cent. of the aggregate value of the Company's issued share capital) which was granted in connection with the issue of warrants to certain members and/or employees of the Investment Manager at the time of the Company's IPO. As at the date of this Circular, no shares are held by the Company in treasury.

AGM Resolution 15 – Market purchase of own Ordinary Shares

Resolution 15 at the Annual General Meeting is a special resolution that will grant the Company authority to make market purchases of up to 9,020,232 of its own Ordinary Shares, representing 14.99 per cent. of the Ordinary Shares in issue as at 10 April 2025 (being the latest practicable date prior to publication of the Notice of AGM). Any Ordinary Shares bought back will either be cancelled or placed into treasury at the determination of the Directors. The maximum price which may be paid per Ordinary Share is the higher of: (i) 5 per cent. above the average of the middle market value of an Ordinary Share of the Company for the five Business Days immediately preceding the day of purchase; and (ii) the higher of the price of the last independent trade of an Ordinary Share and the highest current independent purchase bid for an Ordinary Share. The minimum price which may be paid for each Ordinary Share is £0.001.

The Directors do not currently have any intention of exercising the authority granted by this resolution. The Directors may exercise the authority granted under this resolution if they consider it to be likely to promote the success of the Company for the benefit of its members as a whole, which may include addressing any significant imbalance between the supply and demand for the Company's Ordinary Shares and to manage a discount to net asset value at which the Ordinary Shares trade. Purchases would be made in accordance with the provisions of the Companies Act.

The Board is aware that certain shareholder voting advisory services oppose resolutions granting a general authority to undertake share buybacks, however, as explained in the AIC's July 2020

note titled 'Controlling discounts and increasing shareholder value,' the use of share buybacks by closed-ended investment companies differs from the use of such buybacks by trading companies.

As stated above, purchases will only be made in circumstances where doing so would be accretive to existing shareholders. The Board recognises their duty under the AIC Code to monitor the Company's share price and to take action to address discounts to NAV. The Company's shares consistently traded at a premium for most of the first 18 months following admission to the London Stock Exchange in June 2021. We are aware that whilst the Company's investment performance and NAV growth has been strong over the medium term, its share price since late 2022 has not kept pace. While the Company's share price has strongly outperformed the market since listing in June 2021 and its discount is currently narrower than many of its peers, the Board is monitoring the situation closely and will take action to buy back shares, if it feels this is in Shareholders' best interests. To-date, the Board has not exercised the general authority for the Company to purchase its own shares.

The Board adopts a conservative approach to discount management and will only undertake purchases after careful consideration and in consultation with advisers to ensure that doing so would benefit long-term shareholders. The Board will also have regard to the Company's investment trust status when making any repurchase. The Board believes that share buybacks are an appropriate mechanism to control discount volatility, and that investment company shareholders understand and support the use of buybacks by investment company boards as such has been shown to help deliver shareholder value. Accordingly, the Board recommends that Shareholders vote in favour of Resolution 15. This authority shall expire (unless previously reviewed, varied or reworked) on the conclusion of the 2026 annual general meeting of the Company (or, if earlier, at the close of business on 14 August 2026) when a resolution to renew the authority will be proposed.

For the avoidance of doubt, the authority sought pursuant to this Resolution will enable the Company to return capital to Shareholders in addition to any B Share Returns of Capital made pursuant to the B Share Scheme.

Resolution 16 – Notice Period for General Meetings

A resolution to approve the calling of general meetings of the Company (other than an annual general meeting) on 14 clear days' notice. The notice period required by the Companies Act for general meetings of the Company is 21 clear days unless (i) shareholders agree to a shorter notice period and (ii) the Company has met the requirements for electronic voting under the Companies (Shareholders' Rights) Regulations 2009. Annual general meetings must always be held on at least 21 clear days' notice.

The Directors confirm that the shorter notice period would not be used as a matter of routine, but only where flexibility is merited by the business of the meeting, the resolutions are time-sensitive, and it is thought to be to the advantage of Shareholders as a whole. An electronic voting facility will be made available to all shareholders for any meeting held on such notice. The approval will be effective until the Company's 2026 annual general meeting, when it is intended that a similar resolution will be proposed.

Action to be taken

Shareholders

All holders of Ordinary Shares are recommended to complete and return their online Form of Proxy to indicate how they wish to vote in relation to the Resolutions. Completion and return of the online Form of Proxy will not affect a Shareholder's right to attend and vote at the Annual General Meeting.

Shareholders are requested to complete and return their online Form of Proxy in respect of the Annual General Meeting as soon as possible and in any event by not later than 10.00 a.m. on 13 May 2025. Details of how to complete and return the online Forms of Proxy and of how to request hard copy Forms of Proxy are set out below under the heading "How to vote".

Where a Shareholder being a body corporate wishes to attend and vote at the Annual General Meeting, an appropriate letter of representation and suitable identification of the person nominated to represent the body corporate must be presented before the Annual General Meeting.

How to vote

Shareholders are being asked to vote at the Annual General Meeting as the Resolutions require approval in accordance with the Articles and/or the Companies Act, or each of them (as applicable).

The Articles allow holders of Ordinary Shares to attend and vote at the Annual General Meeting. Shareholders may cast proxy votes online through the Investor Centre app or web browser at https://uk.investorcentre.mpms.mufg.com/. Proxy votes should be submitted as early as possible and, in any event, by no later than 10.00 a.m. on 13 May 2025. If you hold your shares in CREST, you may appoint a proxy via the CREST system and institutional investor may also be able to appoint a proxy electronically via the Proxymity platform (see notes 9 to 12 below). Likewise, if you appoint a proxy electronically, your proxy appointment must be received by 10.00 a.m. on 13 May 2025. If you hold your shares through a nominee service, please contact the nominee service provider regarding the process for appointing a proxy.

The Company will not be sending hard copies of the Form of Proxy. If you require hard copies of the Form of Proxy, these may be obtained by contacting MUFG Corporate Markets by email at shareholderenquiries@cm.mpms.mufg.com or by telephone on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. They are open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales.

Submission of a Proxy vote shall not preclude a member from attending and voting in person at the meeting in respect of which the proxy is appointed or at any adjournment thereof.

Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion or withhold from voting.

Further, Shareholders should complete their proxy appointments in accordance with the instructions provided within this Circular, so as to be received by the Registrars no later than the time and date stipulated. The completion of a proxy appointment will not preclude you from attending the Annual General Meetings and voting in person if you wish to do so. Further details relating to voting by proxy are set out in the notes to the Annual General Meeting on pages 15 to 17 of this Circular.

Shareholders are urged to cast their proxy votes online or complete and return the Form of Proxy (if requested from MUFG Corporate Markets) for the Annual General Meeting in accordance with the instructions printed thereon and to vote in favour of the Resolutions.

Documents available for inspection

Copies of the following documents are available for inspection at the registered office of the Company (which is also the place of the Annual General Meeting) during normal business hours of any Business Day (Saturdays, Sundays and public holidays excepted) until the conclusion of the Annual General Meeting, and at www.literacycapital.com (which can be downloaded in PDF format):

- the Report and Accounts and Financial Statements for the year ended 31 December 2024; and
- this Circular.

A copy of this Circular has been submitted to the National Storage Mechanism and will shortly be available for inspection at: https://data.fca.org.uk/a/nsm/nationalstoragemechanism. Further copies of this Circular may be obtained, free of charge, from the registered office of the Company.

Recommendation

In the opinion of the Directors, each of the Resolutions to be proposed at the Annual General Meeting is in the best interests of the Company and Shareholders as a whole. Accordingly, the Directors unanimously recommend that shareholders vote in favour of such Resolutions as the Directors intend to do in respect of their own beneficial holdings of Ordinary Shares, which amount in aggregate to 27,187,500 Ordinary Shares representing approximately 45.18 per cent of the Company's issued ordinary share capital.

Yours sincerely

Paul Pindar
Chair

LITERACY CAPITAL PLC

Notice of Annual General Meeting

Notice is hereby given that an Annual General Meeting of the Company will be held 3rd Floor, Charles House, 5-11 Regent Street, St James's, London, United Kingdom, SW1Y 4LR at 10.00 a.m. on 15 May 2025 for the purpose of considering and, if thought fit, passing the following resolutions.

ORDINARY RESOLUTIONS

1. That conditional upon the resolution 2 below being approved, the Directors be generally and unconditionally authorised pursuant to articles 284 to 298 of the Articles to capitalise from time to time a sum or sums not exceeding, at each relevant time, the aggregate amount then standing to the credit of the Company's reserves available for the purpose of making an issue of unlisted redeemable fixed rate preference shares of £1 each in the capital of the Company carrying the rights and restrictions set out in articles 284 to 298 of the Articles ("**B Shares**") in accordance with the Companies Act 2006 and the Articles and to apply such sum or sums from time to time in paying up in full up to 54,225,825 B Shares which may be allotted from time to time pursuant to the authority given by resolution 2 below. Unless previously varied, revoked or renewed, this authority shall expire at the conclusion of the annual general meeting of the Company in 2026.
2. That conditional upon resolution 1 above being approved, pursuant to section 551 of the Companies Act 2006, the Directors be generally and unconditionally authorised to exercise all powers of the Company to allot and issue from time to time, credited as fully paid up, B Shares up to an aggregate nominal amount of £1 to the holders of ordinary shares of £0.001 each in the capital of the Company on a *pro rata* basis as determined by the Directors from time to time. Unless previously varied, revoked or renewed, this authority shall expire at the conclusion of the annual general meeting of the Company in 2026 (save that the Company may, before the expiry of any power contained in this resolution, make an offer or agreement which would or might require B Shares to be allotted after such expiry and the Directors may allot B Shares in pursuance of such offer or agreement as if the power conferred hereby had not expired).
3. To receive the reports of the Directors and the Auditors and the audited accounts for the year ended 31 December 2024.
4. To approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy), set out on pages 36 to 37 of the Report and Accounts for the year ended 31 December 2024.
5. To re-elect Paul Pindar as a Director of the Company.
6. To re-elect Richard Pindar as a Director of the Company.
7. To re-elect Simon Downing as a Director of the Company.
8. To re-elect Rachel Murphy as a Director of the Company.
9. To re-elect Christopher Sellers as a Director of the Company.
10. To re-appoint Mazars LLP as Auditors of the Company to hold office until the conclusion of the next general meeting of the Company at which accounts are laid.
11. To authorise the Directors to determine the remuneration of the Auditors.
12. That the Company's existing dividend policy to achieve Shareholder returns through capital growth rather than income, and to maintain the Directors' discretion to pay all such amounts as interim dividends as may be necessary to ensure the Company's compliance with the requirements of the Investment Trust (Approved Company) (Tax) Regulations 2011 from time to time, be approved.
13. That the Directors be generally and unconditionally authorised pursuant to and in accordance with section 551 of the Act, in addition to the authority granted pursuant to Resolution 2 passed at the general meeting of the Company held on 15 June 2021, but in substitution for all other existing authorities, to exercise all the powers of the Company to allot ordinary shares of £0.001 each in the capital of the Company ("**Ordinary Shares**"), and to grant rights to subscribe for or to convert any security into Ordinary Shares for any purpose, up to an aggregate nominal amount of £12,035 (such amount representing not more than 20 per cent.

of the aggregate nominal value of the issued share capital of the Company), such authority to apply until the end of the annual general meeting of the Company to be held in 2026 (or, if earlier, until the close of business on 14 August 2026) (unless previously renewed, varied or revoked by the Company at a general meeting) but, in each case, during this period the Company may make offers and enter into agreements which would, or might, require Ordinary Shares to be allotted or rights to subscribe for or convert securities into Ordinary Shares to be granted after the authority ends and the Board may allot Ordinary Shares or grant rights to subscribe for or convert securities into Ordinary Shares under any such offer or agreement as if the authority had not ended.

SPECIAL RESOLUTIONS

14. That, if Resolution 13 is passed, the Directors be given power, in addition to the authority granted pursuant to Resolution 4 passed at the general meeting of the Company held on 15 June 2021, but in substitution for all other existing authorities, to allot Ordinary Shares under the authority given by that resolution and/or to sell Ordinary Shares held by the Company as treasury shares as if section 561 of the Act did not apply to any such allotment or sale, such authority to be limited to the allotment of Ordinary Shares or sale of treasury shares up to the aggregate nominal amount of £12,035, provided that in the case of any Ordinary Shares allotted the issue price is no lower than the latest published net asset value per Ordinary Share (as calculated in accordance with the Company's policies existing from time to time), such authority to expire at the end of the annual general meeting of the Company to be held in 2026 (or, if earlier, at the close of business on 14 August 2026) (unless previously renewed, varied or revoked by the Company at a general meeting) but, in each case, prior to its expiry the Company may make offers, and enter into agreements, which would, or might, require equity securities to be allotted (and treasury shares to be sold) after the authority expires and the Board may allot equity securities (and sell treasury shares) under any such offer or agreement as if the authority had not expired.

15. That the Company be and is hereby unconditionally and generally authorised for the purpose of section 701 of the Companies Act to make market purchases (as defined in section 693 of the Companies Act) of Ordinary Shares on such terms and in such manner as the Directors may determine provided that:

    (a) the maximum number of Ordinary shares which may be purchased is 9,020,232 (such number representing not more than 14.99 per cent. of the aggregate nominal value of the issued share capital of the Company);

    (b) the minimum price (exclusive of expenses) which may be paid for each Ordinary Share is its nominal value;

    (c) the maximum price (exclusive of expenses) which may be paid for an Ordinary Share shall not be more than the higher of:

        (i) an amount equal to 105 per cent. of the average of the mid-market values for the Ordinary Shares, as derived from the London Stock Exchange Daily Official List, for the five business days immediately preceding the day on which the Ordinary Share is purchased; and

        (ii) an amount equal to the higher of the price of the last independent trade of an Ordinary Share and the highest current independent bid for an Ordinary Share as derived from the London Stock Exchange Trading System the trading venue where the purchase is carried out;

    (d) Ordinary Shares purchased pursuant to the authority conferred by this resolution shall be either:

        (i) cancelled immediately upon completion of the purchase; or

        (ii) be held, sold, transferred or otherwise dealt with as treasury shares in accordance with the provisions of the Companies Act,

    such authority to expire at the end of the annual general meeting of the Company to be held in 2026 (or, if earlier, until the close of business on 14 August 2026) (unless previously renewed, varied or revoked by the Company at a general meeting) but, in each case, during this period the Company may enter into a contract to purchase Ordinary Shares which would, or might, be completed or executed wholly or partly after

the authority ends and the Company may purchase Ordinary Shares pursuant to any such contract as if the authority had not ended.

16. That, with effect until the conclusion of the annual general meeting of the Company to be held in 2026, a general meeting other than an annual general meeting may be called on not less than 14 clear days' notice.

The definitions used in this Circular are set out on pages 4 to 5 of this Circular.

By order of the Board

Literacy Capital Plc

11 April 2025

Registered office: 3rd Floor, Charles House, 5-11, Regents Street, St James's London SW1Y 4LR

NOTES:

1. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 (as amended) and section 360B(2) of the Companies Act, only those shareholders registered in the register of members of the Company at 6.00 p.m. on 13 May 2025 (or, in the event of any adjournment, at 6.00 p.m. on the day which is two days prior to the adjourned meeting) shall be entitled to attend and vote at the Annual General Meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the Annual General Meeting.

Proxy Voting

2. Holders of Ordinary Shares are entitled to attend and vote at the Annual General Meeting convened by this Circular and are entitled to appoint one or more proxies to attend, speak, and vote in their place. A proxy need not be a member of the Company. The appointment of a proxy will not prevent a member from subsequently attending and voting at the meeting in person.

3. To be effective, the instrument appointing a proxy and any power of attorney or other authority under which it is executed (or a duly certified copy of such power of attorney) must be received at the office of the Registrar not less than 48 hours before the time specified for the holding of the Annual General Meeting or any adjournment thereof or any meeting for taking a poll or such later time as the Board may allow. In calculating such 48 hour period, no account shall be taken of any part of a day that is not a Business Day.

4. A proxy does not need to be a member of the Company. You may appoint more than one proxy in relation to the Annual General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by you. To appoint more than one proxy, hard copy forms of proxy may be obtained by contacting MUFG Corporate Markets via email at shareholderenquiries@cm.mpms.mufg.com on +44 (0) 371 664 0300. Overseas holders should contact MUFG Corporate Markets on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales. If using a hard copy Form of Proxy, please indicate in the box next to the proxy holder's name, the number of shares in relation to which he or she is authorised to act as your proxy (which, in aggregate, should not exceed the number of shares held by you). Please also indicate by marking the box provided if the proxy instruction is one of multiple instructions being given. All forms must be signed and should be returned together in the same envelope.

5. Shareholders can:

   (a) vote electronically, either at https://uk.investorcentre.mpms.mufg.com/ or via the Investor Centre app (see below), or via CREST where shares are held in CREST. Shareholders can vote either by:

      (i) accessing the Investor Centre via a web browser at: https://uk.investorcentre.mpms.mufg.com/ or voting via the app (see below) ("**Electronic Filing**");

      (ii) in the case of CREST members who hold shares in uncertificated form, utilising the CREST electronic proxy appointment service in accordance with the procedures set out in notes 9-11 below ("**CREST Proxy Instruction**");

      (iii) institutional investors may also be able to appoint a proxy electronically via the Proxymity platform in accordance with the procedures set out in note 12 below; or

   (b) appoint a proxy and give proxy instructions by requesting and returning a form of proxy by post (see notes 6 and 7 below). To obtain a hard copy form of proxy ("**Form of Proxy**") Shareholders should contact the Company's Registrars, MUFG Corporate Markets ("**Registrars**"), by telephoning 0371 664 0300 if calling from the United Kingdom, or +44 (0) 371 664 0300 if calling from outside of the United Kingdom, or email MUFG Corporate Markets at shareholderenquiries@cm.mpms.mufg.com. Calls will be charged at local rate. Calls outside the United Kingdom will be charged at the applicable international rate. The lines are open between 9.00 a.m. – 5.30 p.m., Monday to Friday, excluding public holidays in England and Wales.

Appointment of proxies by post

6. To be valid, any form of proxy, or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at MUFG Corporate Markets at PXS1, Central Square, 29 Wellington Street Leeds, LS1 4DL no later than 10.00 a.m. on 13 May 2025.

7. In the case of a shareholder which is a corporation, the form of proxy must be executed by a duly authorised person or under its common seal or in any other manner authorised by its constitution. The power of attorney or authority (if any) should be returned with the form of proxy.

Appointment of proxies electronically

8. Investor Centre is a free app for smartphone and tablet provided by MUFG Corporate Markets (the company's registrar). It allows you to securely manage and monitor your shareholdings in real time, take part in online voting, keep your details up to date, access a range of information including payment history and much more. The app is available to download on both the Apple App Store and Google Play, or by scanning the relevant QR code below. Alternatively, you may access the Investor Centre via a web browser at: https://uk.investorcentre.mpms.mufg.com/. Proxy votes should be submitted as early as possible and, in any event, by no later than 10.00 a.m. on 13 May 2025.

9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

10. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear's specifications and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's registrars (ID: RA10) by the latest time(s) for receipt of proxy appointments specified in note 8 above. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings (www.euroclear.com).

12. If you are an institutional investor you may also be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 10.00 a.m. on 13 May 2025 in order to be considered valid or, if the meeting is adjourned, by the time which is 48 hours before the time of the adjourned meeting. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy. An electronic proxy appointment via the Proxymity platform may be revoked completely by sending an authenticated message via the platform instructing the removal of your proxy vote.

13. Unless otherwise indicated on the Form of Proxy, CREST, Proxymity or any other electronic voting instruction, the proxy will vote as they think fit or, at their discretion, withhold from voting.

Changing proxy instructions

14. Shareholders may change proxy instructions by submitting a new proxy appointment using the methods set out above. Please note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions. Any amended proxy appointment received after the relevant cut-off time will be disregarded.

15. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact MUFG Corporate Markets via email at shareholderenquiries@cm.mpms.mufg.com or on +44 (0) 371 664 0300 (Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 am – 5.30 p.m. (UK time), Monday to Friday excluding public holidays in England and Wales).

16. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Terminating your proxy appointment

17. Shareholders may terminate a proxy instruction but to do so you will need to inform the Company in writing by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to MUFG Corporate Markets at PXS1, Central Square, 29 Wellington Street Leeds, LS1 4DL or by registering the revocation of your proxy appointment at shareholderenquiries@cm.mpms.mufg.com.

18. The revocation notice must be received by MUFG Corporate Markets no later than 10.00 a.m. on 13 May 2025. If you attempt to revoke your proxy appointment but the revocation is received after the time specified, your original proxy appointment will remain valid unless you attend the Annual General Meeting and vote in person.

Appointment of proxies by joint holders

19. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

Corporate representatives

20. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares.

Nominated Persons

21. Any person to whom this Circular is sent who is a person nominated under section 146 of the Act to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. Nominated Persons

are advised to contact the shareholder who nominated them for further information on this and the procedure for appointing any such proxy.

22. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the Shareholder as to the exercise of voting rights. Such Nominated Persons are advised to contact the shareholders who nominated them for further information on this.

Procedural Requirements and Quorum

23. If within 30 minutes from the time appointed for the Annual General Meeting a quorum of Shareholders is not present, then the meeting shall stand adjourned to 10.00 a.m. on 22 May 2025. At such adjourned meeting the Shareholders present in person or by proxy shall constitute a quorum, whatever their number.

24. To have the right to attend and vote at the Annual General Meeting, a person must have his/ her name entered on the register of members by no later than close of business on the date two days before the meeting. Changes to entries on the register after this time shall be disregarded in determining the rights of any person to attend or vote at the Annual General Meeting.

25. To be passed, the ordinary resolutions each require the approval of a simple majority of the Shareholders present and voting (in person, by duly authorised representative or by proxy) at the Annual General Meeting. To be passed, the special resolutions each require the approval of not less than 75 per cent. of Shareholders present and voting (in person, by duly authorised representative or by proxy) at the Annual General Meeting.

Total Voting Rights

26. To allow effective constitution of the Annual General Meeting, if it is apparent to the Chair that no Shareholders will be present in person or by proxy, other than by proxy in the Chair's favour, then the Chair may appoint a substitute to act as proxy in his stead for any Shareholder, provided that such substitute proxy shall vote on the same basis as the Chair.

27. As at 10 April 2025 (the latest practicable date prior to the publication of this Circular), the Company's issued share capital consisted of 60,175,000 Ordinary Shares (none of which are held in treasury) carrying one vote each and, therefore, the total number of voting rights in the Company as at 10 April 2025 was 60,175,000.

Right to ask questions

28. Under section 319A of the Companies Act, any member attending the Annual General Meeting has the right to ask questions at the Annual General Meeting relating to the business of the Annual General Meeting. The Company must cause to be answered any such question relating to the business being dealt with at the Annual General Meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the Annual General Meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the Annual General Meeting that the question be answered.

Communication

29. Any electronic address provided either in this Circular or any related documents may only be used for the limited purposes specified herein and not to communicate with the Company by electronic means or for any other more general purpose.

30. Except as provided above, Shareholders who have general enquiries about the Annual General Meeting should use the following means of communication (no other methods of communication will be accepted):

    (a) contacting the Registrar's online Shareholder centre at shareholderenquiries@cm.mpms.mufg.com; or

    (b) calling the Registrar's Shareholder helpline on +44 (0) 371 664 0300. Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 9.00 a.m. – 5.30 p.m., Monday to Friday excluding public holidays in England and Wales.