

LITERACY CAPITAL

Unaudited Interim Results for Literacy Capital plc

For the six months ended 30 June 2026

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Throughout the Report and Financial Statements, Literacy Capital plc is also referred to as "Literacy Capital", "Literacy", the "Fund", the "Company" or "BOOK"



Performance Highlights



£284.4m
Diluted NAV[1]

472.6p
Diluted NAV per share[1]

£36.6m
Cash realised[2]

£719k
Charitable donation accrual

£16.9m
Capital invested

(20.6)%
Shareholder total return

Performance Highlights

Focus on helping to build great businesses to generate superior returns

Diluted Net Asset Value (NAV) per share of 472.6p (31 December 2025: 484.3p; 30 June 2025: 519.5p)[1], a decrease of 2.4% in the six months to 30 June 2026, reflecting a more challenging trading environment for smaller UK businesses and limited valuation uplift across the portfolio during the period

- Diluted NAV of £284.4 million[1], a decrease of 2.4% in the six months to 30 June 2026 after all expenses
- Over the same period, **BOOK's total shareholder return ("TSR") declined 20.6%**, reflecting a material widening of the discount to NAV despite continued realisation activity and a modest decline in NAV per share. This TSR compares to a 10.4% increase for the FTSE All-Share Closed End Investment Trust Index and a 7.2% increase for the FTSE All-Share Index
- Further initiatives are planned to stimulate awareness and demand for BOOK shares, including discussions to explore moving the Fund's listing to the official list on the Main Market, which Literacy and its brokers believe will create significantly more liquidity over time

Focus on deployment of capital into bolt-on acquisitions to add scale to existing portfolio companies

- No new platform investments were completed in the six months to 30 June 2026; **£16.9 million was invested into the existing portfolio**, primarily to support bolt-on M&A, capital expenditure and working capital needs
- In Q2 2026, BOOK's largest holding, RCI Group, completed the bolt-on acquisition of 33n, with further M&A completed in mid-July
- **Bolt-on acquisitions remain a priority** for certain portfolio companies in 2026, with the expectation that these transactions will generate high returns on invested capital, contribute towards uplifts to NAV and accelerate their eventual sale

A focus on actively managing and recycling capital from the portfolio to maximise returns

- £36.6 million of cash proceeds were received in the six months to 30 June 2026. This was predominantly from the sale of Tyrefix in February 2026 (£14.7 million of cash proceeds), the sale of Wifinity in April 2026 (£15.0 million), and the sale of Literacy's largest residual private equity fund interest in May 2026 (£4.9 million)

Strong long-term performance versus benchmarks

- BOOK's total shareholder return is +95.0% since admission, compared to +29.0% for the FTSE All-Share Closed End Investment Trust Index and +65.7% for the FTSE All-Share Index
- Alongside BOOK's track record of multiple portfolio realisations at or above carrying value, this demonstrates the value of Literacy's long-term strategy that will continue to be the focus for the foreseeable future

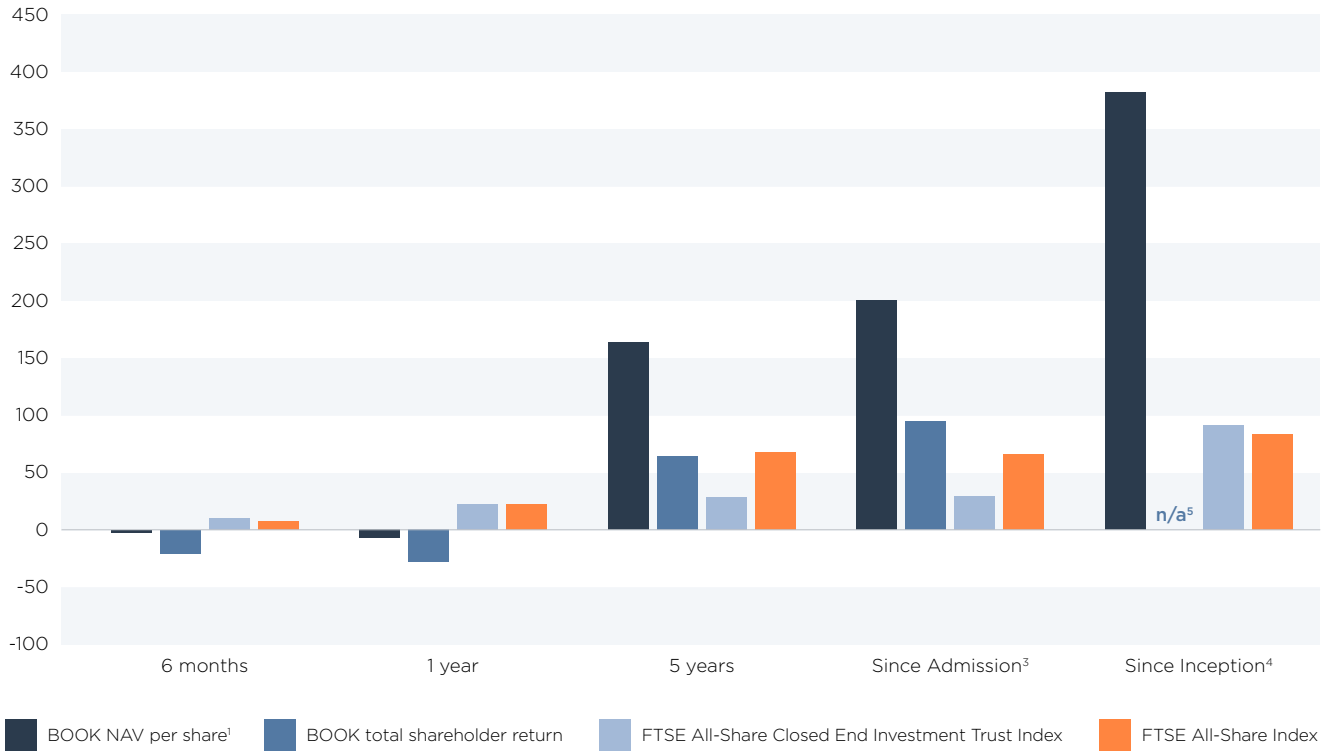
Significant charitable donations, helping disadvantaged children across the UK get a fair chance

- £719k of charitable donations provided for in H1 2026 (H1 2025: £790k)
- Total donations now amount to £13.5 million since inception of Literacy Capital

[1] The figures presented here are the Diluted NAV and NAV per share. The calculation is shown within 'Alternative Performance Measures', page 36

[2] Per the cash flow statement on page 24, the total of income from investments (£0.2m) and proceeds from disposal of investments (£36.4m)

Performance to 30 June 2026



% total return	6 months	1 year	5 years	Since Admission[3]	Since Inception[4]
BOOK NAV per share[1]	**(2.4)%**	**(7.1)%**	**+163.6%**	**+200.5%**	**+382.6%**
BOOK total shareholder return[2]	**(20.6)%**	**(28.4)%**	**+64.2%**	**+95.0%**	**n/a[5]**
FTSE All-Share Closed End Investment Trust Index	+10.4%	+22.5%	+28.7%	+29.0%	+91.1%
FTSE All-Share Index	+7.2%	+21.9%	+67.9%	+65.7%	+83.1%

Comparison to prior periods

	At 30 June 2026	At 31 December 2025
Diluted NAV[1]	**£284.4m**	£291.4m
Diluted NAV per share[1]	**472.6p**	484.3p
Cash returned to shareholders	**10.0p**	10.0p
Diluted NAV per share, adjusted for the B share distribution	**482.6p**	494.3p
Total NAV return	**(2.4)%**	+0.3%

	Six months to 30 June 2026	Six months to 30 June 2025
Capital invested	**£16.9m**	£10.8m
Cash realised	**£36.6m**	£5.8m
Charitable donation accrual	**£719k**	£790k

Helping to build great businesses

Our purpose is to invest in and support predominantly UK-based companies and to help their management teams achieve long-term success. Our closed-ended, permanent capital structure means we can be a long-term, highly ambitious and flexible partner. We are focused on smaller businesses, where our expertise can greatly enhance the size and value of these companies, contributing to superior returns for BOOK shareholders. We are also proud to have a charitable mission helping disadvantaged children in the UK learn to read, giving them a fair chance in life.

[1] The figures presented here are the Diluted NAV and NAV per share. The calculation is shown within 'Alternative Performance Measures', page 36
[2] Total shareholder return figures are calculated inclusive of any returns of capital to shareholders
[3] BOOK was admitted to the London Stock Exchange on 25 June 2021
[4] Inception date treated as 30 April 2018
[5] BOOK's shares were admitted for trading on the London Stock Exchange in June 2021. Share price data therefore starts at this point



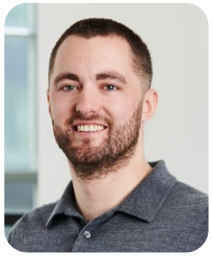
Comment from the Investment Manager

"During the first six months of 2026, we are very pleased with the level of cash proceeds (£36.6 million) received by BOOK from its portfolio, primarily due to the successful sale of Wifinity and Tyrefix. Cash receipts in H1 2026 had more than a sixfold increase on the same period a year earlier and were broadly consistent with the £36.7 million received in H2 2025. This demonstrates consistently strong cash inflows and active management of BOOK's portfolio in recent quarters, in line with the objectives set and communicated to shareholders in the early part of 2025. This healthy exit activity was delivered despite this period not being an especially buoyant one for private equity transactions.

Despite these successful exits and continued strong cash generation, NAV performance in the six month period to 30 June 2026 was below our expectations, with a 2.4% decline in NAV per share during the period. In part, this reflects the uplifts from recent exits being recognised within 2025, prior to the reporting period, as well as the challenging trading environment in 2026 for smaller UK businesses. These conditions have led to relatively little upward movement in portfolio company carrying values in the first half of 2026.

Despite UK macro conditions remaining generally sluggish, encouragingly, several portfolio companies are gaining momentum and showing promise. These improving trends and stronger sales pipelines are expected to translate into higher earnings for the businesses, ultimately increasing their carrying values in future reporting periods. Encouragingly, headwinds from assets that were marked down during the past 18 months (e.g. RCI and Grayce) and detracted from BOOK's overall NAV performance, have produced improved trading more recently.

Our priority for the remainder of the year will be a continued focus on operational improvement and quality of management at a portfolio company-level to generate revenue and profit growth. Progressing M&A discussions for relevant portfolio companies and successfully integrating these acquisitions will also remain important over the next few months. We have previously seen how building greater scale via M&A can enhance value, build attractiveness to potential purchasers and help to accelerate the sale of portfolio companies."



Richard Pindar

CEO of the Investment Manager and Director of

Literacy Capital plc

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Chair's Statement

Literacy Capital's purpose is to invest in and support UK companies and to help their management teams to achieve long term success and value creation. We focus on smaller businesses, where our experience and expertise can significantly enhance the size and value of these companies, contributing to superior returns for our shareholders.

We also have a unique charitable mission to help disadvantaged children in the UK learn to read. Donations equivalent to 0.5% of NAV are made each year. Donations since the formation of Literacy Capital in 2017 now amount to £13.5 million.

Performance in the six months to 30 June 2026 has been underwhelming. The climate for smaller companies in the UK has been very challenging over the last 24 months. Notwithstanding this, we are acutely conscious of our responsibility to deliver strong returns for shareholders.

In the six month period, Literacy Capital's NAV per share[1] decreased by 2.4% to 472.6p. We aim to reverse this trend as swiftly as possible.

Over the same period, our share price fell 21% to 302p. The premium rating we have enjoyed for most of our tenure as a public company has evaporated and our shares sit on a 36% discount as at 30 June 2026. This is frustrating and it is our responsibility to fix it.

Looking over a longer time horizon, Literacy Capital has now been a public company for five years. During this period, our NAV per share[2] has grown by 201%, equating to a compound growth of 25% per annum. This is pleasing. But we need to address the short term headwinds so that the long term can take care of itself.

We therefore have a four-point plan to address these headwinds and deliver attractive shareholder returns:

1. **Materially improve NAV growth.** If investment performance is strong, the BOOK share price will respond. This is our number one priority.
2. **Improve awareness of BOOK.** For too long, BOOK was a stock market secret, although long term NAV growth has been strong. We have, and we will continue to materially step up our investor relations activity.
3. **Improve liquidity.** Due to BOOK being admitted to trading on the Specialist Fund Segment of the London Stock Exchange, there are some private investors who have difficulty buying shares and there are several institutions who are deterred from doing so. Consequently, we are now in the process of seeking to migrate the Company's shares to the Closed-ended Investment Funds segment of the FCA's Official List and to trading on the Main Market of the London Stock Exchange. Literacy and its brokers (Deutsche Numis) believe this move will enhance liquidity over time.
4. **Return capital to shareholders.** Clearly, it is essential that we ensure we can meet the capital needs of our existing portfolio to facilitate its growth as well as fund platform investments considered to be a worthwhile use of capital. Beyond that, we intend to return surplus capital to shareholders when we have the liquidity to do so. This is expected to follow the sale of further investments. The capital return will be achieved either through a tender offer linked to NAV, or through share buybacks, or a combination of the two.

For balance, there have been many successes in the last six months:

- The sales of both Tyrefix and Wifinity completed, generating £29.7 million of proceeds and handsome returns for Literacy Capital.
- Our two 2025-vintage investments, Red Sky and Trinitatum, continue to demonstrate very strong momentum and both are now top ten holdings as at 30 June 2026.
- Three investments that faced market headwinds over the last year (RCI, TechPoint and Grayce) are all demonstrating more encouraging forward indicators of growth.

Overall, our portfolio is making solid progress, with our ten largest holdings showing year-on-year revenue growth of 17% and EBITDA growth of 10%.

[1] The figure presented here is our Diluted NAV per share. The calculation is shown within 'Alternative Performance Measures', page 36

[2] The figure presented here is our Diluted NAV per share, adjusted for the B share distribution. The calculation is shown within 'Alternative Performance Measures' on page 36

Our charitable activities

In England, 1 in 4 children leave primary school unable to read well, rising to 1 in 3 in disadvantaged areas. Everyone associated with Literacy Capital is motivated to play a part in improving these children's lives. In Q2, our charity, Bookmark Reading, delivered its 200,000th reading session (equivalent to over 11 years of continuous reading) and printed its 2 millionth copy of The Story Corner magazine, providing children with a vital reading resource to enjoy at home – where many households do not own a single book. We are very proud of and impressed by the work that Bookmark continues to do. And we thank shareholders for their consistent support and positive feedback.

Prospects

Across the portfolio, we have many superb businesses which are led by high quality and able management teams, and which are trading well. Given the nature of smaller company investing, there will inevitably be occasions in the future, as there have been in the past, when a company requires closer attention and intervention to improve its growth trajectory. We are fortunate that we can implement the changes necessary to restore momentum in those businesses alongside our ongoing support for the businesses that are already thriving.

We continue to believe strongly in the Literacy Capital model, and we are confident about the prospects for the portfolio. Unusually, the investment team own circa 40% of Literacy Capital plc. We have a lot of skin in the game, and we are hugely motivated to succeed.





Paul Pindar

Chair
Literacy Capital plc
21 August 2026



Investment Manager's Report

Investment Manager's Report

BOOK Performance Overview

BOOK's NAV performance in the six months to 30 June 2026 was weaker than in recent periods, reflecting a continued difficult trading environment for smaller UK businesses. Investment activity in the period was focused on supporting the existing portfolio, including funding bolt-on acquisitions, rather than new platform investments, consistent with our priority to generate value from the existing portfolio.

Diluted NAV closed at £284.4 million on 30 June 2026, or 472.6p per share, a decrease of 2.4% in the six months since 31 December 2025. The share price inclusive of B share returns decreased from 393.0p to 312.0p over the same period, representing a total shareholder return of (20.6)%, and the discount to NAV widened to 36.1% (31 December 2025: 20.9%). We remain confident that BOOK's strategy can outperform benchmark indices over the long term for patient investors. Steps are being taken with the objective of reducing the current discount, including a process to move BOOK's listing to the Official List on the Main Market of the London Stock Exchange.

No new platform investments were completed in the six months to 30 June 2026. BOOK's largest holding, RCI Group, completed the bolt-on acquisition of 33n, a healthcare consultancy employing clinicians and data scientists that works with NHS trusts to deliver clinical workflow transformation, with further M&A completed in mid-July. The group has traded in line with expectations for the first three months of its current financial year.

Cash inflows in the period totalled £36.6 million, predominantly generated by the sale of Tyrefix and Wifinity, as well as the sale of Literacy's largest residual private equity fund interest in May, plus distributions from the two remaining fund interests. Actively managing and recycling capital from the portfolio to manage liquidity and maximise returns remains a core focus.

472.6p
Diluted NAV per share[1]
(31 Dec 25: 484.3p)

£284.4m
Diluted NAV[1]
(31 Dec 25: £291.4m)

£36.6m
Cash realised
(6 months to 30 Jun 25: £5.8m)

£719k
Charitable donation accrual
(6 months to 30 Jun 25: £790k)

£16.9m
Capital invested
(6 months to 30 Jun 25: £10.8m)

(20.6)%
Shareholder total return
(6 months to 30 Jun 25: (4.0%))

£16.9 million was invested into the existing portfolio during the period, to support bolt-on M&A, capital expenditure and working capital needs. As a result of the strong cash inflows generated, BOOK's Revolving Credit Facility drawings reduced from £25.0 million at 31 December 2025 to £8.7 million at 30 June 2026, with £0.7 million held in cash.

There were no portfolio companies whose carrying values were marked upwards or downwards materially during H1 2026. As a result, the contributions (positive or negative) to NAV from specific portfolio companies were relatively modest. Bright Ventures and Red Sky were amongst the stronger contributors, driven by positive trading and solid cash generation from the businesses. Despite being BOOK's most recent platform investment (completed in April 2025), Red Sky closed H1 2026 as a top five holding, following consistently solid performance. Trinitatum, BOOK's other 2025-vintage platform investment, has also demonstrated strong performance and became a top ten holding as at 30 June 2026. As a result of uplifts in recent quarters, the two holdings registered 5.8x and 4.3x MoM returns respectively as at 30 June 2026.

On the other hand, amplify5 and Oxygen Activeplay were the largest detractors to NAV in the six month period. amplify5 experienced headwinds during the six months to 30 June 2026, with customers taking longer to make decisions and commit to contracts. In Q2, Oxygen was marked down as the UK experienced record-breaking weather during the summer, in terms of both high temperatures and low rainfall, which had an inevitable impact on Oxygen's trading and carrying value.

[1] The Diluted NAV and Diluted NAV per share figures include the impact of the warrants in issue. The calculation is shown in 'Alternative Performance Measures', page 36

Breakdown of NAV

as at 30 June 2026

Companies / assets	Date of Investment	Carrying value (£m)	% of NAV
RCI Group	Sep 18	**80.2**	28.2%
TechPoint	Jun 20	**25.9**	9.1%
Velociti Solutions	Feb 20	**25.1**	8.8%
Cubo Work	May 23	**24.4**	8.6%
Red Sky Food Group	Apr 25	**18.8**	6.6%
Top 5 investments		**174.4**	**61.3%**
Oxygen Activeplay	Jul 21	**16.5**	5.8%
Grayce	Jul 18	**16.4**	5.8%
Bright Ventures	Jun 22	**14.9**	5.2%
Antler Homes	Jun 18	**14.6**	5.1%
Trinitatum	Mar 25	**12.7**	4.5%
Top 10 investments		**249.5**	**87.7%**
Other direct investments		**43.1**	15.2%
Private equity fund interests		**3.7**	1.3%
Borrowings[1]		**(11.9)**	(4.2)%
Diluted NAV		**284.4**[2]	**100.0%**

[1] Inclusive of donation accrual and other working capital items

[2] The calculation for these metrics is shown within 'Alternative Performance Measures', page 36

Portfolio Company Overview

Literacy's portfolio companies generally performed solidly but unspectacularly in the six months to 30 June 2026, with growth continuing to be held back by UK macroeconomic conditions. Many smaller businesses in the UK have faced a tougher environment from both the perspective of weaker demand and cost inflation. Regardless of conditions, BOOK's portfolio companies are relatively small, nimble and well-led, enabling them to adapt to differing challenges and opportunities.

Across BOOK's top ten investments, revenue growth improved during H1 2026, reaching 17% year-on-year as at 30 June 2026 (2% at 31 December 2025), with year-on-year EBITDA growth also improving to 10% (5% at 31 December 2025). Red Sky and Trinitatum continued to demonstrate strong momentum and are now amongst BOOK's ten largest holdings.

The composition of BOOK's top ten holdings changed modestly during the six months to 30 June 2026, with Tyrefix and Wifinity departing following their sale. Antler Homes and Trinitatum replaced the two assets that were sold in the top ten.

BOOK's portfolio remains concentrated, with the five largest assets equating to 61.3% of NAV on 30 June 2026 (31 December 2025: 56.9%), an increase driven primarily by the uplift in RCI Group's carrying value, as well as having paid down borrowings during H1 2026. We remain relaxed about this degree of concentration as it is an inevitable consequence of holding investments that have gained significant value.

Leverage, on a weighted average basis for the top ten investments at a portfolio company level, was 2.7x EBITDA (excluding Antler Homes) on 30 June 2026 (31 December 2025: 2.8x), broadly stable across the period. This level of leverage is deliberately modest compared to leverage typically used by private equity fund managers, to provide greater freedom to portfolio companies to focus on growth, rather than being restricted by financial covenants or debt repayments. Sales growth and business improvement are our priority, rather than financial engineering.

RCI Group
Provider of healthcare, specialist clinical and support services

TechPoint
Outsourced supply chain management of electronic components

Velociti Solutions
Software and consulting business to the public transport sector

Cubo Work
Provider of office and co-working space

Red Sky Food Group
Manufacturer of premium meat products

Oxygen Activeplay
Operator of trampoline and adventure parks

Grayce
Recruits, trains and deploys graduates into large corporates

Bright Ventures
Provider of education focused experiences

Antler Homes
Housebuilder in the Southeast of England

Trinitatum
Test automation software provider to the energy and financial trading markets

Top Five Investments

BOOK's portfolio remains relatively highly concentrated, with the five largest investments amounting to 61.3% of net assets on 30 June 2026. This compares to 56.9% at 31 December 2025, with the increase driven primarily by growth in RCI Group's carrying value and the reduction in borrowings during the period.

Despite the Fund growing significantly in size compared to several years ago, BOOK continues to invest in similar-sized businesses and commits similar amounts of capital to its new investments. Where portfolio companies perform strongly, such that they form a large proportion of Literacy's NAV, it is due to the strength of their trading and growth. It is therefore likely to be detrimental to shareholder returns to rebalance the portfolio or sell assets prematurely to reduce the concentration. Instead, it is this high degree of exposure to rapidly growing businesses that has contributed to BOOK's outperformance since its listing and gives us confidence that this can continue in future periods.

Outside of RCI Group's turnaround in the second quarter, the contribution from the Fund's largest assets was more muted in the period, predominantly impacted by trading conditions affecting their rates of growth. Given their relatively significant weighting, this has dampened the overall NAV return that the Fund has been able to deliver in H1 2026.

It would be difficult for the Fund to deliver outperformance by consistently selling assets prior to growing into substantial holdings or rebalancing the portfolio continuously. Despite this, the Investment Manager has shown again in the period that it is willing and able to actively manage the portfolio to generate cash and recycle these proceeds, including through the sale of Tyrefix, Wifinity and Literacy's largest residual private equity fund interest in the period.

Company	RCI Group	TechPoint	Velociti	Cubo Work	Red Sky
Date of investment	Sep 18	Jun 20	Feb 20	May 23	Apr 25
30 Jun 2026 carrying value	**£80.2m**	**£25.9m**	**£25.1m**	**£24.4m**	**£18.8m**
30 Jun 2026 % of NAV	28.2%	9.1%	8.8%	8.6%	6.6%
Total cash realised	£18.3m	£2.7m	£29.7m	£2.5m	–
Carrying value + cash realised	**£98.5m**	**£28.6m**	**£54.8m**	**£26.9m**	**£18.8m**
Change in total return since 31 Dec 2025	(£1.2m)	£1.0m	£1.4m	(£2.8m)	£2.6m



RCI Group

www.rcigroup.co.uk

RCI Group is a provider of services to improve outcomes for people. The group now comprises of four divisions operating predominantly within the healthcare sector. The divisions are: Clinical Services, Communication & Assessment, Complex Community Care, and Software & Data.

BOOK's original investment in September 2018 enabled two of the four founders to retire, whilst providing the support that the remaining founders needed to ease this transition. A new CEO and CFO joined the business around completion of the transaction and were joined soon afterwards by a new Business Development Director and COO, to create a strong team and platform for growth. This also meant the business could consider acquisitions for the first time, and RCI Group has now completed nine acquisitions since December 2019.

RCI Group completed the bolt-on acquisition of 33n in the second quarter of 2026, a healthcare consultancy employing clinicians and data scientists that works with NHS trusts to deliver clinical workflow transformation to improve patient care, with further M&A activity completed in mid-July. The group has traded in line with expectations for the first three months of its current financial year.



TechPoint

www.techpoint.co.uk

TechPoint Group is a group of companies, which provides outsourced supply chain management of electronic components for manufacturing businesses.

Vanilla Electronics was founded in 2002 by a father-and-son team, with Literacy Capital's original investment being made into Vanilla in June 2020. The father was seeking to retire and sell his stake, while the son, Dan, wanted to de-risk but also find an ambitious partner to assist him in growing the business. Since 2020, the group has rebranded as TechPoint and built a broader, talented management team. Dan and this team have since completed four acquisitions: Bela Electronic Designs, Interconics, Golledge Electronics and Gemini Tec, strengthening the Group's technical and production capabilities in providing complex electronics design and manufacturing services.

TechPoint's new manufacturing facility in Basingstoke has continued to build momentum since opening, supporting a material improvement in the value of customer orders and operational efficiencies. This has supported TechPoint's positive contribution to NAV in H1 2026, with momentum continuing to improve.



Velociti Solutions

www.velociti-solutions.com

Velociti Solutions provides critical and innovative software and expert consultancy services to public transport authorities and operators. Its focus is on both rail and bus services.

BOOK's initial investment was made into a platform business, then named EPM, in February 2020. The founder was looking to sell the business with the existing team needing strengthening with additional skills and experience. At completion, we introduced senior hires to drive the business forward. Whilst majority shareholder, Literacy helped Velociti complete three strategic acquisitions, namely Omnibus Solutions, 3Squared and Fab Digital. These acquisitions supported improvements in operational and commercial performance across the Group, as well as enhancing the Group's position as a high-quality software solutions provider in the transportation space.

In July 2025, Literacy completed a transaction to reduce its shareholding in Velociti, by bringing on board a new private equity investor, CBPE. This partial exit resulted in a 14.8x MoM return (including the proceeds re-invested by Literacy) and meant BOOK's stake in the business reduced from approximately 69% to 29%.

Velociti continued to trade positively in H1 2026. The business remains focused on growing annual recurring software revenue, notably through international growth, and on realising further efficiencies from the integration of its acquisitions. In April 2026, Velociti completed its latest acquisition of ASC Software based in Ireland.



Cubo Work

www.cubowork.com

Cubo is a provider of office and co-working space across the UK, offering bespoke workspaces that meet the needs of businesses in the best locations and buildings on offer in their cities.

Cubo was founded in 2019, by husband-and-wife property investors, Marc and Rebecca Brough. The offering was successful and they expanded into several cities in the Midlands and Yorkshire, rapidly becoming the location of choice for many SMEs and larger blue-chip corporates. Beyond Cubo's initial growth, the team also had a pipeline of new sites that they were looking to fit out and open. Literacy first invested in May 2023, when Marc and Rebecca were looking for a partner to help grow the business into a substantial, national provider. Cubo's strategy was to continue to roll out new sites, focusing on key regional locations and prime locations within these cities.

Since Literacy's investment, the number of sites that Cubo has occupied has grown from 5 to 18. Cubo has performed steadily during 2026 and is focused on increasing sales to grow the number of desks occupied across its estate.



Red Sky Food Group

www.redskyfoodgroup.co.uk

Red Sky Food Group is a platform company set up to acquire businesses in the food manufacturing sector, with Langford's (The Welsh Sausage Company) and Delenco Foods as its first two acquisitions. Both businesses primarily manufacture premium sausage and burger products for the UK foodservice market.

In April 2025, Literacy Capital invested alongside Mark Chantler, the former CEO of Meadow Foods, to fund the acquisition of Langford's, a leading manufacturer and supplier of award-winning premium meat products based in Wales, facilitating the retirement of the incumbent shareholders. Mark Chantler was appointed Executive Chair, bringing a wealth of experience and a successful track record in food manufacturing to the platform. In November 2025, Red Sky Food Group completed its second acquisition, Delenco Foods, a fresh sausage manufacturer based in East London, complementing Langford's IQF product range and broadening the group's foodservice customer base.

Since the Delenco acquisition, Red Sky Food Group has continued to strengthen its senior team, including the appointment of a new Group CFO, and to invest in its Welshpool and East London manufacturing sites. The group's combined EBITDA has grown materially since Literacy's initial investment, and it remains well-placed to pursue further bolt-on acquisitions across the protein-focused food manufacturing sector.

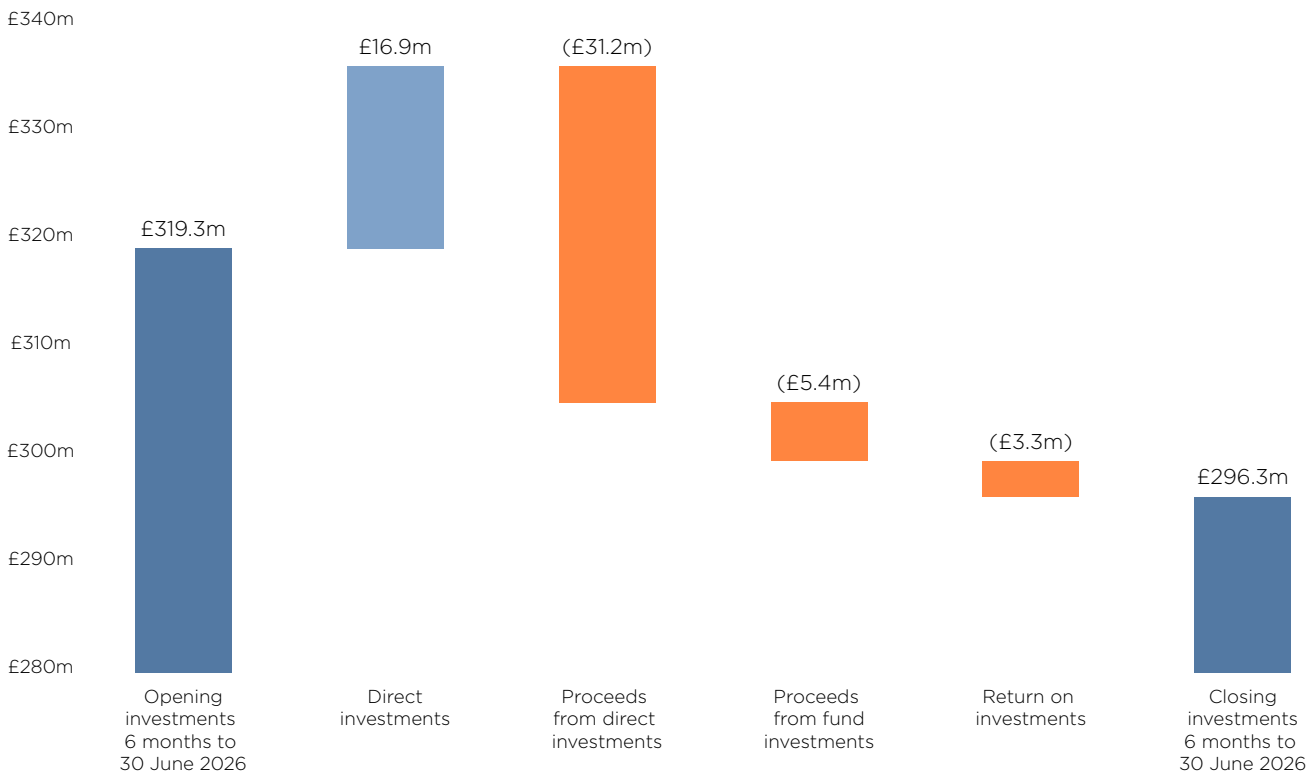
£296.3m
Closing valuation

£16.9m
Capital invested

£36.6m
Cash proceeds received

Movement in the Portfolio

The following table shows the movement in the portfolio during the six month reporting period, compared to the same period a year earlier.



£m[1]	6 months to 30 June 2026	6 months to 30 June 2025
Opening Investments	**319.3**	**329.2**
Direct investments	16.9	10.8
Fund drawdowns	–	–
Total capital invested	**16.9**	**10.8**
Proceeds from direct investments	(31.2)	(5.6)
Proceeds from fund investments	(5.4)	(0.2)
Cash proceeds received	**(36.6)**	**(5.8)**
Change in deferred consideration owed	–	(0.4)
Return on investments	**(3.3)**	**21.3**
Closing Investments	**296.3**	**355.0**
Valuation Movement % (of Opening Investments)	*(1.0)%*	*6.5%*

Capital Invested

No platform investments were completed in the six months to 30 June 2026 (compared to £5.9 million deployed on two platform investments in H1 2025). £16.9 million was invested into the existing portfolio, primarily to support bolt-on M&A, capital expenditure and working capital needs.

[1] All figures have been rounded to one decimal place

The largest use of this capital was to support RCI Group's bolt-on acquisition of 33n, a healthcare consultancy employing clinicians and data scientists that works with NHS trusts to deliver clinical workflow transformation, completed in the second quarter. Further M&A activity for RCI Group completed in mid-July. Smaller amounts of capital were also invested into Antler Homes, Cubo, TechPoint, amplify5, Bright Ventures and Live Business, to support their business plans or acquire additional equity in the portfolio companies.

Bolt-on acquisitions remain a priority for certain portfolio companies in 2026, with the expectation that these transactions will generate high returns on invested capital and accelerate their eventual sale.

No further capital was invested into Literacy's third-party fund commitments in the period, and we expect any future drawdowns to be minimal.

Realisation Activity

In H1 2026, BOOK continued to focus on generating cash from its portfolio, with inflows in the six months to 30 June 2026 amounting to £36.6 million (£5.8 million was collected in the six month period to 30 June 2025).

The largest contributors to the £36.6 million were the sales of Tyrefix and Wifinity (which completed in February and April respectively), and the sale of Literacy's largest residual private equity fund interest in May, together with distributions from the two remaining fund interests. As a result of these inflows, private equity fund interests reduced to just 1.3% of NAV as at 30 June 2026 (31 December 2025: 3.1%).

Tyrefix's sale resulted in the Fund selling its entire stake for £14.7 million, a substantial 59% premium to the previously reported carrying value, with 100% of this consideration paid in cash at completion. The total return for BOOK shareholders from this investment, after all transaction related costs, was 2.5x MoM (IRR of 25.0%). Literacy Capital acquired a majority stake in Tyrefix in November 2020 to support the founder's retirement plans. During Literacy Capital's ownership, the management team was strengthened with new senior recruits. Tyrefix also expanded into a new, larger headquarters and acquired two businesses, enabling the group to double revenue, grow market share and broaden its service offering to customers.

Wifinity was also a successful exit for Literacy with £15.0 million received in cash at completion, with a further £0.4 million 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%). 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.

Balance Sheet and Financing

BOOK's total drawings under its Revolving Credit Facility ("RCF") with OakNorth Bank plc stood at £8.7 million on 30 June 2026, equating to 3.1% of net assets. This level of borrowing is comfortably within the financial covenants of the RCF.

There are three financial covenants attached to the facility with OakNorth Bank plc, being that loan to value shall not exceed 20%, the number of investments held must exceed ten and total net asset value must remain above £225 million. BOOK has complied with all covenants during the reporting period.

The Company has a £50 million RCF with OakNorth Bank plc, entered into in September 2024 (initially £40 million and increased to £50 million during 2025). This facility gives Literacy scope to fund new investments and support its existing portfolio companies, whilst remaining more fully invested, reducing cash drag and improving returns for shareholders.

BOOK retains significant flexibility and headroom to support its portfolio, with £8.7 million drawn at the period end.



Following the reporting period end, Literacy announced an extension to its existing RCF. This increased the committed element of the facility to £50 million and extended the term by two years to September 2029. The three covenants mentioned above are unchanged except that the latest agreement specifies that "the number of investments held must exceed eight". BOOK remains compliant with all covenants.

£m	30 June 2026	31 December 2025
Investments	296.3	319.3
Cash	0.7	1.2
Donation accrual	(4.1)	(4.0)
Other working capital	0.2	(0.1)
Borrowings	(8.7)	(25.0)
Accrued interest on borrowings	(0.0)	(0.0)
Diluted NAV[1]	**284.4**	**291.4**

[1] The figures presented here are the Diluted NAV. The calculation is shown within 'Alternative Performance Measures', page 36

Undrawn Fund Commitments by Currency Exposure

The table below shows outstanding obligations to BOOK's fund commitments. The balance at 30 June 2026 amounted to £0.9 million, however we expect a small percentage of this to be called, given the age and pattern of drawing by these funds.

Regardless of whether the full £0.9 million is called or not, BOOK can comfortably fund these drawdowns from existing headroom in its RCF.

£m	30 June 2026	31 December 2025
Euro[1]	0.0	0.3
US Dollar[1]	0.9	0.9
Total	**0.9**	**1.2**

Activity Since the Period End

Post-period end, the Company's RCF with OakNorth Bank plc has been extended by a further two years, taking its expiry to September 2029, and the legally committed element of the facility has been increased from £40 million to £50 million, giving greater financial headroom. As part of the extension, there has been a reduction in margin percentage that BOOK is charged. The covenant regarding the minimum number of assets that need to be held has also been reduced from "needing to exceed" ten to eight, providing more flexibility to Literacy. All other material terms relating to the RCF remain unchanged, including the 20% loan-to-value covenant.

Since 30 June 2026, the Company has also made a small number of injections into investee companies for both working capital and bolt-on acquisition purposes.

All the above were non-adjusting events as at 30 June 2026.

Outlook

We are confident that, although the wider macroeconomic backdrop remains challenging, the portfolio remains well positioned. Many of the underlying companies in BOOK's portfolio possess a robust financial position and effective leadership teams. Given the prudent approach taken regarding their leverage and valuations, this provides protection against headwinds or uncertainty, as well as potential upside.

We maintain close contact and relationships with the management teams of our portfolio companies and have the ability to make changes to personnel or strategic plans, should any adjustments be necessary. This is an approach that has worked well to generate strong returns for Literacy and its shareholders.

Our focus for the near-term will be on continuing to drive growth and value within the existing portfolio, enabling further cash proceeds to be generated predominantly from realisation activity. This is underpinned by our commitment to return capital to shareholders. However, as consistently stated, it requires a degree of patience and effort for these companies to become attractive and sought-after targets for prospective acquirors, as demonstrated by Tyrefix and Wifinity, which were both held for more than five years before Literacy's exit. There is also a focus on progressing initiatives to address the discount to NAV, including a move of BOOK's listing to the official list of the Main Market.

Whilst our core priority is to build value for shareholders, we are incredibly proud of our ability to utilise our financial success to help children's literacy charities. In the six months to 30 June 2026, thousands of children in the UK have benefitted and experienced improved educational support due to BOOK's charitable donations. Charitable donations in the six month period amounted to almost £0.72 million, and we are delighted that as the Company grows, it will be able to support an increasing number of disadvantaged children.

[1] Foreign currencies were converted to GBP at the prevailing rates on the reporting date



Charitable Mission

In addition to Literacy Capital plc's investment objectives and strategy, it also has a charitable mission.

Literacy Capital plc makes an annual donation equivalent to 0.5% of the Company's NAV adjusted for charitable donations and management fee[1] at each year end, thereby providing consistent, long-term and growing charitable donations as the Company increases in size. In the first six months of 2026, the total accrual for donations to charities focused on improving literacy, amounted to £0.72 million.

Since the creation of Literacy Capital in 2017, £13.5 million in total has either been paid or set aside for donation. The aim is to advance the education of children in the United Kingdom, in particular by promoting or supporting the development of reading. The table below shows the level of donations in each calendar year:

Annual charitable donation accrual (£k)	
2018-2023	£8,525k
2024	£2,722k
2025	£1,489k
2026 (to 30 June 2026)	£719k
Total charitable donation accrual	**£13,455k**

Bookmark is a charity that was set up in 2018 with a very simple vision: to ensure that every child can read. It works to improve children's literacy by nurturing a strong reading for pleasure culture in primary schools, with a focus on supporting children in the most disadvantaged communities.

Bookmark delivers structured one-to-one reading support to pupils aged 5-11, alongside high-quality books and resources. It also provides teacher training grants and family engagement tools that help to develop vibrant reading cultures and strengthen literacy at an individual, community and national level. As a result, children develop the reading skills, confidence, and enjoyment they need for a fair chance in life.

2026 has been declared the National Year of Reading by the Department for Education – a nationwide call to action addressing the national literacy gap and promoting reading for pleasure. Thanks to support from Literacy Capital plc, Bookmark has scaled its One-to-one Reading Programme, making strong progress going into the final year of an ambitious three-year strategy. Bookmark has now surpassed 200,000 total reading sessions delivered – the equivalent of more than 11 years of continuous one-to-one reading sessions if completed concurrently. This progress is particularly significant in light of recent findings from the National Literacy Trust: Only 1 in 5 children aged 8 to 18 read daily in their free time, and 49.8% of children and young people who enjoy reading reported reading daily in their free time, compared to just 4.5% of children who do not enjoy reading. With key barriers including lack of time, parents' limited reading confidence and poor access to books, Bookmark's One-to-one Reading Programme is vital. As one school on the programme recently shared:



"Teachers want to be able to sit and read with children individually, but it's about having that time. Knowing pupils receive one-to-one support reassures staff that every child is getting the support they need".

This year, with Literacy Capital's support, Bookmark has also expanded its Roots to Reading programme (formerly Your Story Corner) into London and, most recently, Stoke, areas identified as having strong need, with Key Stage 2 attainment below the national average and high pupil premium eligibility. Across these two regions, 156 schools have received over 30,000 books and reading resources, worth more than £310,000.

> "The books that you've given us are out of this world!"
>
> Child at a Bookmark partner school

This injection of brand-new, high-quality reading resources has helped schools to establish engaging reading spaces that foster an environment where children can become enthusiastic and confident readers.

In early 2026, Bookmark launched the Mind the Gap campaign to raise awareness of the literacy gap, its causes and the actions needed to tackle children's illiteracy. The campaign featured Bookmark adverts at several London Underground stations, as well as a panel event held at Bank of America, with speakers including BBC's The One Show presenter Alex Jones, author Hannah Gold, and Bookmark CEO Emily Jack.

With the continued support of Literacy Capital plc, Bookmark will continue to sustainably scale, expanding its reach and deepening its impact for disadvantaged children across the country. In addition, Bookmark continue to work towards the goals outlined in its three-year strategy, to deliver 165,000 one-to-one reading sessions and benefit 500,000 children across 1,000 schools by improving reading levels and engagement on a one-to-one and whole-school level.

[1] The calculation for this metric is shown within 'Alternative Performance Measures', page 36

Why literacy charities?

In England, in 2023, it was estimated that 1 in 6 adults aged 16 to 65 have very poor literacy skills and struggle to read. Furthermore, 2024 SATs results showed that only 62% of disadvantaged pupils met the expected standard in reading, meaning 38% left primary school without fundamental literacy skills. Of these disadvantaged pupils who leave primary school unable to read well, only 10% will get passes in English and Maths GCSE. The consequences of low literacy are far-reaching, limiting social mobility and increasing the likelihood of individuals experiencing unemployment, poverty, health inequalities and even reduced life expectancy. To put the problem into further context:

- Currently 1 in 4 children leave primary school unable to read well. This rises to 1 in 3 for children in disadvantaged communities, who are leaving primary school on average 10.3 months behind their peers
- Low literacy costs the UK economy £81 billion every year
- In the UK, 1 in 10 children aged 5-18 do not have a book of their own at home
- Just 1 in 3 (36.1%) children and young people aged 8 to 18 said that they enjoyed reading in their free time in 2025

By addressing poor literacy from a young age, Bookmark aims to help every child to develop the reading skills, confidence, and enjoyment they need to succeed in school and beyond. An investment in literacy is an investment in a brighter future, cultivating an educational environment that fosters future opportunities, social mobility and economic progress.

Risks and Uncertainty

The Board of Directors and Investment Manager continue to monitor, review and assess risks and uncertainties which could adversely affect the performance of BOOK.

The principal risks and uncertainties faced by the Company, along with the mitigating actions, have not changed from those set out within the Audited Report and Financial Statements for the twelve months to 31 December 2025. The principal risks include investment performance, liquidity, economic, tax, operational, discount volatility, geopolitical, climate change and artificial intelligence.



Related Party Transactions

Details in respect of the Company's related party transactions during the period are included at note 18 to the interim financial statements.

Going Concern

The Board has assessed the financial position and prospects of the Company over the next 12 months, whilst considering the principal risks and uncertainties faced by the Company. The Company has demonstrated resilient performance amongst a difficult market backdrop.

The Directors do not believe there are any significant risks and uncertainties likely to impact the ability of the Company to continue in business and believe it has adequate resources to operate for at least twelve months from the date of approval of the financial statements, and so for this reason, the Company continues to adopt the going concern basis in preparing the accounts.

Directors' Responsibility Statement

The Directors are responsible for preparing the interim report, in accordance with the applicable laws and regulations.

The Directors confirm that, to the best of their knowledge:

- The condensed set of financial statements contained in these interim results have been prepared in accordance with IAS 34, as contained in UK-adopted IFRS; and
- The chair's foreword and interim management report include a fair review of the information required by DTR 4.2.7 R and 4.2.8 R of the FCA's Disclosure Guidance and Transparency Rules, being an indication of important events that have occurred during the first six months of the financial year; and
- The interim financial statements include a fair review of the information required by DTR 4.28 R of the Disclosure Guidance and Transparency Rules, being related party transactions that have taken place in the first six months of the year.

This interim report was approved by the Board and the Directors' Responsibility Statement was signed on its behalf by the Chair.



Paul Pindar

Chair, Literacy Capital plc, 21 August 2026



Unaudited Financial Statements

Unaudited Financial Statements

Statement of comprehensive income

For the six months ended 30 June	Note	Unaudited 2026 £	Unaudited 2025 £
Income			
(Loss)/gain for the period on investments	11	(3,349,062)	21,247,584
Investment income		242,834	14,509
Operating income		13,746	12
Total income		**(3,092,482)**	**21,262,105**
Expenses			
Operating expenses	6	(477,183)	(504,099)
Management fee	18	(2,156,129)	(2,371,435)
Total operating expenses		**(2,633,312)**	**(2,875,534)**
Charitable donations	9	(718,710)	(790,478)
Finance costs	10	(752,870)	(1,536,030)
Net foreign exchange loss		(1,409)	(2,318)
(Loss)/Profit for the period before taxation		**(7,198,783)**	**16,057,745**
Tax	8	–	–
(Loss)/Profit for the period		**(7,198,783)**	**16,057,745**
Other comprehensive income		–	–
Total comprehensive income		**(7,198,783)**	**16,057,745**
Earnings per share for (loss)/profit attributable to the ordinary shareholders of the Company:			
Basic (loss)/earnings per share	14	(11.96) pence	26.69 pence
Diluted (loss)/earnings per share	14	(11.96) pence	26.66 pence

The accompanying notes form an integral part of these interim financial statements.

Unaudited Financial Statements

Statement of financial position

	Note	Unaudited 30 June 2026 £	Audited 31 December 2025 £
Non-current assets			
Investments at Fair Value through Profit or Loss	11	296,294,645	319,277,569
		296,294,645	**319,277,569**
Current assets			
Cash and cash equivalents	11	736,566	1,156,632
Trade and other receivables		513,220	406,086
		1,249,786	**1,562,718**
Current liabilities			
Trade and other payables due in less than one year	11	(109,912)	(77,019)
Accrual for charitable donation	9	(1,966,667)	(1,800,000)
Borrowings	12	(16,190)	(12,664)
		(2,092,769)	**(1,889,683)**
Net current liabilities		**(842,983)**	**(326,965)**
Non-current liabilities			
Accrual for charitable donation	9	(2,133,360)	(2,183,519)
Borrowings	12	(8,709,297)	(24,959,297)
Total non-current liabilities		**(10,842,657)**	**(27,142,816)**
Net assets		**284,609,005**	**291,807,788**
Capital and reserves			
Share capital	13	60,175	60,175
Share premium		54,225,825	54,225,825
Retained earnings		230,037,000	237,235,783
Share based payment reserve		286,005	286,005
Total share capital & reserves		**284,609,005**	**291,807,788**

Company registered number:
10976145

The accompanying notes form an integral part of these interim financial statements.

The interim financial statements were approved and authorised for issue by the board of directors on 21 August 2026 and were signed on its behalf by:



Paul Pindar

Chair, Literacy Capital plc

21 August 2026

Unaudited Financial Statements

Statement of changes in equity for the six months ended 30 June 2026

For the six months ended 30 June 2026	Share capital £	Share premium £	Retained earnings £	Share based payment reserve £	Capital redemption reserve £	Total £
Balance at 31 December 2025 (audited)	**60,175**	**54,225,825**	**231,218,304**	**286,005**	**6,017,479**	**291,807,788**
Loss for the period	–	–	(7,198,783)	–	–	(7,198,783)
Other comprehensive income for the period	–	–	–	–	–	–
Total comprehensive income for the period	**–**	**–**	**(7,198,783)**	**–**	**–**	**(7,198,783)**
Contributions by and distributions to owners						
Share based payment reserve	–	–	–	–	–	–
Total transactions with owners	**–**	**–**	**–**	**–**	**–**	**–**
Balance at 30 June 2026 (unaudited)	**60,175**	**54,225,825**	**224,019,521**	**286,005**	**6,017,479**	**284,609,005**

Unaudited Financial Statements

Statement of changes in equity for the six months ended 30 June 2025

For the six months ended 30 June 2025	Share capital £	Share premium £	Retained earnings £	Share based payment reserve £	Total £
Balance at 31 December 2024 (audited)	**60,175**	**54,225,825**	**242,510,660**	**175,056**	**296,971,716**
Profit for the period	–	–	16,057,745	–	16,057,745
Other comprehensive income for the period	–	–	–	–	–
Total comprehensive income for the period	**–**	**–**	**16,057,745**	**–**	**16,057,745**
Contributions by and distributions to owners					
Share based payment reserve	–	–	–	–	–
Total transactions with owners	**–**	**–**	**–**	**–**	**–**
Balance at 30 June 2025 (unaudited)	**60,175**	**54,225,825**	**258,568,405**	**175,056**	**313,029,461**

Unaudited Financial Statements

Statement of cash flows for the six months ended 30 June

For the six months ended 30 June	Unaudited 2026 £	Unaudited 2025 £
Cash flows from operating activities		
Cash inflow / (outflow) from operating activities		
Management fee paid	(2,098,285)	(2,225,048)
Non-executive director remuneration	(35,244)	(38,098)
Other operating expenditure	(355,630)	(512,975)
Finance costs	(749,342)	(1,489,680)
Charitable donations paid	(602,198)	(130,664)
Income from investments	242,834	14,509
Operating income	13,746	12
Net cash used in operating activities	**(3,584,119)**	**(4,381,944)**
Cash flows from investing activities		
Cash inflow / (outflow) from investing activities		
Purchase of investments[1]	(16,936,650)	(10,780,579)
Proceeds from disposal of investments	36,352,112	5,797,934
Net cash generated by / (used in) investing activities	**19,415,462**	**(4,982,645)**
Cash flows from financing activities		
Cash (outflow) / inflow from financing activities		
Receipt from RCF	16,250,000	9,050,000
Repayment of RCF	(32,500,000)	(1,000,000)
Net cash (used in) / generated by financing activities	**(16,250,000)**	**8,050,000**
Net decrease in cash and cash equivalents	**(418,657)**	**(1,314,589)**
Cash and cash equivalents - opening balance	1,156,632	2,362,509
Effect of exchange rate fluctuations on cash and cash equivalents	(1,409)	(1,174)
Cash and cash equivalents - closing balance	**736,566**	**1,046,746**

The accompanying notes form an integral part of these interim financial statements.

[1] The figure presented here for 2025 includes £0.4 million of TechPoint deferred consideration settled during the period. See Note 11 for a similar reconciliation.



Notes to the Unaudited Financial Statements

Notes to the Unaudited Financial Statements

For the six months ended 30 June 2026

1. Reporting entity

Literacy Capital plc (the "Company") is a public limited company, limited by shares, incorporated in the United Kingdom. The Company's registered office is 3rd Floor, Charles House, 5-11 Regent Street St James's, London, SW1Y 4LR. Literacy Capital plc is a closed-ended investment trust focused on investing in and supporting small, growing UK businesses and helping their management teams to achieve long-term success. Literacy Capital plc's shares are listed on the Specialist Fund Segment of the London Stock Exchange (ISIN GB00BMF1L080).

Book Asset Management LLP is the Company's Investment Manager. Book Asset Management LLP is a limited liability partnership, incorporated in the United Kingdom. Its registered office is 3rd Floor, Charles House, 5-11 Regent Street St James's, London, SW1Y 4LR.

2. Statement of Compliance

These interim financial statements for the six months ended 30 June 2026 have been prepared in accordance with IAS 34 Interim Financial Reporting and should be read in conjunction with the Company's last annual financial statements as at and for the year ended 31 December 2025. They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS Standards. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements. These interim financial statements are unaudited.

These interim financial statements were authorised for issue by the Company's Board of Directors on 21 August 2026.

3. Accounting policies

The accounting policies applied by the Company in these interim financial statements are the same as those applied in its annual financial statements as at and for the year ended 31 December 2025.

Deferred tax is provided on all timing differences which have originated but not reversed at the balance sheet date, calculated using the tax rates relevant to the benefit or liability.

Deferred tax assets are recognised only to the extent that it is more likely than not that there will be taxable profits from which underlying timing differences can be deducted. Deferred tax liabilities are recognised only to the extent that it is more likely than not that there will be a future tax charge. Whilst the Company continues to hold investment trust status, it has an exemption from paying tax on its capital profits.

4. Functional and presentation currency

These interim financial statements are presented in pound sterling, which is the Company's functional currency. All amounts have been rounded to the nearest pound, unless otherwise indicated.

A foreign currency transaction is recorded initially at the rate of exchange at the date of the transaction. Assets and liabilities are translated from foreign currency to the functional currency at the closing rate, at the end of the reporting period. The resulting gains or losses are included in the statement of comprehensive income.

5. Accounting estimates and judgments

The preparation of interim financial statements in conformity with International Accounting Standards requires Directors to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual financial statements as at and for the year ended 31 December 2025.

6. Operating expenses

For the six months ended 30 June	Unaudited 2026 £	Unaudited 2025 £
Non-executive director remuneration	40,271	39,680
Other operating expenses	436,912	464,419
Total	**477,183**	**504,099**

7. Employees

The Company has no employees, however, the average number of Directors during the six months to 30 June 2026 was 5 (average during the year to 31 December 2025: 5).

8. Taxation

The actual tax charge for the current and previous period differs from the standard rate for the reasons set out in the following reconciliation:

For the six months ended 30 June	Unaudited 2026 £	Unaudited 2025 £
Current taxation		
United Kingdom corporation tax at 25% (30 June 2025: 25%)	–	–
	–	**–**

For the six months ended 30 June	Unaudited 2026 £	Unaudited 2025 £
Deferred taxation		
Origination and reversal of timing differences	–	–
Adjustments in respect of prior periods	–	–
Total deferred tax charge / (credit)	**–**	**–**
Tax on profit on ordinary activities	**–**	**–**

For the six months ended 30 June	Unaudited 2026 £	Unaudited 2025 £
(Loss)/profit on ordinary activities before taxation	**(7,198,783)**	**16,057,745**
Tax on (loss)/profit on ordinary activities at standard rate of 25%	(1,799,696)	4,014,436
Factors affecting tax charge for the period:		
Income not taxable in determining taxable profit	(3,152,320)	(8,840,075)
Expenses not deductible for tax purposes and other adjustments	4,173,175	3,975,011
Movement in deferred tax not recognised	778,841	850,628
Total tax charge / (credit) for the period	**–**	**–**

Literacy Capital plc qualified for investment Trust status with effect from the financial year commencing 1 April 2022, and as such, its capital gains are not taxable.

There is no UK current tax charge as at 30 June 2026 (30 June 2025: £nil), as the Company had sufficient losses to fully relieve all taxable income amounts.

Factors that may affect future tax charges

The Finance Act 2021 enacted legislation to increase the UK corporation tax to 25% with effect from the tax year commencing 1 April 2023.

9. Charitable donations

The Company has recognised charitable donation expenses of £718,710 (for the six months ended 30 June 2025: £790,478). The charitable donation expense is calculated on a calendar year basis. The expense for the first six months of 2026 is calculated by applying 0.5% to NAV adjusted for charitable donations and management fee of £287.5 million (for the year ended 31 December 2025: £297.9 million).

During the six month period, donations paid were £602,198 (for the six months ended 30 June 2025: £130,664). The total accrual for charitable donations at the period end amounts to £4,100,027 (for the year ended 31 December 2025: £3,983,519). This is split between current liabilities (£1,966,667) and non-current liabilities (£2,133,360) based on when the Company expects the cash outflows to occur.

10. Finance costs

The finance costs are in relation to the Company's revolving credit facility. The costs comprise an interest element which is floating and linked to the Bank of England Bank Rate, as well as an ongoing non-utilisation fee linked to the undrawn balance.

For the six months ended 30 June	Unaudited 2026 £	Unaudited 2025 £
Finance costs on Revolving Credit Facility	752,870	1,536,030
Total	**752,870**	**1,536,030**

11. Financial Instruments

	Unaudited 2026 £	Audited 2025 £
Assets		
Financial assets at fair value through profit or loss		
Equity instruments at fair value through profit or loss	141,073,256	157,292,939
Debt instruments at fair value through profit or loss	155,221,389	161,984,630
Financial assets at amortised cost		
Cash and cash equivalents	736,566	1,156,632
Trade and other receivables (excluding prepayments)	229,035	10,635
Total financial assets	**297,260,246**	**320,444,836**
Liabilities		
Financial liabilities measured at amortised cost		
Trade and other payables	109,912	77,019
Revolving Credit Facility	8,725,487	24,971,961
Total financial liabilities	**8,835,399**	**25,048,980**

11. Financial Instruments (continued)

The investment reconciliation schedule for the Company as at 30 June 2026 is as follows:

	Equity instruments at fair value through profit or loss	Debt instruments at fair value through profit or loss	Unaudited 30 June 2026 Total
Audited Investments at 31 December 2025	**157,292,939**	**161,984,630**	**319,277,569**
Cash additions	265,219	16,671,431	16,936,650
Cash proceeds from the disposal of investments	(16,607,501)	(19,963,011)	(36,570,512)[1]
Gain/ (loss) through profit or loss	122,599	(3,471,661)	(3,349,062)
Investments at 30 June 2026	**141,073,256**	**155,221,389**	**296,294,645**

The investment reconciliation schedule for the Company as at 31 December 2025 is as follows:

	Equity instruments at fair value through profit or loss	Debt instruments at fair value through profit or loss	Audited 31 December 2025 Total
Audited Investments at 31 December 2024	**188,374,878**	**140,789,893**	**329,164,771**
Cash additions	424,858	21,647,659	22,072,517[2]
Cash proceeds from the disposal of investments	(25,181,643)	(16,898,282)	(42,079,925)[3]
Gain/ (loss) through profit or loss	(6,325,154)	16,445,360	10,120,206[4]
Audited Investments at 31 December 2025	**157,292,939**	**161,984,630**	**319,277,569**

[1] Cash proceeds from the disposal of investments includes £218,400 of earnout from the sale of Wifinity. Removing this earnout amount reconciles to the figure on the cash flow statement on page 24. To reconcile this amount to the £36.6 million cash realised figure in the performance highlights section on page 4, income from investments (£0.2 million) from the cash flow statement on page 24 should also be included.

[2] The figure presented here excludes £0.6 million of TechPoint deferred consideration.

[3] Cash proceeds from the disposal of investments includes £77,061 escrow amount written off post disposal of an investment. Removing this escrow amount reconciles to the figure on the cash flow statement on page 24.

[4] Figure includes impact of £77,061 escrow amount.

11. Financial Instruments (continued)

Fair values of financial instruments

The Company determines fair values using other valuation techniques, based on the IPEV guidelines.

For financial instruments that trade infrequently and have little price transparency, fair value is less objective, and requires varying degrees of judgment depending on liquidity, uncertainty of market factors, pricing assumptions and other risks affecting the specific instrument.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- **Level 1**: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments;
- **Level 2**: Inputs other than quoted prices included within Level 1 that are observable either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using; quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data;
- **Level 3**: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments but for which significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

Various valuation techniques may be applied in determining the fair value of investments held as Level 3 in the fair value hierarchy. The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Valuation models that employ significant unobservable inputs require a higher degree of management judgment and estimation in the determination of fair value. Management judgment and estimation are usually required for the selection of the appropriate valuation model to be used.

Literacy's valuation process is thorough and robust, with quarterly financial information gathered from the portfolio by the Investment Manager. As part of this process, the Compliance Officer considers any relevant conflicts of interest that should be taken into consideration. The Valuation Committee plays a pivotal role in providing the Board with assurance that the valuation methodology and process are robust and independently challenged. This Committee met twice during the six months to 30 June 2026 to review and challenge underlying assumptions and quantitative inputs into the valuation models, before subsequently reporting to the Board. The Compliance Officer is responsible for reviewing the valuation policy and recommending any changes to the Board at least annually, with the last update in June 2026. This periodic review ensures that the valuation process and policy remain in line with IPEV guidelines.

The Investment Manager has selected to use EBITDA (earnings before interest, taxes, depreciation and amortisation) and TGAV (total gross asset value) multiple models, milestone valuations and recent fundraises for growth investments in arriving at the fair value of investments held as Level 3 in the fair value hierarchy. The effect on the fair value measurements of Level 3 assets, as a consequence of changing one or more of the assumptions used to reasonably possible alternative assumptions can be seen on page 32.

For assets managed and valued by a third party, the fund manager provides the Company with periodic valuations of the Company's investment. These are captured within Level 3 in the fair value hierarchy. The Company reviews the valuation methodology of the third-party manager. If deemed appropriate and consistent with the Company's reporting standards, the Board will adopt the valuation prepared by the third-party manager. The Company adjusts the third-party valuations for any capital calls paid and distributions received between the underlying managers reporting date and 30 June 2026 to arrive at the Directors' best estimate of fair value.

11. Financial Instruments (continued)

Fair value hierarchy – Financial assets at fair value through profit and loss

Financial assets and liabilities Unaudited 30 June 2026	Level 1 £	Level 2 £	Level 3 £	Total £
Equity instruments at fair value through profit or loss	–	–	141,073,256	141,073,256
Debt instruments at fair value through profit or loss	–	–	155,221,389	155,221,389
Total investments (Unaudited)	**–**	**–**	**296,294,645**	**296,294,645**

Financial assets and liabilities Audited 31 December 2025	Level 1 £	Level 2 £	Level 3 £	Total £
Equity instruments at fair value through profit or loss	–	–	157,292,939	157,292,939
Debt instruments at fair value through profit or loss	–	–	161,984,630	161,984,630
Total investments (Audited)	**–**	**–**	**319,277,569**	**319,277,569**

There were no in-year transfers between fair value hierarchies in either 2026 or 2025.

The following table shows a reconciliation of the opening balances to the closing balances for fair value measurements in level 3 of the fair value hierarchy for the underlying investments held by the Company.

Unquoted investments (including debt)	Unaudited 30 June 2026 £	Audited 31 December 2025 £
Balance as at 1 January	319,277,569	329,164,771
Additional investments	16,936,650	22,072,517
Proceeds from disposal of investments	(36,570,512)	(42,079,925)
(Loss) / gain through profit or loss	(3,349,062)	10,120,206
Balance as at 30 June / 31 December	**296,294,645**	**319,277,569**

Significant unobservable inputs used in measuring fair value

The table below sets out information about significant unobservable inputs used at 30 June 2026 in measuring financial instruments categorised as Level 3 in the fair value hierarchy.

Description Inputs	Unaudited Fair value on 30 June 2026 £	Audited Fair value on 31 December 2025 £	Significant unobservable Inputs
Unquoted private equity investments (including debt)	272,707,183	294,644,976	EBITDA multiple
Unquoted growth capital investments	5,308,424	4,614,710	Milestone
Unquoted private equity investments (including debt)	14,593,857	10,839,662	TGAV multiple
Unquoted fund investments (including debt)	3,685,181	9,178,221	Third-party methodology
	296,294,645	**319,277,569**	

11. Financial Instruments (continued)

Significant unobservable inputs are developed as follows:

- **EBITDA and TGAV multiple**: valuation multiples used by other market participants when pricing comparable assets. Where relevant and comparable private companies have recently been sold, which are deemed to be proximate to the Company's investments (based on similarity of sector, size, geography or other relevant factors), these multiples are captured for valuation purposes. Where relevant, or where insufficient private transactions have been identified, valuation data for public companies may also be used.
- **Milestone**: for assets which have recently completed fundraising rounds, the Company uses these valuations when determining its own holding valuations.
- **Third-party methodology**: for assets managed and valued by a third party, the fund manager provides the Company with periodic valuations of the Company's investment.

Although the Company believes that its estimates of fair value are appropriate, the use of different methodologies or assumptions could lead to different measurements of fair value. For fair value measurements of Level 3 assets, changing one or more of the assumptions used, to reasonably possible alternative assumptions, would have the following effects on the Level 3 investment valuations:

- For the Company's investment in Level 3 assets which are valued using an EBITDA multiple, the valuations used in the preparation of the financial statements imply an average EBITDA to Enterprise Value multiple of 8.9x (weighted by each asset's total valuation). The key unobservable input into the preparation of the valuation of mature Level 3 assets was the EBITDA to Enterprise Value multiple applied to the asset's financial performance. If this input had been taken to be 10 per cent. higher, the value of the Level 3 assets and profit for the period would have been £39.7 million higher. If this input had been taken to be 10 per cent. lower, the value of the Level 3 assets and profit for the period would have been £41.4 million lower.
- The Company's one investment in a Level 3 asset which is valued using a TGAV multiple, was valued at 1.0x in the preparation of the financial statements. The key unobservable input into the preparation of the valuation of mature Level 3 assets was the TGAV to Enterprise Value multiple applied to the businesses' assets. If this had been taken to be 10 per cent. higher, the value of the Level 3 asset and profit for the period would have been £3.1 million higher. If this input had been taken to be 10 per cent lower, the value of the Level 3 asset and profit for the period would have been £3.1 million lower.
- For the Company's one investment in a Level 3 asset which is valued using Milestone, the use of different methodologies or assumptions could lead to different measurements of fair value. The key unobservable input into the preparation of the valuation was the price per share used. If the input had been taken to be 10 per cent. higher, the value of the Level 3 assets would have been £0.5 million higher. If the input had been taken to be 10 per cent. lower, the value of the Level 3 assets would have been £0.5 million lower.
- For the Company's investment in Level 3 assets which are valued using third-party methodology, the key unobservable input into the preparation of the valuation was the valuations provided by the relevant external fund manager. If these valuations had been taken to be 10 per cent. higher, the value of the Level 3 assets would have been £0.4 million higher. If these valuations had been taken to be 10 per cent. lower, the value of the Level 3 assets would have been £0.4 million lower.

10 per cent. was chosen as an appropriate sensitivity metric to be used as this is the typical amount a multiple could move between valuations.

12. Debt

Literacy Capital plc entered into a £40 million RCF with OakNorth Bank plc in September 2024. During the period ended 30 June 2025, the facility size was increased to £50 million, with the additional £10 million remaining uncommitted until required.

As at 30 June 2026, the drawn balance of the RCF, including accrued interest, was £8.7 million (31 December 2025: £25.0 million). This facility is in place until September 2027. The Company has provided security in the form of its underlying portfolio companies. A pre-agreed margin (dependent on loan to value at each drawing), plus the daily Bank of England Bank Rate is charged on borrowed amounts. A non-utilisation fee is also charged on the available undrawn committed amounts of the facility, also dependent on the loan to value throughout each interest period. Note 10 details the finance costs charged within the period.

There are three financial covenants attached to the OakNorth facility, being that loan to value shall not exceed 20%, the number of investments held must exceed ten and total net asset value must remain above £225 million. The Company has complied with these covenants during the reporting period.

Following the reporting period end, Literacy announced on 03 August an extension to its existing RCF. This increased the committed element of the facility to £50 million and extended the term by two years to September 2029. The three covenants mentioned above are unchanged except that the latest agreement specifies that "the number of investments held must exceed eight". BOOK remains compliant with all covenants.

12. Debt (continued)

	Unaudited 30 June 2026 £	Audited 31 December 2025 £
Revolving Credit Facility	8,709,297	24,959,297
Accrued interest on Revolving Credit Facility	16,190	12,664
Total	**8,725,487**	**24,971,961**

13. Share Capital

	Unaudited 30 June 2026 Number	Unaudited 30 June 2026 £	Audited 31 December 2025 Number	Audited 31 December 2025 £
Ordinary shares of £0.001 each	60,175,000	60,175	60,175,000	60,175
	60,175,000	**60,175**	**60,175,000**	**60,175**

The number of shares authorised, issued and allotted have been paid to the extent of 60,175,000 shares amounting to £60,175 as at 30 June 2026 (31 December 2025: 60,175,000 shares amounting to £60,175).

All ordinary shares have the same voting rights, preferences, and no restrictions on the distribution of dividends and the repayment of capital. The Company's articles do not limit the number of new ordinary shares which can be issued.

The Company announced the creation of a B share scheme during 2024 to provide a mechanism to return capital to shareholders through the issue and immediate redemption of bonus shares. During 2025 the Company made a distribution of £6 million via the B share scheme. 6,017,479 B shares were issued and immediately redeemed, with the shares having a nominal value of £6,017,479. No further distributions were made in the six months to 30 June 2026.

14. Basic and diluted (loss)/profit per share (pence)

Basic (loss)/profit per share is calculated by dividing the (loss) / profit of the Company for the period attributable to the ordinary shareholders of (£7,198,783) (for the six months ended 30 June 2025: £16,057,745) by the weighted average number of shares outstanding during the period of 60,175,000 (for the six months ended 30 June 2025: 60,175,000).

Diluted (loss)/profit per share is calculated by dividing the (loss) / profit of the Company for the period attributable to the ordinary shareholders of (£7,198,783) (six months ended 30 June 2025: £16,057,745), by the weighted average number of ordinary shares outstanding during the period, totalling 60,175,000 shares (six months ended 30 June 2025: 60,235,558 shares). The potentially dilutive ordinary shares here include warrants outstanding at period end, which have vested or are expected to vest and where the exercise price is lower than the current market price of the underlying shares.

15. Basic NAV per share (pence)

The Company's basic NAV per share of 472.97 pence (for the year ended 31 December 2025: 484.93 pence) is based on the NAV of the Company at the period end of £284,609,005 (for the year ended 31 December 2025: £291,807,788) divided by the shares in issue at the end of the period of 60,175,000 (for the year ended 31 December 2025: 60,175,000).

Alternative Performance Measures on pages 36 and 37 set out why a different NAV and NAV per share have been used throughout the rest of the interim report.

16. Warrants

The following table sets out the movement of warrants in issue during the period.

	Unaudited 30 June 2026 Number	Audited 31 December 2025 Number
Outstanding warrants at the beginning of the period / year	**597,500**	**612,500**
Warrants issued during the period / year	420,000	35,000
Warrants forfeited during the period / year	–	(50,000)
Warrants exercised during the period / year	–	–
Outstanding warrants at the end of the period / year	**1,017,500**	**597,500**
Of which: Exercisable warrants	**75,000**	**175,000**

17. Reserves

The following are the reserves with the entity as at 30 June 2026:

- Share Capital: Capital issued and paid to the extent of £60,175.
- Share Premium: Premium above par value issued and fully paid. The Share Premium account is distributable.
- Retained Earnings: Accumulated profits and losses less any dividends paid.
- Share based payment reserves: The fair value of any share-based payments recognised at the reporting date.
- Capital redemption reserve: Capital distributed under the Company's B share scheme.

18. Related party transactions

Two Directors of the Company are designated members of Book Asset Management LLP ("BAM"), the Company's Investment Manager.

Total expenses through the Statement of comprehensive income with BAM during the period were £2,156,129 (for the six months ended 30 June 2025: £2,371,435). The total expense related to the rendering of AIFM services during the period. At the period end the balance due to be paid to the LLP for these services was (£53,291) i.e. a repayment from BAM to the Company (31 December 2025: (£111,134)). This is the difference between the annual management fee paid during the year and what the management fee should have been based on NAV adjusted for charitable donations, management fee and B share distributions at year end.

Bookmark Reading Trading Limited is a wholly owned subsidiary of Bookmark Reading Charity, collectively referred to as 'Bookmark'. As per Bookmark Reading Charity's constitution, Sharon Pindar, Paul Pindar and Richard Pindar are all members of the charity. Bookmark Reading Charity does not have share capital but is limited by guarantee by its three members. Paul Pindar and Richard Pindar perform this role in addition to their role on the Board of Literacy Capital plc, and therefore the Company recognises Bookmark Reading Trading Limited and Bookmark Reading Charity as related parties.

The total payments made to Bookmark during the period were £577,198 (for the six months ended 30 June 2025: £5,664). The Company has a total accrual for charity and other donation payments amounting to £4,100,027 (31 December 2025: £3,983,519), out of which some donations will be made to Bookmark.

Cash inflows from subsidiaries and associates as a result of disposals and repayments during the six month period to 30 June 2026 were £14,708,620 (year to 31 December 2025: £39,268,379). Follow on capital invested into subsidiaries and associates totalled £14,147,848 for the six months to 30 June 2026 (year to 31 December 2025: £18,217,420).

The total payment made by key management personnel for share purchases in the Company in the six month period to 30 June 2026 was £0 (year to 31 December 2025: £191,000).

19. Capital Commitments

Capital commitments relating to third party fund interests of £0.9 million (31 December 2025: £1.2 million) remain outstanding and are yet to be drawn down.

20. Subsequent events

Post-period end, the Company's RCF with OakNorth Bank plc has been extended by a further two years, taking its expiry to September 2029, and the legally committed element of the facility has been increased from £40 million to £50 million, giving greater financial headroom. As part of the extension, there has been a reduction in margin percentage that BOOK is charged. The covenant regarding the minimum number of assets that need to be held has also been reduced from "needing to exceed" ten to eight, providing more flexibility to Literacy. All other material terms relating to the RCF remain unchanged, including the 20% loan-to-value covenant.

Since 30 June 2026, the Company has also made a small number of injections into investee companies for both working capital and bolt-on acquisition purposes.

All the above were non-adjusting events as at 30 June 2026.

21. Prior period adjustments

The first prior period error related to the diluted earnings / (loss) per share for the six months to 30 June 2025. This was a correction to bring the calculation in line with that audited as part of our 31 December 2025 accounts. The impact here is immaterial, being a 0.06 pence increase in diluted earnings per share, with no other metrics impacted. Our previously reported figure was 26.60 pence per share, against the restated amount of 26.66 pence per share.

The Company has also corrected the payments to Bookmark figure for the six months to 30 June 2025. This amount was included on the face of the financial statements but omitted in error within Note 18. The impact here is immaterial, being £5,664, with no other metrics impacted. Our previously reported figure was £0, against the restated amount of £5,664.

22. Ultimate controlling party

Literacy Capital plc does not have an ultimate controlling party.



Further information

Alternative Performance Measures (unaudited)

As well as financial performance, the Board of Directors and Investment Manager monitor Alternative Performance Measures (APMs). An APM is a numerical measure of the Company's historical or current performance. The following APMs are typically used within the investment trust sector to provide additional information to help assess performance.



Diluted NAV and NAV per share

The 30 June 2026 NAV and NAV per share reported within 'Performance Highlights' on page 4, and the 'Investment Manager's Report' from page 9 include an adjustment to the net asset value to take account for the dilutive impact of warrants in issue, calculated on a straight-line basis over the vesting period of the warrants.

	30 June 2026 £	31 December 2025 £
NAV (per the Balance Sheet)	**284,609,005**	**291,807,788**
Proceeds from warrants vesting[1]	112,500	461,300
Diluted NAV for NAV per share calculation (a)	**284,721,505**	**292,269,088**
Ordinary shares in issue (b)	60,175,000	60,175,000
Additional shares issued from warrants vesting	75,000	175,000
Total shares for diluted NAV per share calculation (c)	**60,250,000**	**60,350,000**
Diluted NAV per share (a/c=d)	**4.726**	**4.843**
Diluted NAV (b x d)	**284,367,080**	**291,421,581**
B share distribution (e)	6,017,479	6,017,479
Diluted NAV, adjusted for B share distribution, for NAV per share calculation (a+e=f)	**290,738,984**	**298,286,567**
Diluted NAV per share, adjusted for the B share distribution (f/c=g)	**4.826**	**4.943**
Diluted NAV, adjusted for the B share distribution (b x g)	**290,377,068**	**297,421,610**

[1] Proceeds from warrants vesting is a non-cash item that relates to the cash proceeds that would be received if all the warrants that are in the money at the reporting date were to be exercised.

The below table provides a reconciliation to the NAV figures that are used to calculate the charitable donation and management fee:

	30 June 2026 £	31 December 2025 £
NAV (per the Balance Sheet)	284,609,005	291,807,788
Charitable donations	718,710	1,489,276
Management fee	2,156,129	4,558,089
NAV adjusted for charitable donations and management fee	**287,483,844**	**297,855,153**
B share distribution	6,017,479	6,017,479
NAV adjusted for charitable donations, management fee and B share distribution	**293,501,323**	**303,872,632**

Total Return

Share price and NAV total returns show how the share price and NAV have performed over the six month period to 30 June 2026.

	Share price mid-point	NAV per share[2]
Opening at 1 January 2026	383.0p	484.3p
Closing at 30 June 2026	302.0p	472.6p
Change in six months to 30 June 2026	**(21.1)%**	**(2.4)%**
B share distribution	–	–
Dividends declared or paid	–	–
Total return in six months to 30 June 2026[1]	**(21.1)%**	**(2.4)%**

The following table shows the total returns in the previous year ended 31 December 2025.

	Share price mid-point	NAV per share[2]
Opening at 1 January 2025	454.0p	492.8p
Closing at 31 December 2025	383.0p	484.3p
Change in year ended 31 December 2025	**(15.6)%**	**(1.7)%**
B share distribution	2.2%	2.0%
Dividends declared or paid	–	–
Total return in year ended 31 December 2025	**(13.4)%**	**0.3%**

Share Price Premium or Discount

The table below shows the amount by which the share price mid-point is either higher (premium) or lower (discount) than the Diluted NAV per share, expressed as a percentage of the Diluted NAV per share.

	30 June 2026	31 December 2025
Share price mid-point	302.0p	383.0p
Diluted NAV per share[2]	472.6p	484.3p
Share price premium or (discount)[3]	**(36.1)%**	**(20.9)%**

Weighted average EV / EBITDA multiple and net debt / EBITDA multiple

Weighted average EV / EBITDA multiple of 9.1x for Literacy's ten largest investments (excluding Antler Homes), is calculated by taking each investment's multiple proportional to its carrying value, as a percentage of the total carrying value of the largest ten investments.

Average net debt / EBITDA multiple of 2.7x for Literacy's ten largest investments (excluding Antler Homes) is calculated by taking each investment's net leverage proportional to its carrying value, as a percentage of the total carrying value of the largest ten investments (excluding Antler Homes). Net leverage refers to cash and senior debt over adjusted EBITDA.

[1] Total return calculations exclude any historical capital returned to shareholders outside the period detailed in the relevant table

[2] The calculation of the NAV per share figures is shown on page 36 under 'Diluted NAV and NAV per share'

[3] Share price premium or (discount) is calculated by (Share price mid-point/Diluted NAV per share) -1

Ongoing Charges

The ongoing charges are calculated in line with guidance issued by the Association of Investment Companies ('AIC') and capture management fees and expenses, which are operational and recurring by nature but excluding finance costs, incurred by the Company. The calculation does not include the expenses or management fees incurred by any underlying funds or portfolio companies.

The calculation is based on the ongoing charges expressed as a percentage of the average quarterly NAV figures published during the six month period to 30 June 2026.

BOOK's ongoing charges, excluding the 0.5% annual charitable donation accrual, were calculated as 1.76% (30 June 2025: 1.79%).

BOOK's ongoing charges, including the 0.5% annual charitable donation accrual, were calculated as 2.26% (30 June 2025: 2.30%).

BOOK's investment management fees and charitable donation are calculated based on the relevant adjusted NAV figures reported at the end of the financial period, which allows these costs to be calculated based on audited NAV figures, rather than unaudited quarterly figures. This translates into slightly higher ongoing charges and donations, compared to the AIC's suggested calculation which uses average NAV in the period, if NAV grows in the period.

Corporate Information

Directors

Paul Pindar

Richard Pindar

Christopher Sellers

Rachel Murphy

Dawn Marriott (appointed 27 February 2026)

Simon Downing (resigned 27 February 2026)

Registered Number

10976145

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Shareholder Information

2026 Key Dates

Mar	Audited report and financial statements published
May	Annual General Meeting
Jun	Company's half year-end
Aug	Half-yearly results published
Dec	Company's year-end

Frequency of NAV Publication

The Company's unaudited Diluted NAV is released to the London Stock Exchange on a quarterly basis, typically within four weeks of the quarter end. An exception is made following the close of Q4, given this coincides with BOOK's financial year end.

Annual and half-yearly report

Copies of the Company's Audited and Interim Reports, stock exchange announcements and further information on the Company can be obtained from the Company's website

www.literacycapital.com.

Contacting the Company

Shareholder queries are welcomed by the Company. While any queries regarding your shareholding should be directed to the Registrar, shareholders who wish to raise any other matters with the Company may do so via the registered office of the company (see Corporate Information section on page 38).

Identification codes

Admission to trading:	**Ticker:**	**ISIN:**
Specialist Fund Segment (SFS)	BOOK	GB00BMF1L080



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