

Key Information Document

Purpose

This document provides you with key information about this investment product. It is not marketing material. The information is required by law to help you understand the nature, risks, costs, potential gains and losses of this product and to help you compare it with other products.

Product

Name of Product	Ordinary shares of £0.001 nominal value each in Literacy Capital plc (the " Company ")
Name of PRIIP manufacturer	Literacy Capital plc
ISIN	GB00BMF1L080
Website for PRIIP manufacturer	www.literacycapital.com
Call telephone number for more information	+44 (0)20 3960 0280
Competent Authority of the PRIIP Manufacturer in relation to the KID	The Company's ordinary shares will be admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange and subject to the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority
Date of production of the KID	14 May 2021

You are about to purchase a product that is not simple and may be difficult to understand

What is this product?

Type Ordinary shares in a public company incorporated in the United Kingdom. Save for payments of dividends made in accordance with its dividend policy from time to time or other returns (e.g. on a winding up), the Company is not expecting to pay you and you are expected to generate returns through selling your shares through a bank or stockbroker. The ordinary shares have no maturity date. Shares of the Company are bought and sold via the Specialist Fund Segment of the Main Market of the London Stock Exchange. Typically, at any given time on any given day, the price you pay for a share will be higher than the price at which you could sell it.

Objectives The Company's objectives are: (i) to achieve long term capital growth through making investments in accordance with its investment policy; and (ii) to provide a consistent donation to registered charities selected by the Investment Manager with the approval of the Board.

The Company's investment policy is to invest in a diversified portfolio consisting primarily of equity and equity-related securities issued by unquoted companies.

Investments will be primarily in equity and equity-related instruments (which shall include, without limitation, preference shares, convertible debt instruments, equity-related and equity-linked notes and warrants) issued by portfolio companies. The Company will also be permitted to invest in partnerships, limited liability partnerships and other legal forms of entity where the investment has equity like return characteristics.

For the purposes of this investment policy, unquoted companies shall include companies with a technical listing on a stock exchange but where there is no liquid trading market in the relevant securities on that market (for example, companies with listings on The International Stock Exchange and the Cayman Stock Exchange). Further, the Company shall be permitted to invest in unquoted subsidiaries of companies whose parent or group entities have listed equity or debt securities.

The Company may hold debt instruments issued by a portfolio company where the Company also has equity or equity-related interests in that portfolio company.

The Company may participate in the IPO of an existing unquoted company investment, subject to the investment restrictions below. In particular, unquoted portfolio companies may seek IPOs from time to time following an investment by the Company, in which case the Company may continue to hold its investment without restriction.

The Company will invest and manage its assets with the objective of spreading risk. No single investment (including related investments in group entities) will represent more than 20 per cent of Gross Assets, calculated as at the time of that investment. The Company will not be required to dispose of any investment or rebalance its portfolio as a result of a change in the respective value of any of its investments.

While the Company does not intend to focus its investments on a particular sector, there is no limit on the Company's ability to make investments in portfolio companies within the same sector if it chooses to do so.

The Company will seek to ensure that it has suitable and appropriate investor protection rights through its investment in portfolio companies.

The Company may acquire investments directly or by way of holdings in SPVs, intermediate holding vehicles or other fund or similar structures.

The Company may also make charitable donations equal to 0.9 per cent of net assets in each financial year, as determined by the Board from time to time.

Intended retail investor

The ordinary shares will be admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange and as such are intended for institutional, professional and knowledgeable (including those who are professionally advised) investors. The ordinary shares are not intended for retail investors.

What are the risks and what could I get in return?

Risk indicator

The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you.

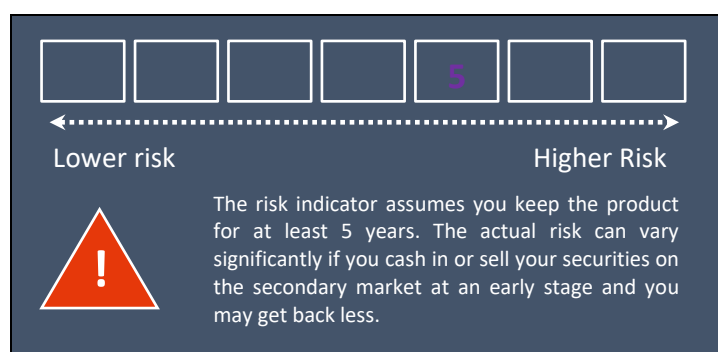
We have classified this product as 5 out of 7 which is a medium-high risk class.

This rates the potential losses from future performance at a medium-high level, and poor market conditions are likely to impact your returns.

The Company invests in unlisted equities which have valuation and performance uncertainties and liquidity risk. The 'Other relevant information' section gives more detail on the risks investors should consider

This product does not include any protection from future market performance, so you could lose some or all of your investment.

If we are not able to pay you what is owed, you could lose your entire investment.



The whole amount of your invested capital in the Company is at risk and there can be no guarantee that you will get back any or all of the amount invested on a sale of shares in the Company. The price at which shares in the Company are sold in the market has not historically tracked the Company's net asset value per share. **REFERENCES TO THE COMPANY PAYING YOU MONEY ARE REQUIRED, WHILE YOU MAY RECEIVE SOME DIVIDENDS FROM THE COMPANY DURING YOUR INVESTMENT THE MAJORITY OF YOUR RETURN FROM THE BUYER OF YOUR SHARES WHEN YOU SELL.**

Performance Scenarios

MARKET DEVELOPMENTS IN THE FUTURE CANNOT BE ACCURATELY PREDICTED. THE SCENARIOS SHOWN ARE ONLY AN INDICATION OF SOME OF THE POSSIBLE OUTCOMES BASED ON RECENT RETURNS. ACTUAL RETURNS COULD BE LOWER.

This table shows the money you could get back over the next 5 years under different scenarios, assuming that you invest £10,000. The scenarios shown illustrate how your investment could perform. You can compare them with the scenarios of other products. The scenarios presented are an estimate of future performance based on evidence from the past on how the value of this investment

varies, and are not exact indicators. What you will get will vary depending on how the market performs and how long you keep the investment/product. The figures are calculated according to the PRIIPs methodology and take into account, among other things, movements in share prices

The stress scenario shows what you might get back in extreme market circumstances and it does not take into account the situation where we are not able to pay you.

The figures shown include all the costs of the product itself, but may not include all the costs that you pay to your advisor or distributor. The figures do not take into account your personal tax situation, which may also affect how much you get back.

Investment £10,000				
Investment scenarios		1 year	3 years	5 years (recommended holding period)
Stress scenario	What you might get back after costs	£6,720.64	£6,339.96	£5,577.13
	Average return each year	-32.79%	-14.09%	-11.02%
Unfavourable scenario	What you might get back after costs	£8,170.82	£8,361.47	£9,227.61
	Average return each year	-18.29%	-5.79%	-1.59%
Moderate scenario	What you might get back after costs	£11,604.51	£15,301.12	£20,103.68
	Average return each year	16.05%	15.23%	14.99%
Favourable scenario	What you might get back after costs	£16,108.41	£27,367.09	£42,803.91
	Average return each year	61.08%	39.88%	33.75%

What happens if Literacy Capital plc is unable to pay out?

As a shareholder of Literacy Capital plc you would not be able to make a claim to the Financial Services Compensation Scheme nor any other compensation body about the Company in the event that the Company were unable to pay any dividends or other returns it may elect to pay from time to time, or if it were unable to pay any amounts due to you on a winding up at the end of its life. If you invest in the Company, you should be prepared to assume the risk that you could lose all of your investment. If you sell your shares on the Specialist Fund Segment of the Main Market of the London Stock Exchange, your bank or stockbroker will receive cash on delivery of your shares and should pass that to you.

The assets of the Company are under supervision of the Company's depositary, Indos Financial Limited. The assets of the Company are segregated by law from those of Literacy Capital Asset Management LLP and of the depositary bank.

REFERENCES TO THE COMPANY PAYING YOU MONEY ARE REQUIRED, WHILE YOU MAY RECEIVE SOME DIVIDENDS FROM THE COMPANY DURING YOUR INVESTMENT THE MAJORITY OF YOUR RETURN WILL LIKELY BE FROM THE BUYER OF YOUR SHARES WHEN YOU SELL.

What are the costs?

Presentation of Costs

The Reduction in Yield (RIY) shows what impact the total costs you pay will have on the investment return you might get. The total costs take into account one-off, ongoing and incidental costs.

The amounts shown here are the cumulative costs of the product itself, for three different holding periods. They include potential early exit penalties. The figures assume you invest £10,000. The figures are estimates and may change in the future.

The Company is required by law to include the information above and below without any changes. That law was drafted for investment products which pay returns directly to investors, not those for which a return is expected to be delivered by the investor selling shares on a market. The Performance Scenarios above are shown based on share price returns together with returns from dividends or other distributions net of estimated costs. The costs shown below, all of which are borne by the Company, will have an impact on the Company's net asset value but may or may not have a direct impact on share price performance of the Company's ordinary shares.

If you chose to sell your shares, you would pay your bank's or stockbroker's dealing charges and be selling at the then available market offer price. That is likely to be lower than the bid price at which other investors could buy shares at that time. Prices quoted for shares in the media are typically the mid-price, being half way between the offer price and the bid price.

Costs over Time

The person selling you or advising you about this product may charge you other costs. If so, this person will provide you with information about these costs, and show you the impact that all costs will have on your investment over time.

Investment scenarios £10,000	If you cash in after 1 year	If you cash in after 3 years	If you cash in at the end of the recommended holding period
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Total costs	£258.49	£1,051.99	£2,359.11
Impact on return (RIY) per year	2.58%	2.58%	2.58%

The above figures take into account the application of the entry and exist costs detailed in the following section, for which the application is subject to the sole discretion of the Board. These charges could be applied when portfolio company shares are sold through intermediaries.

Composition of Costs

The table below shows:

- the impact each year of the different types of costs on the investment return you might get at the end of the recommended holding period;
- the meaning of the different cost categories.

The impact on return per year			
One-off costs	Entry costs	None	The impact of the costs you pay when entering your investment.
	Exit costs	None	The impact of the costs of exiting your investment when it matures.
Ongoing costs	Portfolio transaction costs	0.06%	The impact of the costs of us buying and selling underlying investments for the product.
	Other ongoing costs	2.53%	The impact of the costs that we take each year for managing your investments and the costs associated with running the Company.
Incidental costs	Performance fees	None	The impact of the performance fee. We take these from your investment if the adjusted NAV of Company outperforms.
	Carried interests	None	The impact of carried interests.

How long should I hold it and can I take money out early?

Recommended holding period: 5 years

Listed funds are designed to be long term investments and the returns from them can be volatile during their life.

You should plan to hold your shares for at least a five-year investment horizon.

As the Company's ordinary shares are listed on the Specialist Fund Segment of the Main Market of the London Stock Exchange, you can expect to sell them at any time through your bank or stockbroker, provided that there is a buyer for the shares.

How can I complain?

As a shareholder of the Company, you do not have the right to complain to the Financial Ombudsman Service (FOS) about the management of the Company. If you have any complaints about the Company, you may lodge your complaint:

- via our website www.literacycapital.com
- in writing to Literacy Capital Asset Management LLP, Third Floor, Charles House, 5-11 Regent Street St James's, London, United Kingdom, SW1Y 4LR.

Other relevant information

We are required to provide you with further documentation, such as the Company's latest prospectus, annual and semi-annual reports. In particular, investors should have regard to the risk factors set out in the prospectus. These documents and other information relating to the Company are available online at www.literacycapital.com. Past performance is not indicative of future performance.