



**HgCapital Trust plc**  
**2021 Full year results**  
**March 2022**

# Get connected

To the 2nd largest software business in Europe

This document accompanies the Annual report to 31 December 2021. The information in this document contains a summary of information set out in this report. Reference should be made to the full FY Report & Accounts rather than relying on this summary. The reader's attention is also drawn to the provisions on pages 22 and 23. References in this document to HgCapital Trust plc have been abbreviated to 'HGT'.

# HGT overview: Consistent long-term compounding growth

**FTSE 250 investment company listed on the LSE**

**Direct investor only committed to Hg funds**

**A Board of 6 NEDs with a wide range of skill sets and strong focus on strategy and governance who make all decisions on commitments to Hg funds**

**Managed by Hg since 1994**

**Access to the focus, scale, reach, and expertise Hg has built in European B2B software**

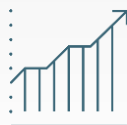
**Provides a unique listed access point to the  
2nd largest unquoted software company in Europe\***

# Key financials for 2021: The power of a long-term investment strategy



**+44%**

**NAV per share (440.5p)**  
31 December 2020: +24%



**£2.0bn**

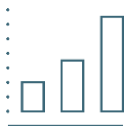
**Net assets**  
31 December 2020: £1.3bn

**18% NAV per share and 19% share price CAGR over the past 10 years v. 8% CAGR from the FTSE All-Share generated from consistently strong trading and realisations above book value**



**+40%**

**Share price (420.5p)**  
31 December 2020: +21%



**£1.9bn**

**Market capitalisation**  
31 December 2020: £1.3bn

Based on HGT's share price at 31 December 2021 and allowing for all historic dividends being reinvested, **an investment of £1,000 made 20 years ago would now be worth £24,134, a total return of 2,313%**. An equivalent investment in the FTSE All-Share Index would be worth £3,360.



**7p**

**Full year Dividend**  
31 December 2020: 5p



**1.4%**

**Total ongoing charges**  
31 December 2020: 1.8%

**HgCapital Trust plc is the best performing ISA investment since 1999 (2022: AIC)**

Note: All performance figures are based on total return assuming that all historic dividends have been re-invested.

Past performance is not a reliable indicator of future results. The value of shares and the income from them can go down as well as up as a result of market and currency fluctuations. You may not get back the amount you invest.

# Managing liquidity – levers in place



Available liquid resources (23% of NAV)

**£470m**

including an undrawn bank facility of £99m



New equity raised over 2021

**£141m**

via tap issuance



Cash returned to HGT over 2021

**£271m**

through exits and refinancings



Invested on behalf of HGT over 2021

**£424m**

including 16 new platform investments as well as further investment into the current portfolio



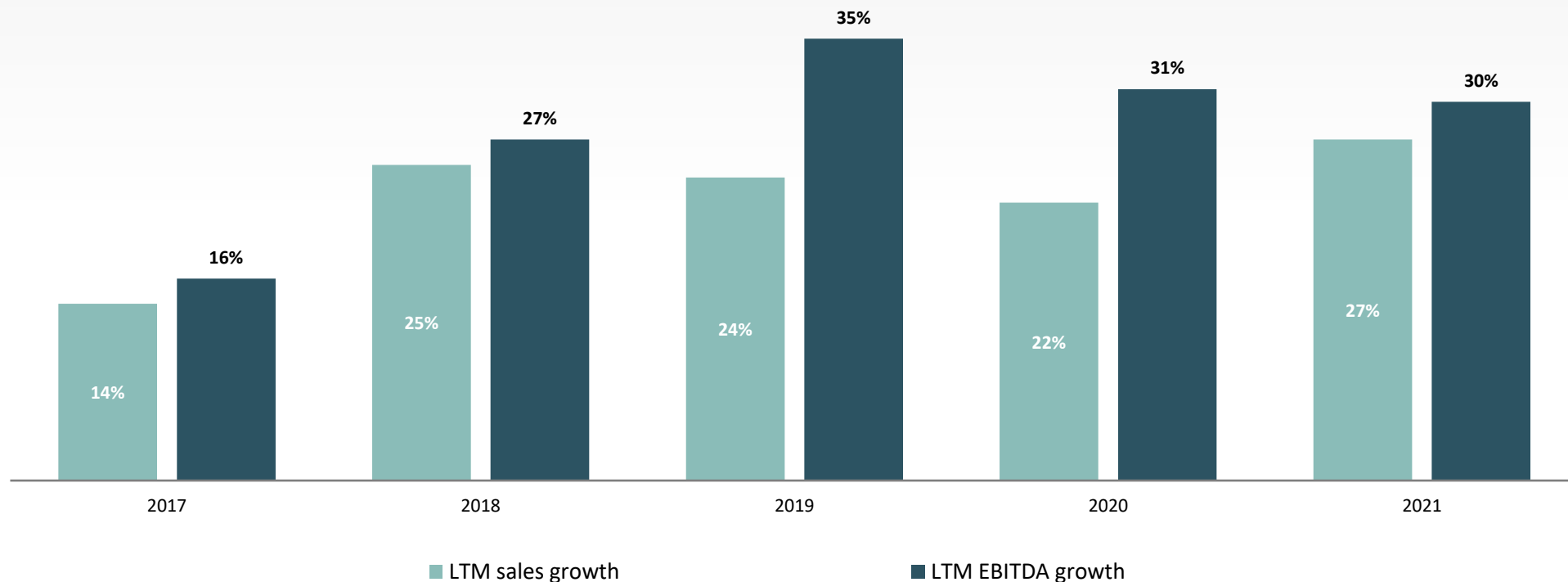
Outstanding commitments to Hg funds (49% of NAV)

**£992m**

to be drawn down over the next three to four years and partly financed by cash flows from future realisations

**HGT can 'opt-out' of a new investment without penalty, should it not have the cash available to invest**

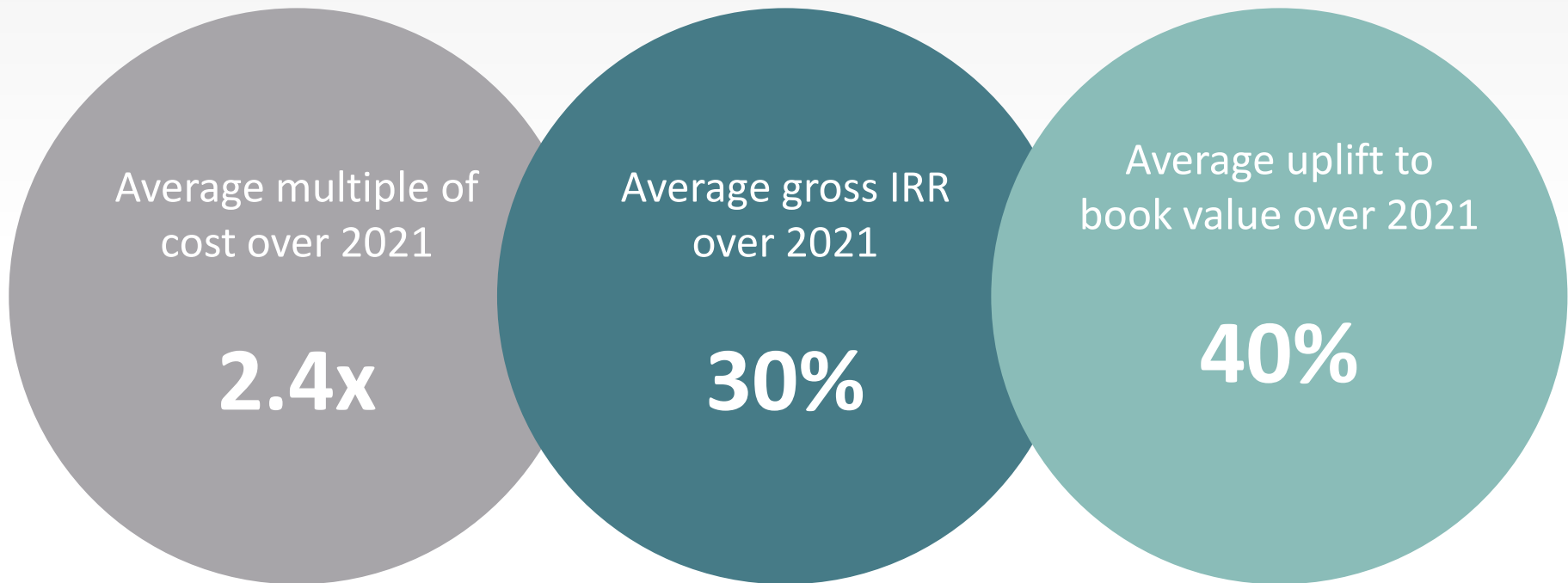
**Average EBITDA growth of the top 20 portfolio companies was 28% over the last 5 years**



**70% of the 2021 increase in unrealised valuation was driven by trading**

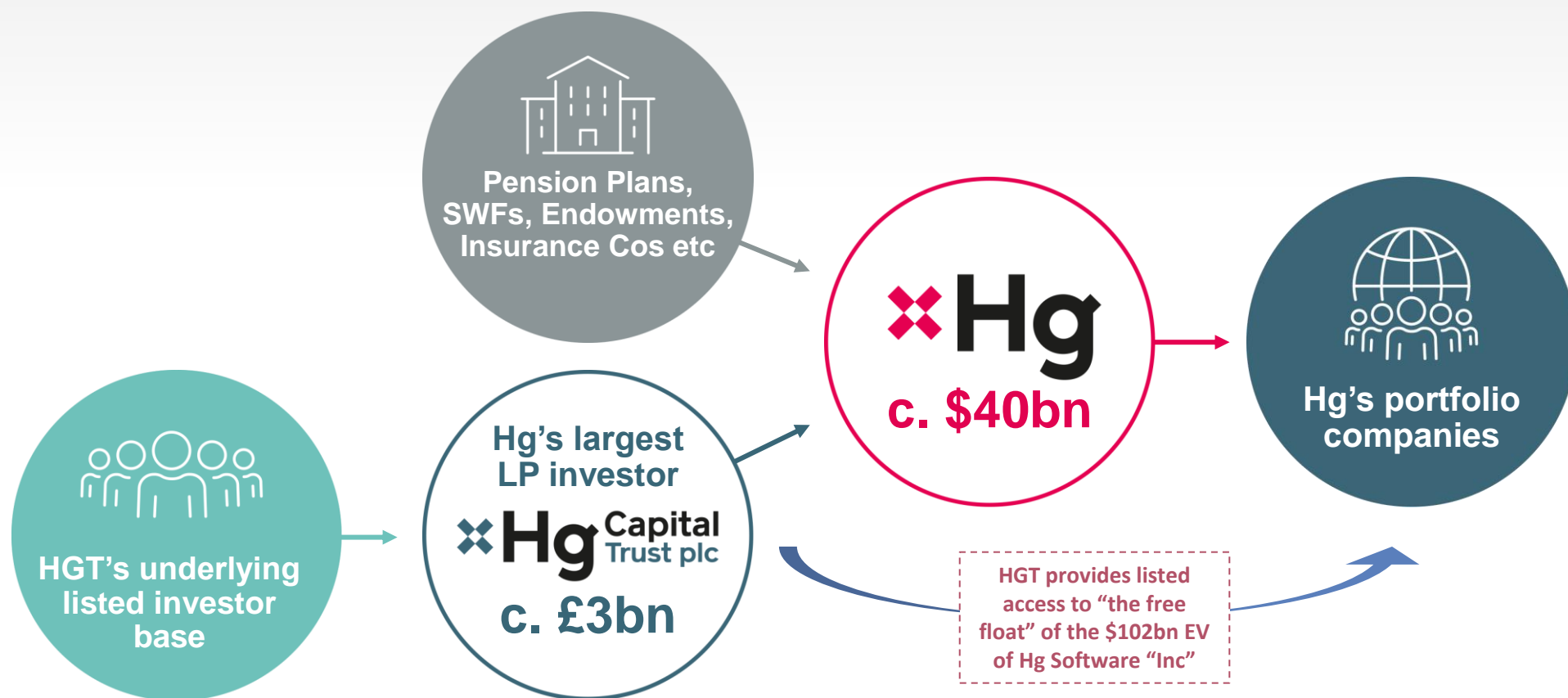
Note: Top 20 - Based on LTM HGT reported figures  
As at 31 December 2021 the top 20 companies represented 78% of the portfolio

## Returning cash to HGT with significant realisations at uplifts to book value



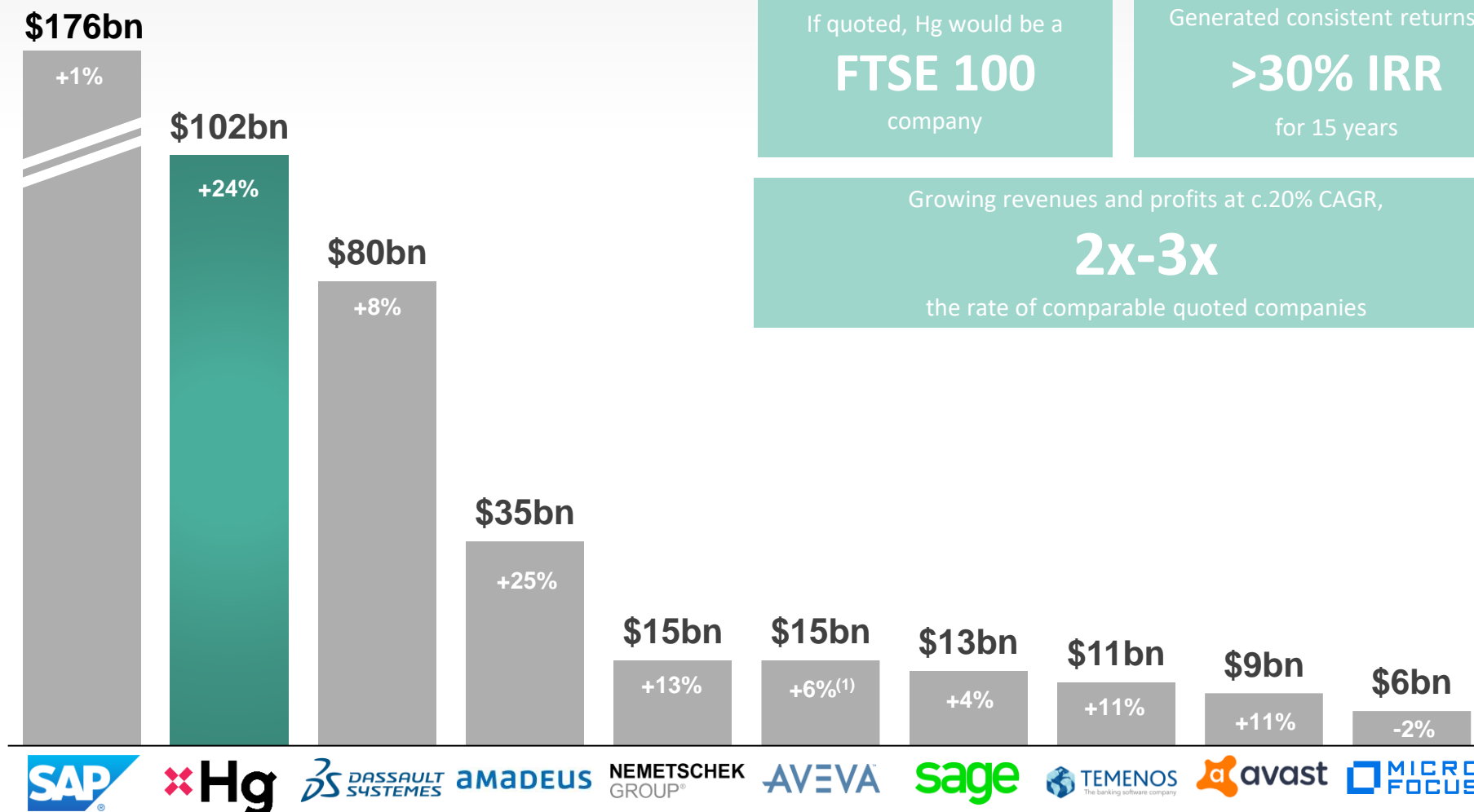
**In the past 10 years Hg has realised 57 investments  
with an average uplift to valuation of 30%**

# HGT is Hg's largest client, committed to all Hg funds



HGT provides shareholders with access to an unquoted software portfolio that would otherwise be predominantly inaccessible to listed investors

# ✖Hg 'Hg Inc' is the #2 largest tech firm in Europe



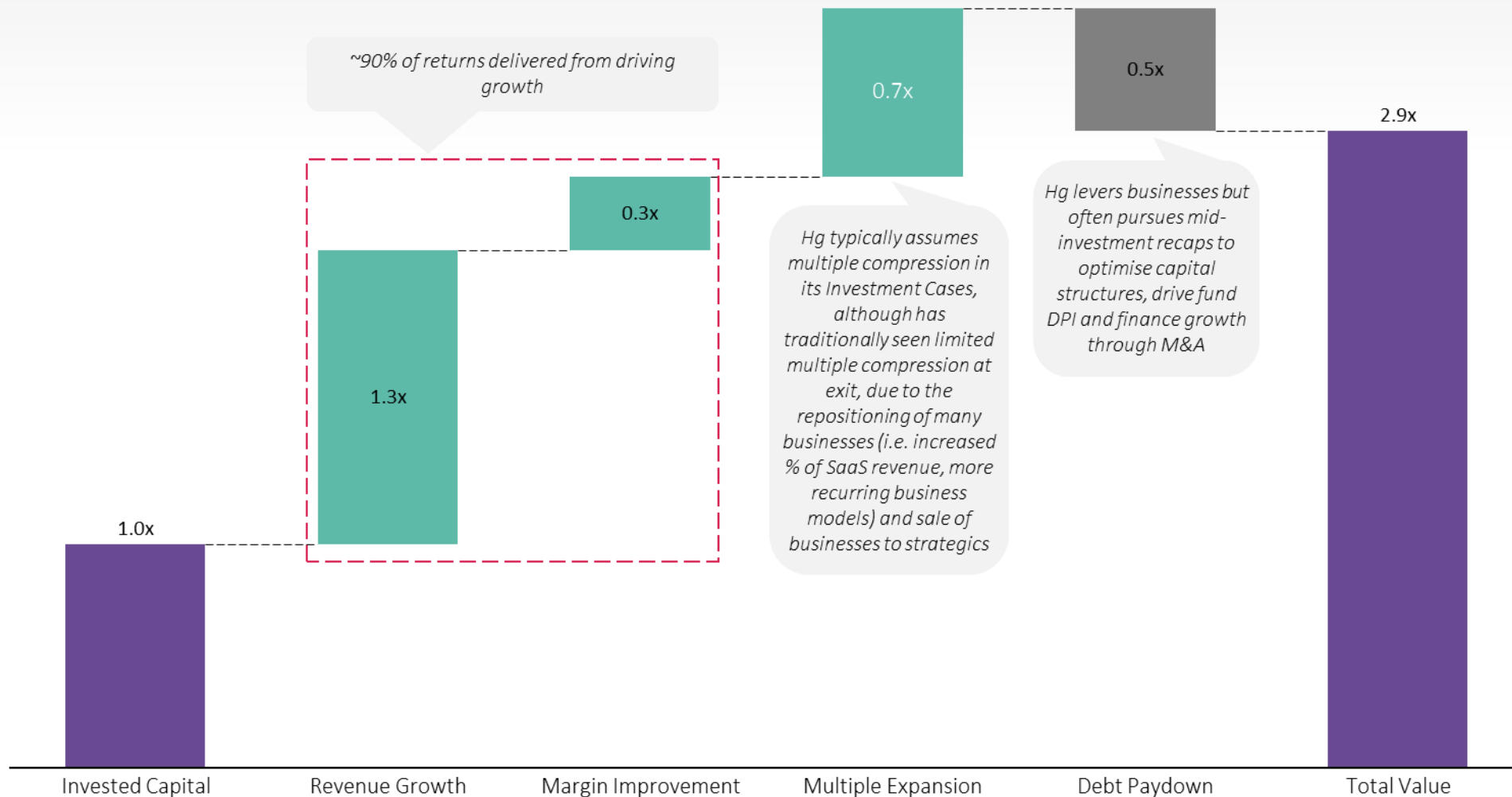
If quoted, Hg would be a  
**FTSE 100**  
company

Generated consistent returns of  
**>30% IRR**  
for 15 years

Growing revenues and profits at c.20% CAGR,  
**2x-3x**  
the rate of comparable quoted companies

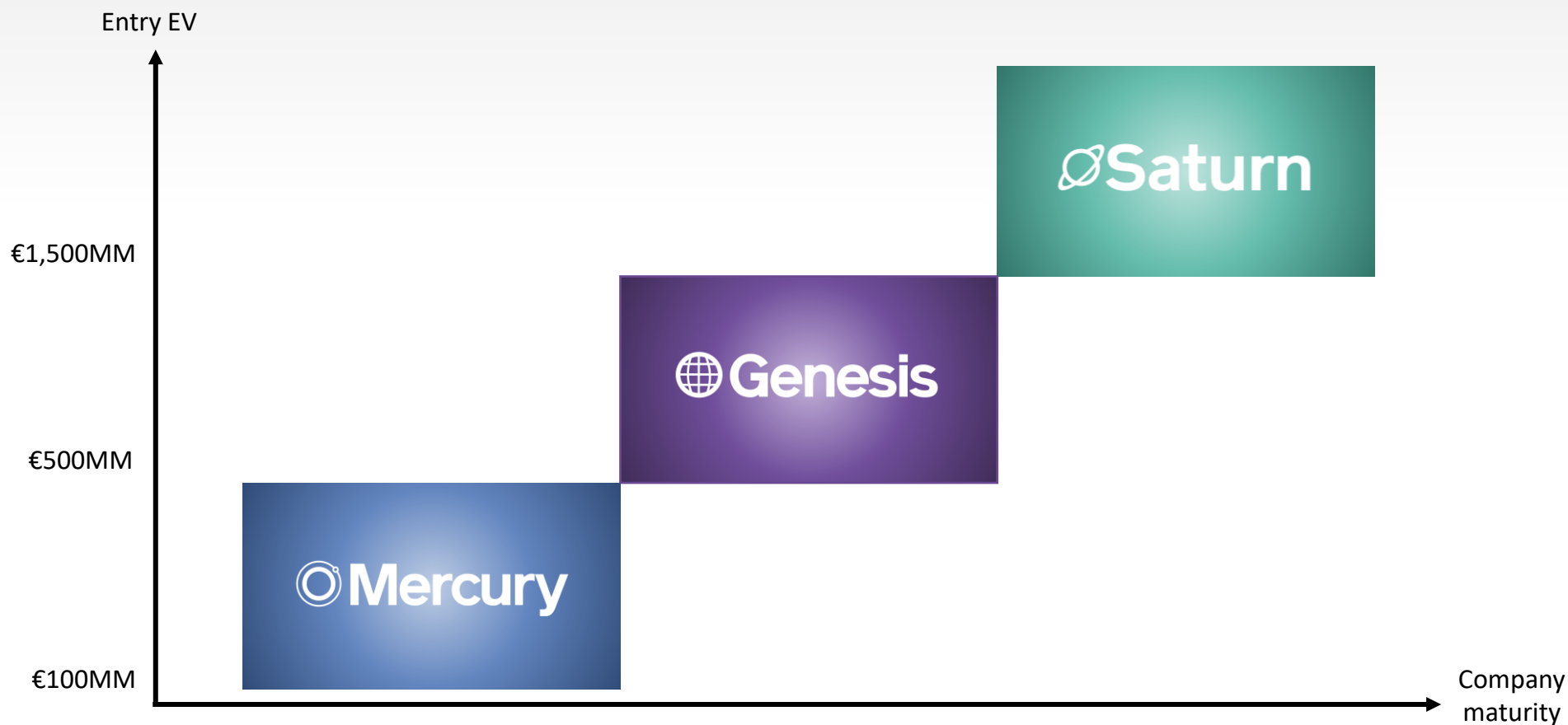


# Returns have been driven primarily from growth in the underlying portfolio companies





As at 31 December 2021, including including all announced transactions post period



#### COMMON FEATURES

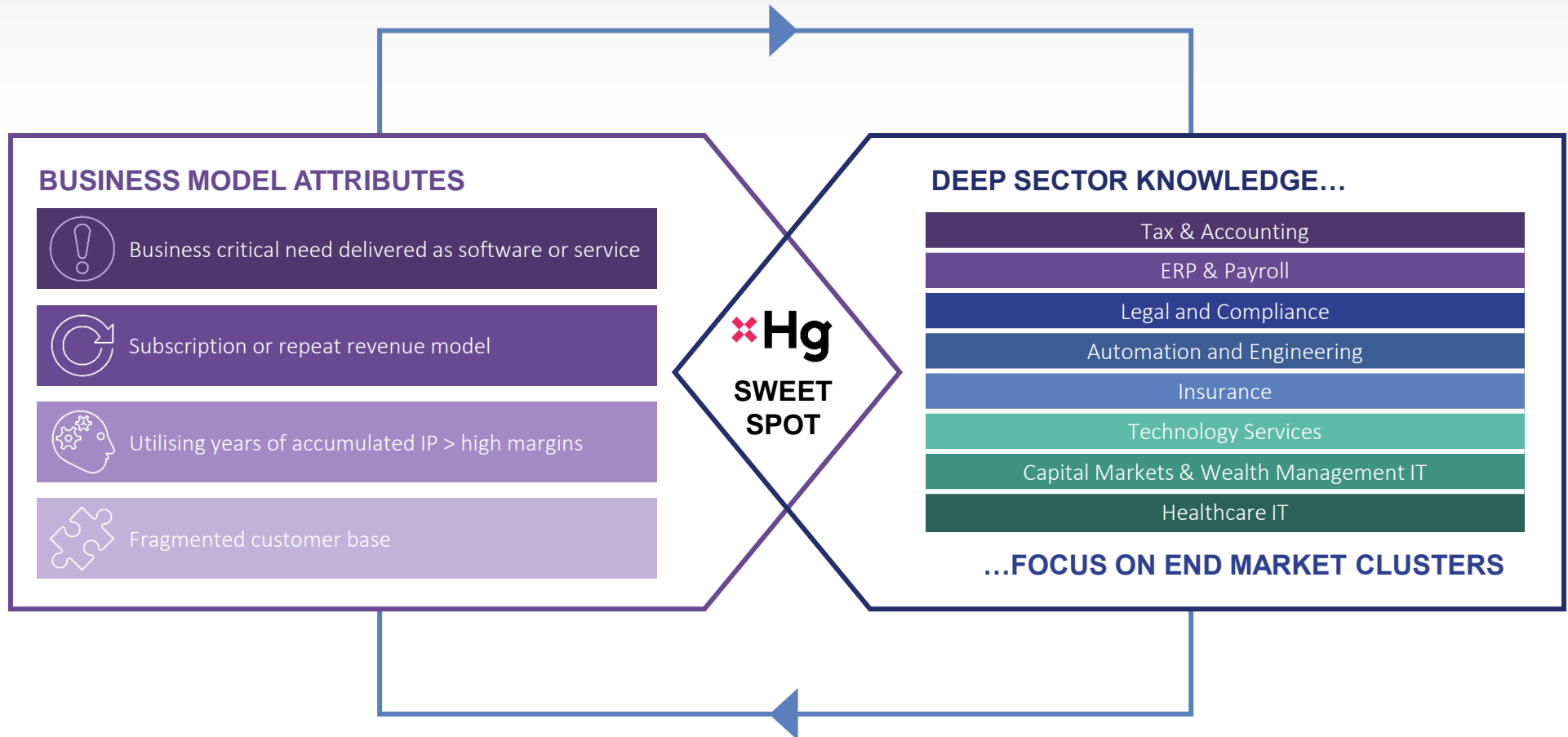
Identical investment strategy

Dedicated execution teams per fund











Integrated origination and coverage

Shared Investment Committee and Realisation Committee

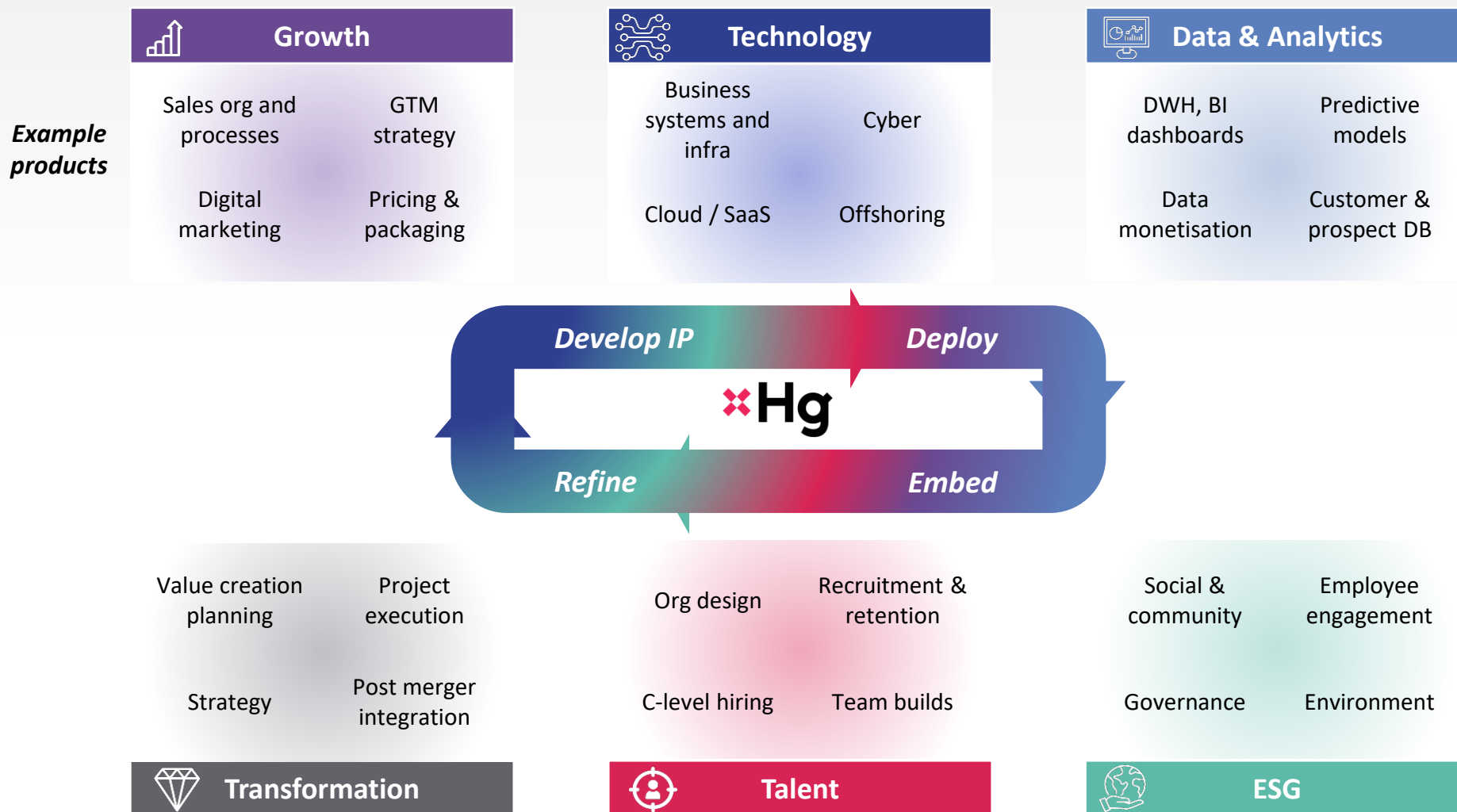
Benefit from c. 50 person transaction support and Portfolio team



# A focused 'Hg Cluster' approach has driven deep sub-sector knowledge

Cluster	Portfolio
 <b>Tax &amp; Accounting</b> 18+ years	 TeamSystem <sup>®</sup> insightsoftware  brightpay  silverfin  VISMA  SERRALA  CASEWARE  IRIS  AZETS  Prophix  SOVOS
 <b>ERP &amp; Payroll</b> 18+ years	 TeamSystem <sup>®</sup> TRANSPORTEON  brightpay  IRIS  VISMA  P&I PURE HR  access  benevity  revalize
 <b>Legal &amp; Reg Compliance</b> 15+ years	 LITERA  The Citation Group  septeo  ProcessMAP
 <b>Automation &amp; Engineering</b> 13+ years	 MeinAuto Group  Trackunit  AUVESY-MDT  Geomatikk  revalize
 <b>SME Tech &amp; Services</b> 12+ years	 Commify  itm8  teamblue  F24  The Citation Group
 <b>Capital Mkts &amp; Wealth Mgmt IT</b> 8+ years	 FE fundinfo  argus  smartTrade  GenII  riskalyze  pirum
 <b>Insurance</b> 8+ years	 GOSSLER, GOBERT & WOLTERS GRUPPE SEIT 1758  Howden Group Holdings  fonds finanz
 <b>Healthcare IT</b> 7+ years	 MMIT Evaluate  MEDIFOX DAN  LYNIATE  Intelerad  HHAexchange

**✖Hg** Via deep functional expertise and IP, we drive repeatable value across our portfolio – from founder-led companies through to mature and scaled ones **✖Hg Capital Trust plc**



**+ Partners, IP & Tools**



We also deliver value by systematically driving collaboration across our portfolio

## Community...

# Hive



400k

Page views in  
H1 2021

>2.5K

Active Members  
& Growing

22

Communities

75

Events in the last  
12 months,  
reaching over

5,500

People!



## ...working together to drive value

### Inter-company collaboration

Azets was Silverfin's first UK client; helped Azets drive 30% efficiency in Accounts Prep

silverfin

AZETS

### Product partnerships

IRIS and Dext's partnership enables seamless, digitised info flow for customers, and new revenue

IRIS  
 Dext

### Business development

10 Hg portfolio companies use Howdens for insurance; cost savings, and revenue for Howden

Howden Group Holdings

### Shared learning

Visma helped ITM8 automate their helpdesk via machine learning to drive efficiencies

VISMA  
 itm8®

### Working together

Hg and Allocate teamed up to provide analysts to help set up a Nightingale hospital during Covid

ALLOCATE  
 NHS Hg



**AA++**

UNPRI rating

**100%**

carbon neutral  
since 2019

**48%**

female  
employees

**35%**

women in Hg's  
executive team

**45%**

of investment executive hires  
were female in 2021/22

**31**

nationalities represented  
across Hg

**>\$8.5m**

committed to date

**The Hg  
Foundation** ✕Hg

**Our purpose: Trusted to improve the future of millions of investors by building sustainable businesses for tomorrow**



Against the backdrop of COVID-19, Hg's portfolio has performed well

The overall portfolio valuations were up over 52% for the year to 31 December 2021, returning over £4 billion of liquidity to Hg investors, including £271 million to HGT

We are excited about the potential of our high-quality portfolio; the alignment we have with talented management teams and founders across the Hg network and their ability to drive continued growth in value in their businesses

Across our funds, we expect further investment activity in the next 12 months to continue – cautiously and with discipline – into businesses that we have often tracked for several years

Further liquidity events are expected over the next twelve months

**The combination of the long-term nature of listed private equity investment with the types of business that Hg invests in, and robust double-digit growth in trading is expected to continue to drive long-term performance**

# Appendices

LEADERSHIP



Nic Humphries\*  
Senior Partner  
and Head of Saturn

Matthew Brockman\*  
Managing Partner  
Chairman of IC,  
and Head of Genesis

Justin von Simson\*  
Managing Partner  
and Saturn Fund

Steven Batchelor\*  
Partner  
COO

Martina Sanow  
Partner  
Deputy COO

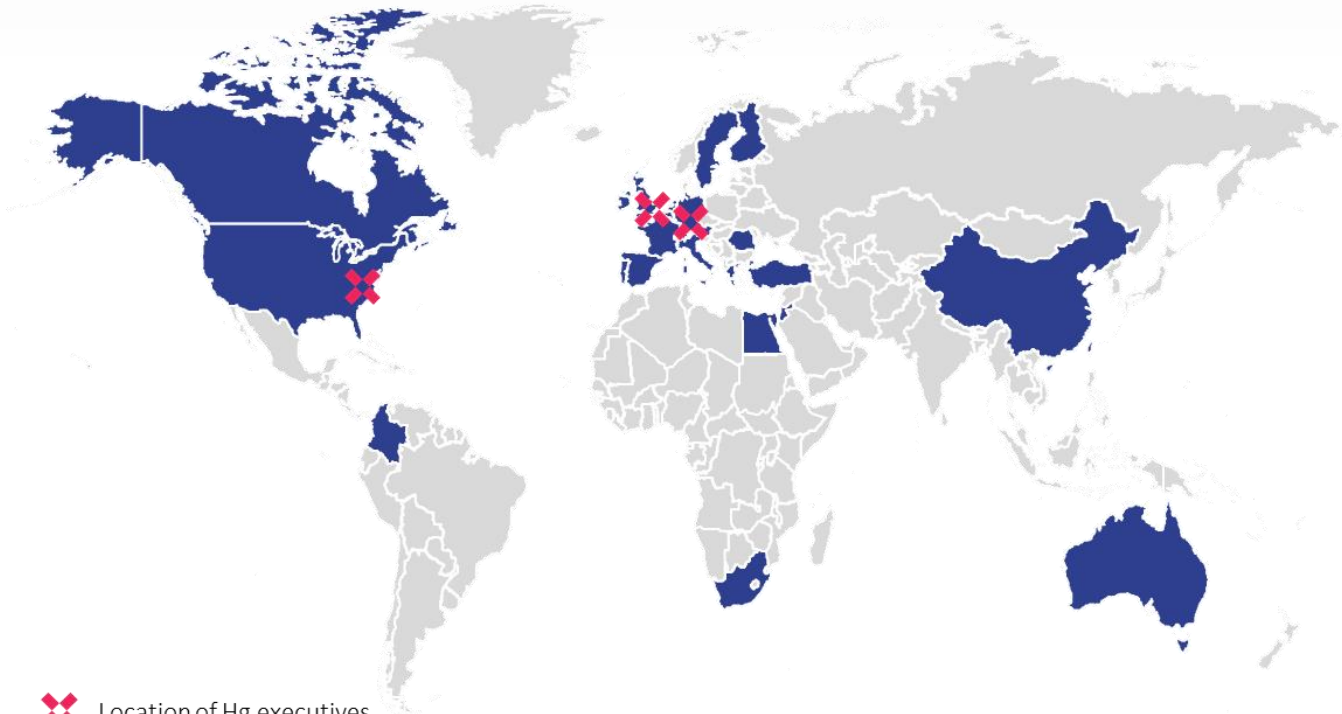
David Issott  
Partner  
Head of Mercury

Dawn Marriott  
Partner  
Head of Portfolio

# of Hg executives



# of nationalities among executives



✖ Location of Hg executives  
■ Nationalities of Hg executives  
\* Hg Board member

## GOVERNANCE

### Hg LLP BOARD

- Nic Humphries (Chair);
- Matthew Brockman;
- Justin von Simson;
- Steven Batchelor;
- Martina Sanow (Observer);
- Andy Sukawaty (NED); and
- Stephen Bough (NED)

### INVESTMENT COMMITTEE

- Matthew Brockman (Chair);
- Nic Humphries;
- Sebastien Briens;
- Thorsten Toepfer;
- Justin von Simson;
- Jonathan Boyes;
- Jean-Baptiste Brian;
- Nick Jordan; and
- David Issott

### REALISATION COMMITTEE

- Andrew Land (Chair);
- Justin von Simson;
- Steven Batchelor;
- Juan Campos; and
- Matthew Brockman

## DEAL EXECUTION

	Partners	Directors & Principals	Associates & Analysts	Total
♻Saturn	7	8	15	30
🌐Genesis	8	11	29	48
☉Mercury	3	12	11	26

**Total: 104**

## PORTFOLIO TEAM

**46 professionals**

## TRANSACTION SUPPORT EXECUTIVES

**COO & Deputy COO - 2**

**Client Services - 14**

**Finance - 6**

**Legal - 7**

**Marketing & HR - 4**

**> 80 further staff supporting Hg’s investment executives**

For further information on HgCapital Trust plc, please visit our website:

[www.hgcapitaltrust.com](http://www.hgcapitaltrust.com)

Or contact our Investor Relations Team at: [investorrelations@hgcapitaltrust.com](mailto:investorrelations@hgcapitaltrust.com)

Laura Dixon  
+44 78 2459 2894

Hannah Brown  
+44 20 8078 9144



You can also follow us:



Linkedin at [www.linkedin.com/company/hgcapital-trust-plc](https://www.linkedin.com/company/hgcapital-trust-plc)



Twitter at [www.twitter.com/HgCapitalTrust](https://www.twitter.com/HgCapitalTrust)



Doceo at [www.doceo.tv/funds/hg-capital-trust/](https://www.doceo.tv/funds/hg-capital-trust/)

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, INTO OR WITHIN THE UNITED STATES OR TO “US PERSONS” (AS DEFINED IN REGULATION S UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”) OR INTO OR WITHIN AUSTRALIA, CANADA, SOUTH AFRICA, OR JAPAN. RECIPIENTS OF THIS DOCUMENT AND THE PRESENTATION (THE “MATERIALS”) IN JURISDICTIONS OUTSIDE THE UK SHOULD INFORM THEMSELVES ABOUT AND OBSERVE ANY APPLICABLE LEGAL REQUIREMENTS IN THEIR JURISDICTIONS. IN PARTICULAR, THE DISTRIBUTION OF THE MATERIALS MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS. ACCORDINGLY, RECIPIENTS REPRESENT THAT THEY ARE ABLE TO RECEIVE THE MATERIALS WITHOUT CONTRAVENTION OF ANY APPLICABLE LEGAL OR REGULATORY RESTRICTIONS IN THE JURISDICTION IN WHICH THEY RESIDE OR CONDUCT BUSINESS.

This document accompanies the Annual Report and Accounts for the twelve months ended 31 December 2021 of HgCapital Trust plc and contains a summary of the information set out in that document. Reference should be made to the full Annual Report and Accounts rather than relying on this summary. It does not constitute an advertisement and is not a prospectus. It does not constitute an offer to sell or a solicitation of an offer to buy any securities described herein in the United States or in any other jurisdiction, nor shall it, by the fact of its distribution, form the basis if, or be relied upon, in connection with any such contract. No offer, invitation or inducement to acquire shares or other securities in HgCapital Trust plc (“Shares”) is being made by or in connection with this document.

The information presented herein is not an offer for sale within the United States of any equity shares or other securities of HgCapital Trust plc. HgCapital Trust plc has not been and will not be registered under the US Investment Company Act of 1940, as amended (the “Investment Company Act”). In addition, the Shares have not been and will not be registered under the Securities Act or any other applicable law of the United States. Consequently, the Shares may not be offered or sold or otherwise transferred within the United States, or to, or for the account or benefit of, US Persons, except pursuant to an exemption from the registration requirements of the Securities Act and under circumstances which will not require HgCapital Trust plc to register under the Investment Company Act. No public offering of the Shares is being made in the United States. The Shares may only be resold or transferred in accordance with the restrictions set forth in the Prospectus to be published in connection with any proposed offering and related subscription documents. This communication should not be distributed, forwarded, transferred, reproduced, or otherwise transmitted, directly or indirectly, to any persons within the United States or to any US Persons unless it is lawful to do so.

This document is being issued by Hg Pooled Management Limited a company authorised and regulated by the Financial Conduct Authority to accompany the Annual Report and Accounts. The Presentation is being issued on a strictly confidential basis and the information contained in the Presentation may not be copied, distributed, published or reproduced, in whole or in part, to any other person at anytime without the proper written consent of the Company. The information and opinions contained in this document are for background purposes only, do not purport to be full or complete and do not constitute investment advice. Subject to Hg Pooled Management Limited's regulatory requirements and responsibilities, no reliance may be placed for any purpose on the information and opinions contained in this document or their accuracy or completeness and no representation, warranty or undertaking, express or implied, is given as to the accuracy or completeness of the information or opinions contained in this document by Hg Pooled Management Limited or any of its members or employees and no liability is accepted by such persons for the accuracy or completeness of any such information or opinions.

This information is not intended to provide, and should not be relied upon, for accounting, legal, tax advice or investment recommendations. You should consult your tax, legal, accounting or other professional advisors about the issues discussed herein. The descriptions contained herein are summaries and are not intended to be complete and neither Hg Pooled Management Limited nor any of its affiliates undertakes any obligation to update or correct any errors or inaccuracies in any of the information presented herein. The information in these materials and any other information discussed at the presentation is subject to change. This document does not constitute or form part of any offer to issue or sell, or any solicitation of any offer to subscribe or purchase any investment nor shall it or the fact of its distribution form the basis of, or be relied on in connection with, any contract thereof.

These materials include statements that are, or may be deemed to be, "forward-looking statements" which are based on current expectations and projections about future events. In some cases, these forward-looking statements may be identified by the use of forward-looking terminology, including the terms "targets", "believes", "estimates", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout these materials and include statements regarding the intentions, beliefs or current expectations of Hg Pooled Management Limited and/or its members or employees concerning, among other things, the trading performance, results of operations, financial condition, liquidity, prospects and investment policy of HgCapital Trust plc. By their nature, these forward-looking statements as well as those included in any other material discussed at any presentation involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. All statements other than statements of historical facts in this Presentation, including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management or future operations (including development plans and objectives relating to the Company's products and services) are forward-looking statements.

Forward-looking statements are not guarantees of future performance. A number of important factors could cause actual results or outcomes to differ materially from those expressed, projected or implied in any forward-looking statements. No one undertakes publicly to update or revise any such forward-looking statement. In light of these risks, uncertainties and assumptions, the events or circumstances referred to in the forward-looking statements may not occur. None of the future projections, expectations, estimates or prospects in this document should be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared are correct or exhaustive or, in the case of the assumptions, fully stated in the document. The Company expressly disclaims any obligation or undertaking to update or revise any such forward-looking statement, whether as a result of new information, future events or otherwise, unless required to do so by the Financial Services and Markets Act 2000, the Listing Rules or Prospectus Rules of the Financial Conduct Authority or other applicable laws, regulations or rules. As a result of these risks, uncertainties and assumptions, you should not place undue reliance on these forward-looking statements as a prediction of actual results or otherwise.

Return targets are targets only and are based over the long-term on the performance projections of the investment strategy and market conditions at the time of modelling and are therefore subject to change. There is no guarantee that any target return can be achieved. Investors should not place any reliance on such target return in deciding whether to invest in HgCapital Trust plc. Past performance is not necessarily a reliable indicator of future results.

To the extent available, the industry, market and competitive position data contained in these materials come from official or third party sources. Third party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. The contents of this document have not been independently verified, are not comprehensive, does not contain all the information that a prospective purchaser of securities may desire or require in deciding whether or not to offer to purchase such securities and do not constitute a due diligence review and should not be construed as such. Subject to Hg Pooled Management Limited's regulatory requirements and responsibilities, no undertaking, representation, warranty or other assurance, express or implied, is made or given by or on behalf of Hg Pooled Management Limited or any of its members, employees, agents or advisers or any other person as to the accuracy, completeness or fairness of the information, forward-looking statements or opinions contained in this document and no responsibility or liability is accepted by any of them for any such information, forward-looking statements or opinions or in respect of any omission, and this document is distributed expressly on the basis that it shall not give rise to any liability or obligation if, for whatever reason, any of its contents are or become inaccurate, incomplete or misleading and neither Hg Pooled Management Limited nor any such persons undertakes any obligation to provide the recipient with access to additional information or to correct any inaccuracies herein which may become apparent.

Hg Pooled Management Limited, Company number: 02055886 Registered office: 2 More London Riverside, London SE1 2AP.

Authorised and regulated by the Financial Conduct Authority of 12 Endeavour Square, London E20 1JN with firm reference number 122466.