

## Investment objective

HgCapital Trust plc (the 'Company') is listed on the London Stock Exchange (HGT.L). The objective of the Company is to provide shareholders with consistent long-term returns in excess of the FTSE All-Share Index by investing predominantly in unquoted companies where value can be created through strategic and operational change.

The Company provides investors with exposure to a fast-growing portfolio of more than thirty unquoted investments identified by Hg. Hg is a long-established and independent partnership that brings together operational and financial management skills. It has a significant track record of using a deep sector focus to identify businesses with specific business models that can perform well across the economic cycle. Hg specialises in technology and technology-enabled service companies with enterprise values of over £30 million primarily, but not exclusively, in Northern Europe.

The Hg team have extensive experience in these sectors and geographies and can apply the firm's knowledge to effect both strategic and operational change, and portfolio experience to help create a collaborative community of businesses with shared experience, to enhance growth.

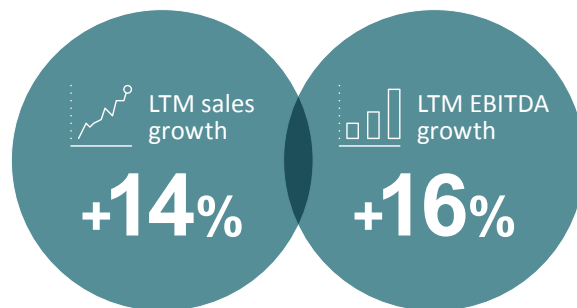
## Why invest?

Investment in the Company offers investors a liquid investment vehicle through which they can obtain an exposure to Hg's diversified portfolio of private equity investments across multiple vintages primarily in Northern Europe.

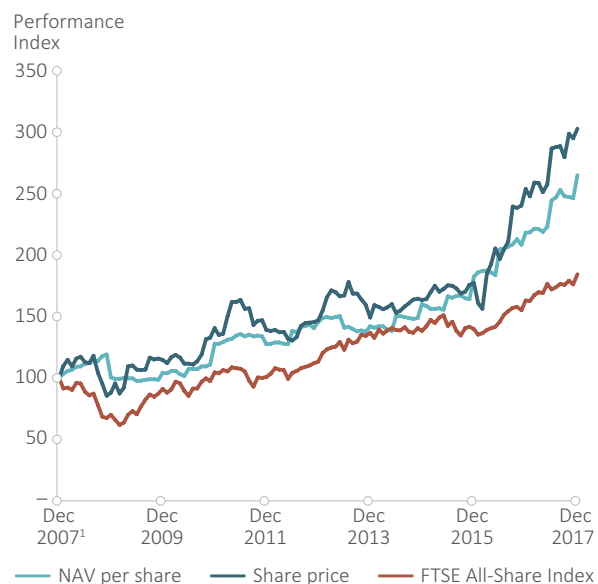
Hg's long standing investment in establishing and maintaining deep sector expertise is a key differentiator in the European Private Equity environment which has delivered superior returns over the long-term.

Based on the Company's share price at 31 December 2017 and allowing for all historic dividends to be reinvested, an investment of £1,000 twenty years ago would now be worth £15,858. An equivalent investment in the FTSE All-Share Index would be worth £3,366.

## Top 20 investments (as at 31 December 2017) (representing 83% of the portfolio value)



## Cumulative historic performance % p.a. (total return to 31 December 2017)



Performance record rebased to 100 at 31 December 2007.  
Source: Factset, Hg.  
Total return assumes all historic dividends have been reinvested.

## Calendar

AGM	23.04.18	Half-year	30.06.18	Interim results	10.09.18
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## Financials (as at 31 December 2017)

NAV per share:	1,931.7p	Net assets:	£721.0 million
Share price:	1,768.0p	Market capitalisation:	£659.9 million
Share price discount to NAV:	8.5%	Shares in issue:	37,324,698
Index:	FTSE All-Share	Continuation vote:	2020
		Ticker code:	HGT

## Liquid resources and outstanding commitments

Liquid resources available for deployment as at 31 December 2017 are £160 million (22% of NAV) with outstanding commitments of £449 million (62% of NAV).

The Company also has a £80 million bank facility that is currently undrawn.

HgCapital Trust plc has the benefit of an opt-out provision in its commitment to invest in Hg7, Hg8 and Mercury 2, so that it can opt out of a new investment without penalty should it not have the cash available to invest.

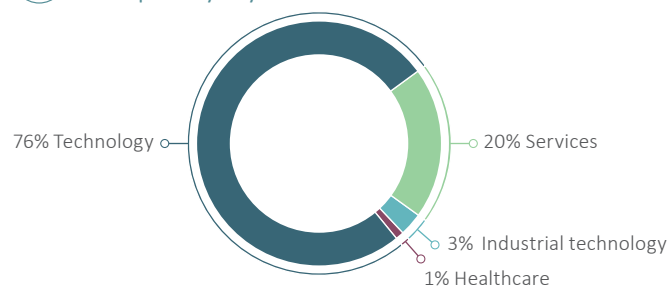
## Historical total return performance (to 31 December 2017)

Source: Factset, Hg

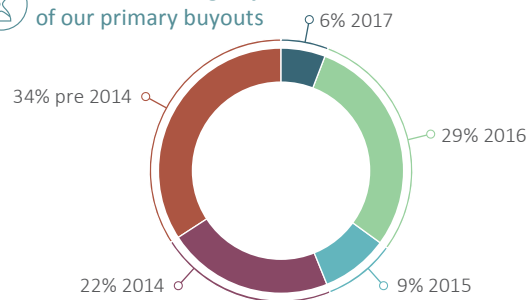
	One year % p.a.	Three years % p.a.	Five years % p.a.	Ten years % p.a.	Twenty years % p.a.
NAV per share	21.5	18.3	12.8	10.2	13.2
Share price	19.5	22.9	15.6	11.7	14.8
FTSE All-Share Index	13.1	10.1	10.3	6.3	6.3
NAV per share performance relative to the FTSE All-Share Index	+8.4	+8.2	+2.5	+3.9	+6.9
Share price performance relative to the FTSE All-Share Index	+6.4	+12.8	+5.3	+5.4	+8.5

## Portfolio (as at 31 December 2017)

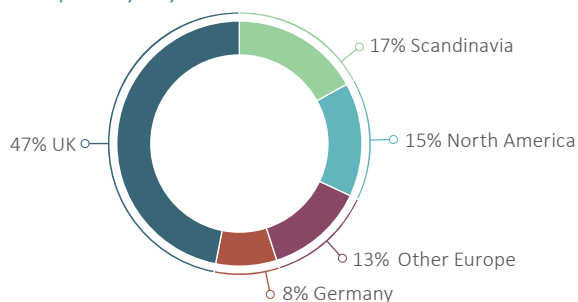
### Sector by value\* of our primary buyouts



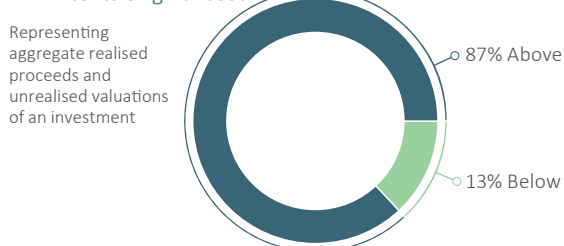
### Investment vintage by value\* of our primary buyouts



### Geographic spread by value\* of our primary buyouts



### Analysis by value\* of investment return relative to its original cost



Representing aggregate realised proceeds and unrealised valuations of an investment

\*Excluding carried interest provision

## Net asset value (as at 31 December 2017)

Twenty largest investments	Total valuation <sup>1</sup> £'000	Portfolio value %
1 Visma	97,009	15.0%
2 IRIS	76,526	11.9%
3 Sovos Compliance	71,694	11.1%
4 JLA	30,272	4.7%
5 CogitalGroup	29,049	4.5%
6 Ullink (sold)	24,302	3.8%
7 A-Plan	22,451	3.5%
8 Raet	20,427	3.2%
9 Achilles	20,150	3.1%
10 Foundry	19,739	3.1%
11 Mitrtech	19,564	3.0%
12 Radius	16,466	2.6%
13 Esendex	13,595	2.1%
14 Allocate Software	13,553	2.1%
15 Citation	11,137	1.7%
16 TeamSystem	10,702	1.7%
17 Trace One	10,370	1.6%
18 Intelliflo	10,124	1.6%
19 Teufel	9,860	1.5%
20 Lumesse	9,591	1.5%

<b>Total</b>	<b>536,581</b>	<b>83.3%</b>
Other buyout investments	90,910	14.0%
Renewable energy investments	17,503	2.7%
<b>Total all investments</b>	<b>644,994</b>	<b>100.0%</b>
Provision for carried interest	(82,911)	
Cash and other liquid assets	160,292	
Net current liabilities	(1,351)	
<b>Net asset value</b>	<b>721,024</b>	

<sup>1</sup>including investment valuation and accrued interest.

### Manager

Hg Pooled Management Limited  
[www.hgcapital.com](http://www.hgcapital.com)

### Management fee arrangements

For more information on the structure and fee arrangements for HgCapital Trust plc, please refer to the HgCapital Trust Annual report and accounts, available at [www.hgcapitaltrust.com](http://www.hgcapitaltrust.com)

### Board of directors

Roger Mountford (Chairman)  
Richard Brooman  
Peter Dunscombe  
Mark Powell  
Anne West

### Broker

Numis Securities Ltd  
The London Stock Exchange Building  
10 Paternoster Square,  
London EC4M 7LT

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