

**HgCAPITAL TRUST PLC**  
**INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2021**

**London, 6 September 2021:** HgCapital Trust plc ('HGT'), today announces its interim results for the six months ended 30 June 2021. HGT provides investors with a listed vehicle to invest in unquoted businesses managed by Hg, Europe's largest investor in software & service businesses. The objective of HGT 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.

HGT provides listed access to Hg's investments, which would in aggregate represent the second largest and the fastest growing software business in Europe<sup>1</sup>.

**ROBUST PERFORMANCE SHOWN BY PORTFOLIO DURING H1 2021**  
**WITH A NAV UPLIFT OF >21%**

**NET ASSETS OF MORE THAN £1.6 BILLION**

**HGT HAS SHOWN CONTINUED OUTPERFORMANCE OF THE FTSE ALL-SHARE OVER ONE, THREE, FIVE, TEN AND TWENTY-YEAR PERIODS**

**SUMMARY PERFORMANCE**

|                      | 31 August<br>2021 | % Total<br>return <sup>2</sup> | 30 June<br>2021 | 31 December<br>2020 | % Total<br>return <sup>2</sup> |
|----------------------|-------------------|--------------------------------|-----------------|---------------------|--------------------------------|
| NAV per share        | 373.3p            | +21.4                          | 373.4p          | 310.3p              | +21.4                          |
| Share price          | 404.0p            | +33.6                          | 355.0p          | 305.0p              | +17.4                          |
| FTSE All-Share Index |                   | +14.7                          |                 |                     | +11.1                          |
|                      |                   | YTD 2021<br>Movement           |                 |                     | H1 2021<br>Movement            |
| Net Asset Value      | £1.64bn           | +£349m                         | £1.64bn         | £1.29bn             | +£349m                         |

Source: Hg, Factset

**Jim Strang, Chairman of HGT, commented:**

*"Despite the uniquely challenging circumstances we have all faced during the COVID-19 pandemic over the last 18 months, I am pleased to report to you that HGT and its underlying investments continued to perform very well in the first half of 2021. HGT's strategy of investing in software and services businesses with strong growth prospects and highly resilient business models has helped maintain the strong momentum observed throughout the last full financial year."*

**Luke Finch, Partner and Head of Client Services, Hg, commented:**

*"Continued M&A activity across the Hg portfolio has been a major theme of the last six months, and this should remain the case for the foreseeable future. Our portfolio companies are often acting as consolidators pursuing a roll-up strategy, sometimes they are "consolidatees" in larger strategic combinations; but either way, the pronounced activity level highlights the important strategic positions all our portfolio companies hold in their respective market segments and clusters."*

<sup>1</sup> By Enterprise Value, Source: Hg, Factset

<sup>2</sup> All references to total return allow for all historic dividends being reinvested

## KEY HIGHLIGHTS OF THE SIX MONTHS TO 30 JUNE 2021

- **Net assets of more than £1.6 billion, with continued outperformance of the FTSE All-Share over one, three, five, ten and twenty-year periods**
  - NAV per share of 373.4p, a total return of 21.4% to 30 June 2021.
  - Share price total return of 17.4% over the period.
  - Interim dividend maintained at 2.0p per share.
  - **An investment of £1,000 made 20 years ago would now be worth £15,794, a total return of 1,479%. An equivalent investment in the FTSE All-Share Index would be worth £2,952<sup>2</sup>.**
  
- **Strong double-digit growth from the portfolio**
  - Revenue and EBITDA growth of 20% and 27% respectively across the top 20 investments (80% of the portfolio) over the last twelve months to 30 June 2021.
  - Valuation multiple (EV/EBITDA) of 25.0x and net debt to EBITDA ratio of 5.9x for the top 20 investments.
  
- **Continued commitments, investment and realisations driving future value**
  - Continued investment with £165 million deployed on behalf of HGT into companies that Hg (the Manager) has known for many years and have demonstrated a track record of strong performance across market cycles.
  - Outstanding commitments at 30 June of £623 million (December 2020: £647 million). These will be deployed over the next three to four years.
  - £82 million of cash returned to HGT through realisations at uplifts to book value and refinancings.
  - £75 million of new equity raised in the first half of the year at a premium to NAV
  - Liquid resources of £239 million, with a further undrawn standby facility of £165 million available for investment.

## POST PERIOD EVENTS AT 31 AUGUST 2021

- Pro-forma NAV of 373.3p, YTD total return performance of 21.4%.
  - Current pro-forma net assets of £1.64 billion.
  - Share price of 404.0p, YTD total return performance of 33.6%, market capitalisation of £1.77bn.
  - £51 million returned to HGT through the full exit of Allocate at a 48% uplift to 31 December 2020 book value.
  - Further £93 million invested by HGT into new companies well-known to the Manager, insightsoftware, MMIT, Riskalyze and Serrala.
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- Pro-forma liquid resources post-completion of all announced transactions, and the interim dividend payable in October 2021, are £188 million (11% of 31 August pro-forma NAV).
- Pro-forma outstanding commitments of £535 million (33% of 31 August pro-forma NAV). We expect these to be drawn down over the next three to four years.

## OUTLOOK

### Robust double-digit growth continues to underpin a resilient portfolio

- The first half of 2021 has seen the continuation of the key trend that we have written about during 2020 - the digitalisation of business processes - which has accelerated across sectors and geographies as a result of the global responses to COVID-19.
- Overall, the value of the portfolio was up over 28% for six months to 30 June meaning that, in total since 31 March 2020 and the depths of the initial COVID-19 crisis, the value of the portfolio is up over 63%.
- Hg remains excited about the future potential of the high-quality portfolio, the alignment with the talented management teams and founders across the Hg network and their ability to drive continued growth in value in their businesses.

- Ends -

The Company's 2021 Interim Report and a video presentation to accompany the results are available to view at: <http://www.hgcapitaltrust.com/>.

#### For further details:

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#### About HgCapital Trust plc

HgCapital Trust plc is an investment company whose shares are listed on the London Stock Exchange (HGT.L). HGT gives investors exposure, through a liquid vehicle, to a portfolio of high-growth unquoted companies, managed by Hg, an experienced and well-resourced private equity firm with a long-term track record of delivering superior risk-adjusted returns for its investors.

For further details, see [www.hgcapitaltrust.com](http://www.hgcapitaltrust.com) and [www.hgcapital.com](http://www.hgcapital.com)

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