

HgCAPITAL TRUST PLC
INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2022

CONTINUED POSITIVE NAV PERFORMANCE
DELIVERED FROM A RESILIENT PORTFOLIO OF SOFTWARE AND SERVICE BUSINESSES

London, 12 September 2022: HgCapital Trust plc ('HGT'), today announces its interim results for the six months ended 30 June 2022.

HGT provides investors with a listed vehicle to invest in unquoted businesses managed by Hg, one of Europe's largest and fastest-growing investors 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.

Highlights over the first six months of 2022 include:

- **Strong portfolio trading and value creation continues to offset a decline in valuation multiples of listed comparable companies, leading to a total return NAV increase of 1.8% to a NAV per share of £4.43 and net assets of more than £2 billion**
- **£71 million invested alongside Hg's other institutional clients, with an estimated further £465m invested post-period**
- **£29 million of returns realised on behalf of HGT, with an estimated further £355m returned post-period at an uplift of c. 29% to December book value**
- **Continued strong long-term performance driven by robust trading**
- **Performance provided through access to Hg's investment platform, which in aggregate represents the one of the largest and fastest growing technology firms in Europe¹.**

An investment of £1,000 made 20 years ago in HGT would now be worth £18,370, a total return of 1,737%². An equivalent investment in the FTSE All-Share Index would be worth £3,521.

Jim Strang, Chairman of HGT, commented:

"Despite the obvious challenges and uncertainty presented by the current macro-economic and geo-political environment, the Board remains optimistic about the future prospects for HGT. The businesses within the portfolio are resilient, and in such an environment as today's continue to provide critical solutions to their clients and reduce the costs and complexity of doing business. The long-term value creation prospects from owning such a portfolio remains attractive."

¹ By Enterprise Value, Source: Hg, Factset

² All references to total return allow for all historic dividends being reinvested

Please note: 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.

SUMMARY PERFORMANCE

| | 31 August 2022 | % Total return ² | 30 June 2022 | 31 December 2021 | % Total return ² |
|----------------------|-------------------|--------------------------------|-----------------|---------------------|--------------------------------|
| NAV per share | 447.5p | 2.7 | 443.2p | 440.4p | +1.8 |
| Share price | 374.0p | -10.0 | 330.5p | 420.5p | -20.5 |
| FTSE All-Share Index | | 2.1 | | | -4.6 |
| | | YTD 2022 Movement | | | H1 2022 Movement |
| Net Asset Value | £2.05bn | +£44m | £2.03bn | £2.00bn | +£25m |

Note: Hg undertakes full revaluations of the portfolio on a quarterly basis, the next process being 30 September 2022, therefore the movement in unrealised value of the portfolio to the end of August 2022 is attributable to any post-period transactions and FX only.

PERFORMANCE OVERVIEW

Net assets of more than £2.0 billion, with continued outperformance of the FTSE All-Share over the long-term:

- NAV per share of 443.2p, a total return of 1.8% to 30 June 2022.
- Share price total return decrease of 20.5% over the period.
- Interim dividend of 2.5p per share (2.0p 30 June 2021) to be paid in October.

Strong growth in revenue and EBITDA continues across the portfolio offset by declines in valuation multiples:

- Revenue and EBITDA growth of 31% and 26% respectively across the top 20 investments (79% of the portfolio) over the last twelve months.
- A 13% uplift in the portfolio value was driven by strong trading performance and partially offset by an 8% reduction, primarily due to a decline in the trading multiples of publicly listed peers within the comparable basket of companies.
- Valuation multiple (EV/EBITDA) of 27.1x and net debt to EBITDA ratio of 7.5x for the top 20 investments (79% of the portfolio).
- £29m of cash returned to HGT from liquidity events in the period

Continued investment and commitments to drive future value:

- Investment activity continues, despite challenging market conditions with £71 million invested on behalf of HGT into companies with proven, resilience that align to Hg's investment model and where relationships have been formed over many years.
- New commitments made to the Hg Saturn 3 and Hg Genesis 10 funds, totalling £530 million.
- Total outstanding commitments at 30 June 2022 of £1.6 billion (December 2021: £992 million), expected to be drawn down over the next three to four years.

Credit facility and new equity issuance:

- In 2021, the Board of HGT agreed a further £50 million multi-currency revolving credit facility bringing the total facility to £250 million, of which £136 million was drawn at 30 June 2022.
- The Board will look to increase further the facility over the course of 2022.
- £12 million of new equity raised over 2022 via tap issuance.
- HGT retains the ability to opt out of any new investment without penalty, should it not have the cash available to invest.

POST PERIOD EVENTS AS AT 31 AUGUST 2022

- Pro-forma NAV of 447.5p, YTD performance of +2.7%
- Pro-forma Net assets of £2.05 billion.
- Share price of 374.0p, YTD performance of -10.0%.
- Estimated £355 million realised post-period at a c.29% uplift to December book value.
- Estimated £465 million invested post-period
- Available liquid resources (including undrawn balance of credit facility), post-completion of all announced transactions and the interim year dividend payable in October 2022, are £366 million (18% of 31 August pro-forma NAV).
- Outstanding commitments of £1.1 billion (54% of 31 August pro-forma NAV) expected to be drawn down over the next three to four years.

OUTLOOK

David Toms, Head of Research at Hg, commented:

“Increasingly, we see this environment as one of opportunity, as short-term valuations create space for greater long-term performance for those who have and will continue to maintain a disciplined approach and strategy.”

Portfolio

- Positive trading outlook underpinned by increasing digitalisation of business processes
- Resilient business models with recurring revenues and pricing power

Robust balance sheet

- Multiple levers in place to manage balance sheet efficiently
- Further liquidity events expected over next six to 12 months

Investment activity

- Recent commitments to Hg funds ensure access to deal flow and support long term NAV growth
- Attractive pipeline of investment opportunities in Hg’s target ‘clusters’

- Ends -

The Company’s 2022 Interim Report, an animated and full 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, whose shares are listed on the London Stock Exchange (ticker: HGT.L), gives investors exposure through a liquid vehicle to a portfolio of high-growth private companies in the software and services sector. The selection of new investments and creation of value in these businesses are 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, please see www.hgcapitaltrust.com.

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