

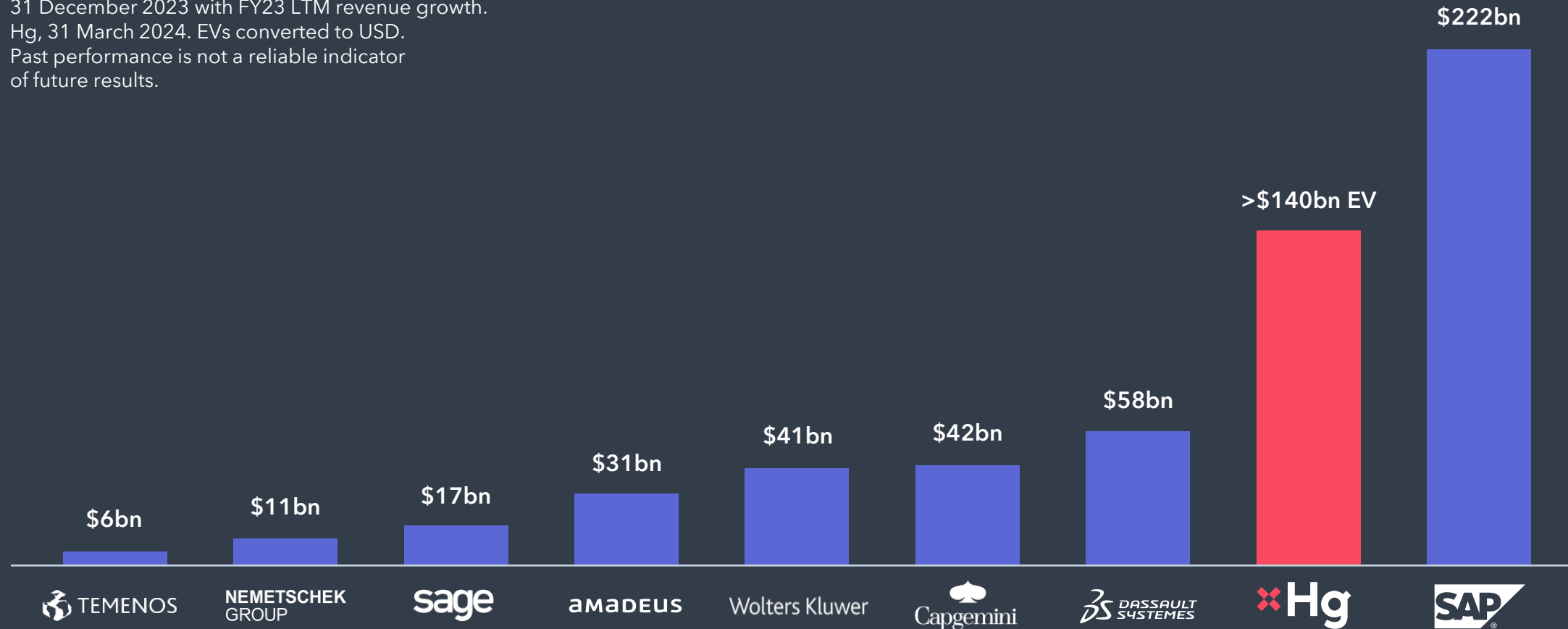


# Investing for growth

Luke Finch, Partner

# Hg's total portfolio EV would make us the second largest European software company on an aggregated basis

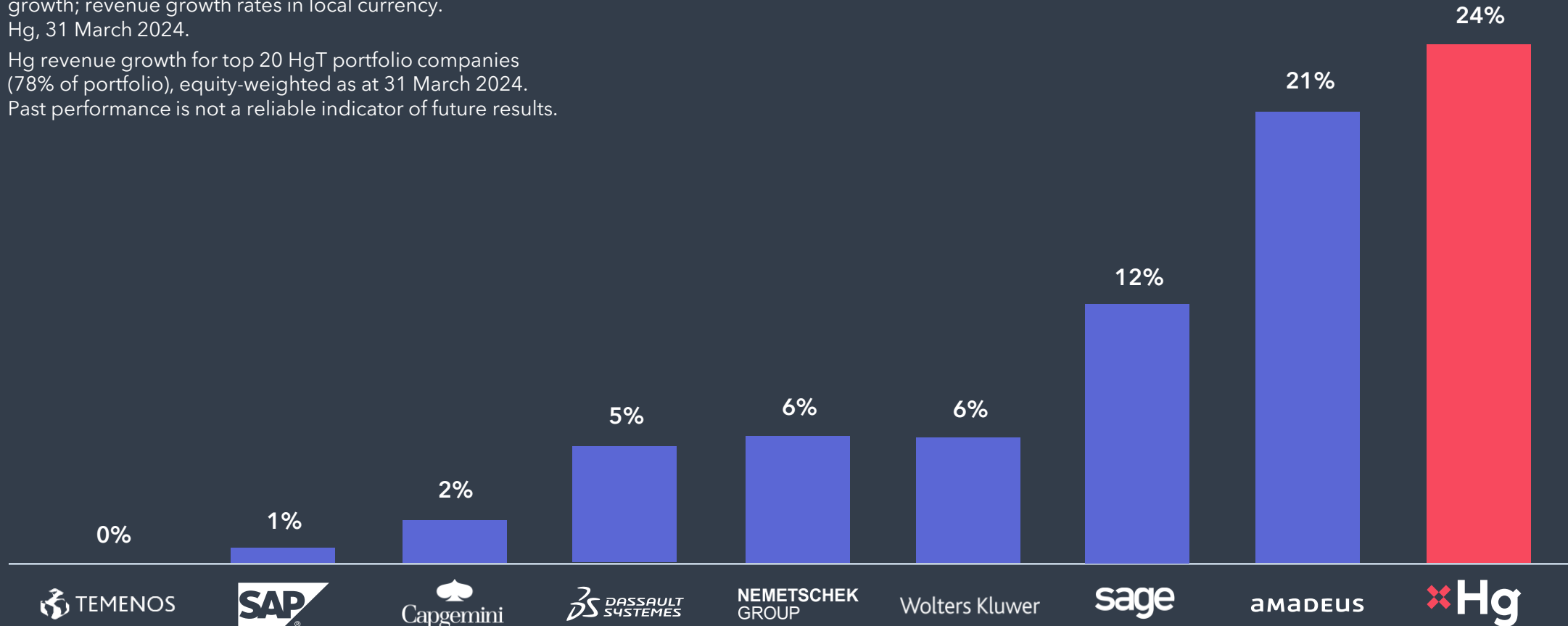
**Source:** Factset, Europe tech firm EVs reported as at 31 December 2023 with FY23 LTM revenue growth. Hg, 31 March 2024. EVs converted to USD. Past performance is not a reliable indicator of future results.



# What if we ranked by revenue growth?

**Source:** Factset, Europe tech firm FY23 LTM revenue growth; revenue growth rates in local currency. Hg, 31 March 2024.

Hg revenue growth for top 20 HgT portfolio companies (78% of portfolio), equity-weighted as at 31 March 2024. Past performance is not a reliable indicator of future results.



# Europe's public market is structurally short of growth...

Considering the entire universe of Stoxx 600 companies, there are fewer than 25 businesses with:

- a market cap above \$5bn,
- revenue growth of at least 12% , and
- EBITDA margins above 20%

The 600 largest European listed companies

>\$5bn size  
c. 450 companies

>12% revenue growth  
39 companies

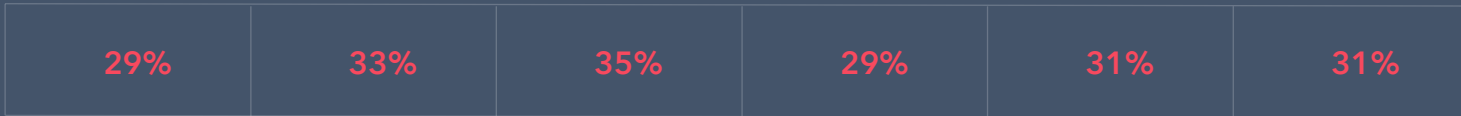
>20% EBITDA margin  
23 companies



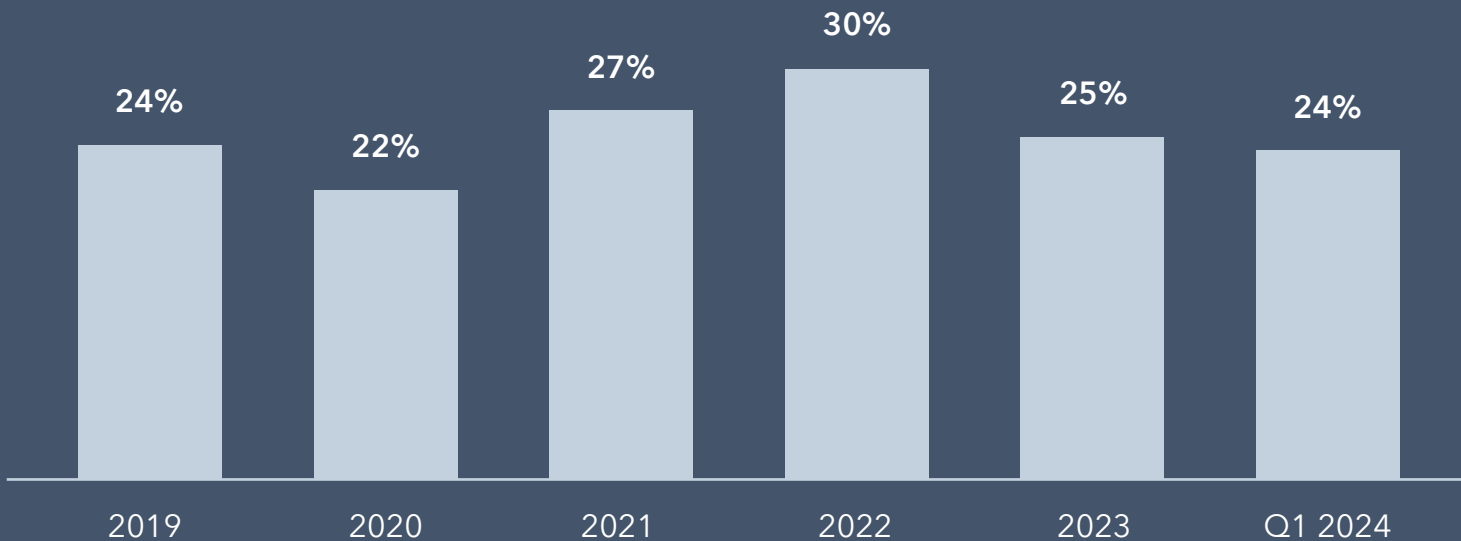
# HgT's Top 20 has outperformed for the last 5 years+

LTM sales growth and margin for top 20 portfolio companies

EBITDA margin



Growth



L5Y average

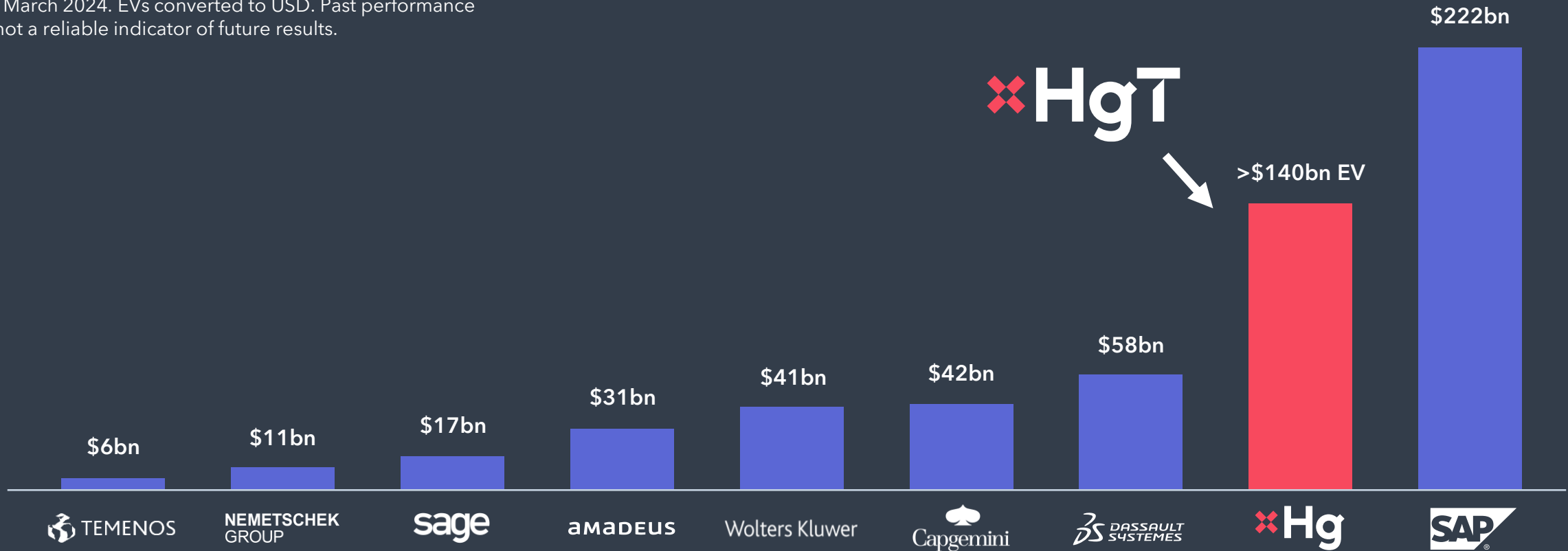
31% margin

26% growth

At 31 March 2024, HgT top 20 portfolio companies (78% of portfolio). Please note that this is a period-end snap-shot, and the composition changes every quarter due to investment and realisation activity in Hg's portfolio. Consequently, this chart should not be considered a like-for-like comparison year-on-year, as we do not restate prior year based on what has been sold from or added to the portfolio. Past performance is not a reliable indicator of future results

# HgT isn't (just) listed PE - it is also the "free float" into Europe's fastest growing scale tech player

Source: Factset, Europe tech firm EVs reported as at 31 December 2023 with FY23 LTM revenue growth. Hg, 31 March 2024. EVs converted to USD. Past performance is not a reliable indicator of future results.



# A long-term focused approach has driven deep sub-sector knowledge and networks

<p><b>Tax &amp; Accounting &gt;19 years</b></p>	<p><b>ERP &amp; Payroll &gt;19 years</b></p>	<p><b>Legal &amp; Regulatory &gt;16 years</b></p>	<p><b>Automation &amp; Engineering &gt;15 years</b></p>
<p><b>Technology Services &gt;13 years</b></p>	<p><b>Fintech &gt;10 years</b></p>	<p><b>Healthcare IT &gt;9 years</b></p>	<p><b>Insurance &gt;10 years</b></p>

**× HgT** Invested across all Hg portfolio companies

Note: HgT portfolio at 31 March 2024, adjusted for post-period transactions

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