



Financing software buyouts

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A portfolio in robust financial health



Active hedging strategy ~75% of debt quantum



Proactively extending shorter duration loans



>75% of portfolio debt maturities extended to 2029 and beyond



No covenant breaches



Recent dividend recaps completed across multiple funds (Optro, Bright, CaseWare, Ncontracts, Lucanet, Fonds Finanz) with further recaps in advanced stages

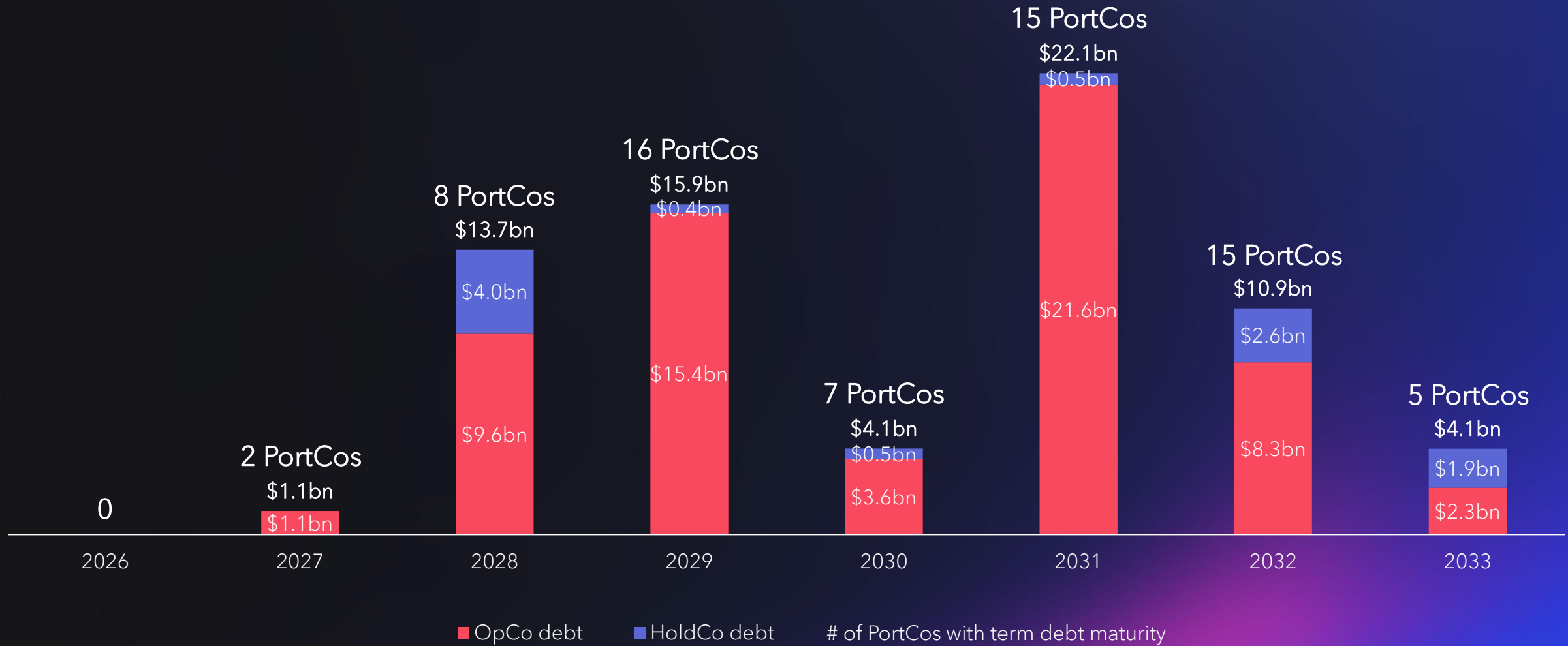


Average equity cushion of ~70%, vs. ~48% US & EMEA LBO market average



Moderate leverage with a median of 6.1x and weighted average of 7.2x LTM EBITDA

Managing maturity profile across our portfolio



Figures for full Hg portfolio at May 2026, excluding companies for which a sale has been agreed.

What we are hearing from credit GPs

We spoke to the largest and most relevant credit GPs for software deals:

- Combined credit AUM of more than \$1tn
- Views of the market were broadly consistent across all GPs
- Individual appetite for new software deals mainly depending on funding mix and existing software exposure
- Open for business but bar is high



"Our posture on software has been consistent over the last three years. We're still looking for the Vismas and Septeos"

"Definitely not closed for business but the bar is significantly higher now"

"Only large cap deals with lots of equity contribution. Our position in software will be more moderate vs other industries"

Private credit funding diversification and public market volatility are driving tighter lending conditions



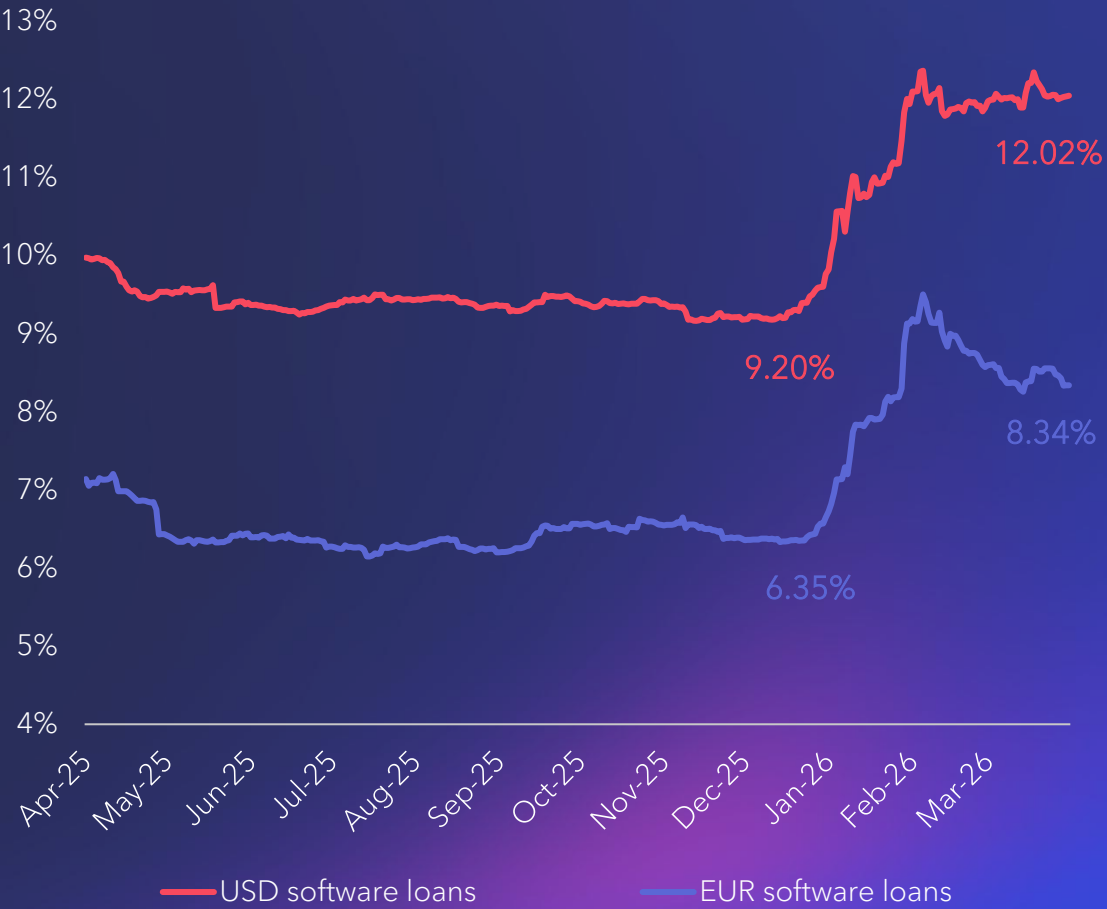
Lending capacity diverging by funding base

"The flow business - previously pricing at 4.50% to 5.50% - can't do software anymore. We can still do that from our drawdown funds."

"We can still do deals: 85% of our capital is institutional and redemptions in our evergreen vehicles have gone up but net inflows are still positive."



Terms are becoming more conservative



Source: Anonymous quotes from conversations with credit GPs. LHS chart from Pitchbook Global Private Debt Report 2025, RHS chart from Pitchbook as at 27 April 2026.

Despite tighter lending conditions, we see continued appetite for Hg credits as lenders focus on core relationships and quality of borrower



AMDT

Dividend recap

- ✓ Returned 0.6x invested cost
- ✓ Refinancing existing debt at lower margin

 **Bright**

Full refinancing with dividend recap

- ✓ Returned 0.6x invested cost
- ✓ Extended maturity to 2032
- ✓ Margin reduction

 **fonds
finanz**

Repricing alongside dividend recap

- ✓ Returned 0.5x invested cost
- ✓ Margin reduction

 **Lucanet**

Dividend recap

- ✓ Returned 0.6x invested cost
- ✓ Margin reduction

 **Optro**

Dividend recap

- ✓ Returned 0.2x invested cost within 18 months of investment

 **septeo**

Like-for-like refinancing

- ✓ Extended maturity to 2032
- ✓ Margin reduction

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