£5.39	£3.86	£2.4bn	£1.7bn	+15%	+19%	35%
NAV per share	Share price	Net assets	Market capitalisation	LTM sales growth	LTM EBITDA growth	EBITDA margin

Chairman's statement

"Publicly listed software share prices recovered significantly in Q3, with the IGV software index recovering most of its year-to-date losses, but the recovery has been far more selective than the sell-off that preceded it. While the volatility of listed peers continues to weigh on HgT valuations, it is encouraging that investors are now identifying the companies most likely to benefit from AI transformation, rather than selling the sector indiscriminately.

The Board continues to believe that the HgT portfolio is well positioned to benefit from AI-led change. The underlying HgT portfolio businesses typically share three characteristics: they are deeply embedded in their customers' workflows, they hold proprietary domain data built up over many years, and they operate in regulated or high-trust environments. These characteristics leave them well placed to use AI to augment the value they deliver to their customers rather than be substituted by it. Hg has worked with Anthropic, a leading frontier AI model developer, for some time, and their recently announced partnership to establish an AI services business in Europe, in which HgT will invest through its Hg fund commitments and as a direct co-investor, should further accelerate the deployment of AI across the portfolio.

Trading performance across the portfolio continues to be strong. Over the last twelve months, portfolio companies grew revenue by 15% and EBITDA by 19%, at an average EBITDA margin of 35%.

In total, trading added 5% to portfolio value over the quarter, and 15% year to date. Because the software recovery has been selective, it has not yet extended to many of the vertical and application software peers against which the portfolio is benchmarked. Weakness in these comparables reduced portfolio value by 2% in the quarter, and the weighted average EV/EBITDA multiple stood at 22.6x at 30 September (30 June: 22.9x). An increase in net debt marginally reduced value further. This resulted in a NAV per share of 539.1 pence, a total return of 2.0% for the quarter and a second consecutive quarter of positive NAV performance.

HgT's share price ended the quarter at 385.5 pence, a total return of 2.5% over the period, and rose further to 395.0 pence at 30 October. The discount to NAV has been volatile, narrowing to c.16% in August and widening to c.27% at 30 October. This remains wider than historic levels and, in the view of both the Board and the Manager, does not reflect the value or future prospects of the underlying portfolio. Alongside the Board's ongoing review of share buybacks, the Manager has continued to buy shares in the market, increasing its ownership of HgT to over 6% as it works towards its stated intention of holding more than 15% over the medium term, a clear demonstration of its alignment with shareholders.

Realisation activity continues to support valuations. Realisations in the quarter totalled £13 million, primarily from the full exit of Quantios, which was signed at an uplift of 31% to carrying value.

Post-period, Hg agreed the sale of Gen II, valuing HgT's investment at £71 million (reflected in the 30 September NAV), an uplift of 34%, with completion expected in 2027. Including Gen II, Hg has agreed or completed four full exits this year at an average uplift of 32% to carrying value, against a 10-year average of 30%.

HgT invested £28 million in the quarter, primarily in Nourish (£18 million) and Street (£7 million). Hg has also agreed an investment in ES1, in which HgT expects to invest £33 million on completion later this year, and post-period announced an investment of approximately £6 million in 3E. To support continued investment, in September HgT extended its revolving credit facility to September 2029 and increased it from £375 million to £450 million on lower margin and commitment fee terms. At 30 September, HgT had available liquidity of £286 million (12% of NAV) and outstanding commitments to Hg funds of £2.0 billion.

With a second consecutive quarter of NAV growth, continued strong trading across the portfolio and realisations at uplifts to carrying value, the Board remains confident about HgT's long-term outlook. Access to Hg's investment platform and AI value creation capabilities, further strengthened by the partnership with Anthropic, leaves the portfolio well placed to be among the long-term beneficiaries of AI."

Jim Strang, Chairman, HgCapital Trust plc
4 November 2026

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. Please see page 11 for further details on portfolio performance metrics.