

30 January 2025

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The person responsible for arranging the release of this announcement on behalf of HarbourVest Global Private Equity Limited is Martin Bourgaize, Company Secretary.

**HARBOURVEST GLOBAL PRIVATE EQUITY LIMITED
("HVPE" or the "Company")**

After extensive shareholder engagement, the Board of HVPE today announces the introduction of three new initiatives aimed at maximising returns for shareholders and addressing the discount to NAV

1. Allocation to Distribution Pool to be doubled from 15% to 30% of gross distributions
2. Simplified investment structure agreed in principle going forward with HarbourVest Partners
3. Introduction of Continuation Vote at 2026 AGM

In 2024, HVPE's share price increased 12.5%, supported by accretion from \$90 million of share buybacks. In sterling terms, over the last five years HVPE's share price has outperformed the FTSE 250 Index (+40%), and over 10 years has outperformed both the FTSE 250 Index (+165%) and FTSE All World Index Total Return (+18%).

Over the course of 2024, the Board consulted extensively, listened to and reflected on the views of a broad range of shareholders. The Board strongly believes in the importance of funds such as HVPE in democratising private equity ownership for all investors. The Board shares the frustrations of shareholders regarding HVPE's current discount to NAV and has explored a range of options to deliver improved share price returns.

The Company will provide a live presentation for shareholders via Investor Meet Company at 3.00 p.m. on 4 February 2025. Investors will be able to register to attend here: <https://www.investormeetcompany.com/harbourvest-global-private-equity-limited/register-investor>. The presentation is open to all existing and potential shareholders.

Positive impact of HVPE's Distribution Pool

On 1 February 2024, HVPE announced its 15% Distribution Pool to fund future share buybacks or return capital to shareholders by means of special dividends. Between 1 January and 31 December 2024, HVPE repurchased \$90 million worth of shares, actively engaging in buybacks on 132 of the 254 trading days during the period. This is the second largest buyback by percentage of NAV and the largest by absolute amount among any of HVPE's direct peers.

During 2024, a 12.5% increase in HVPE's share price positioned the Company as the second-best performer in the private equity Fund of Funds sector.

1. Enhanced Distribution Pool

The Board is strongly committed to delivering value for shareholders, and believes that buybacks at the current discount to NAV are accretive and represent an efficient use of shareholder capital. As such, the Board has decided to double the allocation of cash realisations from HVPE's portfolio to the Distribution Pool, increasing from 15% to 30%, which is expected to be used for share buybacks.

Following the rebound in realisation activity that began in H2 2024, HVPE's forecast for portfolio distributions in 2025 is \$609 million, based on a conservative assumption that just under 16% of current NAV will be realised. At this level of portfolio distributions, shareholders would see a total of \$235 million potentially available for share buybacks in 2025, inclusive of \$183 million allocated to the Distribution Pool during the calendar year and the existing balance of \$52 million. The Board believes that the distributions facilitated through the Pool will make a material difference to shareholders' returns, ensuring they benefit more directly from the strong value growth delivered by HVPE's high quality portfolio.

The Distribution Pool allocation will be reviewed annually, and the Board will continue to monitor the situation closely to ensure that the best possible outcomes are achieved for shareholders.

The updated distribution policy will take effect from 1 February 2025.

2. Simplified investment structure

The Board and Manager, HarbourVest Partners, are finalising a revised arrangement whereby capital will be deployed by the Manager via a dedicated HVPE vehicle directly into third party General Partner funds, secondary opportunities and co-investments. This arrangement, typically referred to as a Separately Managed Account (SMA), will simplify HVPE's investment structure over time.

The benefits of an SMA would include greater flexibility in the deployment of capital, an enhanced ability to allocate investments in line with approved Strategic Asset Allocation targets, greater control over portfolio liquidity, and a substantial reduction in embedded leverage.

The Board is engaging in discussions with the Manager on behalf of shareholders to ensure that the best possible arrangement is secured and expects to be able to share final details in the Annual Report in May 2025.

3. Continuation vote

As part of its ongoing commitment to best-in-class corporate governance, the Board also confirms that it will introduce a Continuation Vote, which will be put to shareholders at HVPE's Annual General Meeting in July 2026. This will ensure shareholders have a platform to express their views and decide on the future of the Company. The Board sees the

introduction of a Continuation Vote as an important milestone in promoting shareholder democracy, and acknowledges that HVPE will be the first listed PE Fund of Funds investment company to take this step. Shareholders will be asked by simple majority vote if they wish the Company to continue.

Corporate governance and communication

As part of its commitment to the highest standards of corporate governance, over the past two years the independence of HVPE's Board has been transformed, whilst maintaining a constructively robust relationship with the Manager.

The Board has introduced a number of other initiatives aimed at improving HVPE's attractiveness to new investors, including overhauling the Company's communications function over the past 12 months. The Board and the Manager have held a significant number of meetings with investors and key stakeholders, and an annual perception study has been carried out by an independent third party. This has enabled the Board to build a thorough understanding of investors' views and has provided reassurance of the broad support and confidence of the Company's shareholders.

Outlook improving as the private equity sector rebounds

HVPE anticipates that 2025 will bring improved valuations and opportunities for realisations in the private equity market. The alignment of buyer and seller expectations, along with early signs of recovery in the M&A and IPO markets, are expected to act as catalysts for unlocking greater value in the sector. An increase in realisation activity should provide greater visibility on portfolio valuations while generating significant cash flows. Additionally, the Manager's positive outlook for venture capital, particularly for IPOs in the venture space, should bode well for HVPE's exposure to this segment.

HVPE's portfolio saw an increase in exit activity in H2 2024, up 110% on H1. With an annualised exit rate at 13% of NAV in H2, compared to the 10-year average exit rate at 19% of NAV, the Board concludes there is further recovery potential.

Ed Warner, Chair of HVPE, said:

"As a Board we are committed to maximising returns for all of our shareholders and, despite our NAV growth outperforming the majority of our peers over the course of the calendar year, HVPE's discount to NAV remains a key focus. We understand and share our shareholders' concerns, and believe the three measures announced today will maximise returns, help to address the discount, improve flexibility and give shareholders greater control over their investment.

"The Board is excited by HarbourVest's confidence in the outlook for private markets, and believes that the larger Distribution Pool, accompanied by the green shoots of recovery in the private equity market, positions HVPE and its shareholders to benefit from improved valuations and realisation opportunities in the sector.

"I would like to personally thank all of our shareholders for their support during what has been a challenging period. We expect HVPE's high quality portfolio to continue to outperform public market benchmarks over the longer term and we are firm believers in the opportunity HVPE offers shareholders for superior returns."

The HVPE team is here to discuss any questions you may have, so please do not hesitate to contact Richard Hickman or Stephanie Hocking using the contact details below.

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Notes to Editors:**About HarbourVest Global Private Equity Limited:**

HarbourVest Global Private Equity Limited ("HVPE" or the "Company") is a Guernsey-incorporated, closed-end investment company which is listed on the Main Market of the London Stock Exchange and is a constituent of the FTSE 250 index. HVPE is designed to offer shareholders long-term capital appreciation by investing in a private equity portfolio diversified by geography, stage of investment, vintage year, and industry. The Company invests in and alongside Harbour Vest-managed funds which focus on primary fund commitments, secondary investments and direct co-investments in operating companies.

HVPE's investment manager is HarbourVest Advisers L.P., an affiliate of HarbourVest Partners, LLC, an independent, global private markets asset manager with over 42 years of experience.

About HarbourVest Partners, LLC:

HarbourVest is an independent, global private markets firm with 42 years of experience and more than \$138 billion of assets under management as of September 30, 2024. Our interwoven platform provides clients access to global primary funds, secondary transactions, direct co-investments, real assets and infrastructure, and private credit. Our strengths extend across strategies, enabled by our team of more than 1,200 employees, including more than 240 investment professionals across Asia, Europe, and the Americas. Across our private market's platform, our team has committed more than \$61 billion to newly-formed funds, completed over \$59 billion in secondary purchases, and invested over \$43 billion in directly operating companies. We partner strategically and plan our offerings innovatively to provide our clients with access, insight, and global opportunities.