

## 19-01-2016: HgCapital announces investment in Sovos Compliance

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**19 January, London:** HgCapital announced today a majority investment in Sovos Compliance (“Sovos”), a leading provider of regulatory tax compliance software, headquartered in Boston, USA. Sovos will sit within HgCapital’s Technology, Media & Telecommunications (“TMT”) sector. HgCapital will assume majority ownership from Vista Equity Partners (“Vista”), which will retain a significant minority stake in Sovos. The terms of this transaction were not disclosed.

Sovos is a global provider of taxation compliance solutions, managing all aspects of the tax compliance process, from tax calculation, forms completion and ultra-high-volume filing to secure funds transfer to state and local revenue departments. At the heart of Sovos’ software suite is a powerful tax calculation engine that leverages the industry’s most comprehensive repository of more than 210 million tax rules in 13,500 plus jurisdictions across more than 200 countries.

HgCapital has followed Sovos closely for several years, and this investment is in line with HgCapital’s proven, sector-focused approach of investing in leading global providers of regulatory-driven software. Sovos demonstrates many of the characteristics that HgCapital looks for, providing an excellent platform for future growth. HgCapital will work closely with the management team and Vista to accelerate Sovos’ strong, organic growth and support further accretive M&A to build a global software champion.

“We are delighted to begin our work with Sovos CEO Andy Hovancik, his talented management team, and Vista Equity Partners,” said Jonathan Boyes, a Director in the HgCapital TMT team. “HgCapital has a strong track record of successful investments in tax and regulatory compliance-driven software companies. We have been tracking the excellent progress Sovos has made in establishing itself as a global player in this sector, and we look forward to supporting their continued growth going forward.”

Hovancik shared Boyes’s enthusiasm, commenting that:

“HgCapital’s investment presents a significant opportunity to build on our success and accelerate the development of our global platform for tax compliance and reporting,” said Andy Hovancik, Sovos CEO. “With the support of Vista Equity Partners, Sovos transformed into a trusted partner for companies navigating today’s dynamic regulatory environment. HgCapital’s talented team, in-depth knowledge of regulatory compliance markets and commitment to growth allows us to solidify our leadership position and deliver even more value to our clients.”

Shea & Company acted as the exclusive financial advisor to Vista and Sovos during the transaction.

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**About HgCapital**

HgCapital is a sector expert private equity investor, supporting management teams to grow industry champions. Deeply resourced sector teams focus on specific sub-sectors and investment themes to identify companies occupying an established position within a niche, and which have the potential to grow faster than their market, create employment and become the leader in their industry. HgCapital's dedicated portfolio management team provides practical support to management teams to help them realise their growth ambitions. HgCapital invests in expanding segments of the TMT, Services, Industrials and Renewable Energy sectors across Western Europe. Based in London and Munich, HgCapital manages more than £5 billion for some of the world's leading institutional and private investors. For further details, please see [www.hgcapital.com](http://www.hgcapital.com)

**About Vista Equity Partners**

Vista Equity Partners is a U.S.-based investment firm with offices in Austin, Chicago and San Francisco, with more than \$14 billion in cumulative capital commitments. It currently invests in software, data and technology-based organizations led by world-class management teams with long-term perspective. Vista is a value-added investor, contributing professional expertise and multi-level support that enables companies to realize their full potential. Vista's investment approach is anchored by a sizable long-term capital base, experience in structuring technology-oriented transactions and proven management techniques that yield flexibility and opportunity in private equity investing. For more information, please visit [vistaequitypartners.com](http://vistaequitypartners.com).

**About Sovos Compliance**

Sovos designs technology solutions to help businesses meet the demands of their unique tax compliance and reporting obligations. Our trusted industry expertise and global research capability enables over 4,500 clients to operate with the confidence to efficiently navigate today's dynamic regulatory environment. Sovos utilizes a unique ability to turn knowledge into highly functional, scalable software that seamlessly integrates with a wide-array of applications and information technologies used by businesses today. Ultimately, we give clients peace of mind by simplifying tax compliance, providing greater control and visibility, and mitigating compliance risk. To learn more, please visit [www.sovos.com](http://www.sovos.com).

*Neither the contents of HgCapital Trust's, HgCapital's, Vista's or Sovos' websites nor the contents of any website accessible from hyperlinks on the websites (or any other website) is incorporated into, or forms part of, this announcement.*