



Annual General Meeting

29 June 2023



Introduction

David Hutchison
Chairman



Today's agenda



Introductory remarks

David Hutchison

Review of the year

Simon Borrows

Outlook

Simon Borrows

Q&A

David Hutchison

Formal business including Resolutions

David Hutchison

The Board of Directors and General Counsel





Peter McKellar





Alexandra Schaapveld





Coline McConville





Caroline Banzky





Kevin Dunn





Simon Borrows





James Hatchley





Jasi Halai





Stephen Daintith





Lesley Knox



Resilient performance in a challenging market

Year to 31 March 2023



Group

Total return
on equity

36%

Gearing

2%

NAV
per share

1,745p

Total dividend
per share

53p

Private Equity

Gross investment return

40%

Proprietary capital invested

£381m

Realisations

£857m

Infrastructure

Gross investment return

6%

Cash income

£107m

3iN dividend

£29m



“ ”

We continue to benefit from our clear strategy, consistent execution and investment discipline.

While we are not immune from the impacts of the current macroeconomic uncertainty, the Group's financial strength and quality portfolio put us in a good position to continue to deliver attractive returns through the economic cycle.



We generate attractive returns for our shareholders and co-investors by investing in private equity and infrastructure assets.

As proprietary capital investors we have a long-term, responsible approach.

We aim to compound value through thoughtful origination, disciplined investment and active management of our assets, driving sustainable growth in our investee companies.

Long-term stewardship

Thematic origination

Careful portfolio construction

Assessment and management of risks and opportunities

Total FY2023 dividend of 53 pence per share



- Our dividend policy aims to maintain or grow the dividend year-on-year subject to:
 - maintaining our conservative balance sheet strategy
 - careful consideration of the outlook for investments and realisations and market conditions
- **Second FY2023 dividend of 29.75 pence per share brings total dividend for the year to 53 pence per share**





Review of the year

Simon Borrows
Chief Executive



Thematic origination

We back businesses that benefit from long-term growth trends



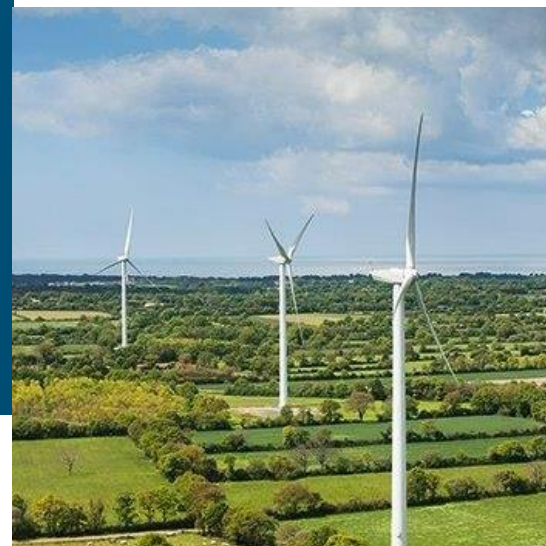
**Value-for-money
and discount**



**Demographic and
social change**



**Energy transition,
energy security and
resource scarcity**



**Digitalisation,
automation
and big data**



Careful portfolio construction

Our portfolio is positioned to offer resilience across the economic cycle



Portfolio at 31 March 2023



Value-for-money, Private Label, Infrastructure and Healthcare represent 83% of portfolio

Climate

- Performed initial top-down climate scenario analysis, currently refining second phase of work
- Improving quality and coverage of GHG portfolio data collection and selected dedicated software tool
- Wrote to SBTi to commit to set science-based targets for 3i and portfolio



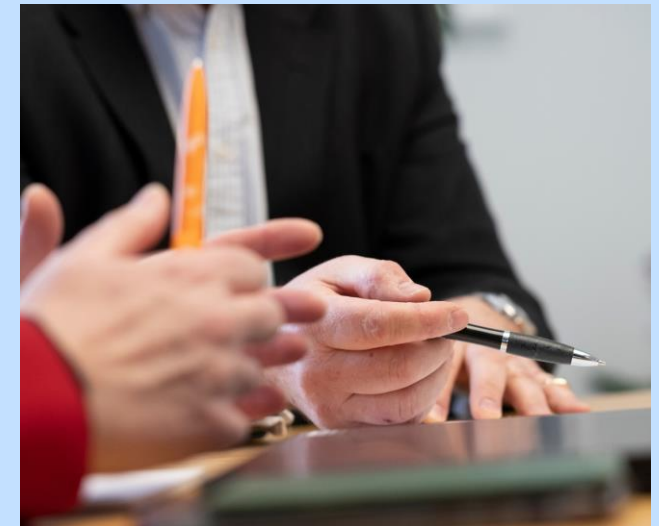
Resources and skills

- Embedded dedicated sustainability resource in investment teams and centrally
- Trained employees and the Board on climate change
- Provided specialist training on climate change where relevant



Investing in our people

- Initiatives to improve DE&I performance
 - Leading with impact programme
 - Mentoring
- Continued focus on mental health, partnership with Headspace for Work
- Promotion of other wellness initiatives





Exceptional performance at Action, resilient performance across rest of portfolio

- 40% gross investment return

Selective investment; realisations and cash income evidence quality of the portfolio

- £1.2bn proceeds and cash income generated in the year

Portfolio well positioned in a challenging environment

- Exposed to long-term megatrends and strategically positioned to continue to drive attractive returns

Private Equity

Strong earnings growth across the portfolio



Portfolio earnings growth of top 20 PE investments (96% of PE portfolio by value)¹



¹ Includes top 20 Private Equity companies by value excluding ten23 health. This represents 96% of the Private Equity portfolio by value (31 March 2022: 96%). Last 12 months' adjusted earnings to 31 December 2022 and Action based on LTM run-rate earnings to the end of P3 2023.

Private Equity

Valuations reflect challenging conditions for some assets



Largest value increases (>£20m)

Portfolio company	Value growth (excl FX)	Value at 31 Mar 2023	Driver of value movement
Action	£3,708m	£11,188m	
SaniSure	£99m	£389m	
AES	£82m	£351m	
WilsonHCG ¹	£70m	£196m	
Royal Sanders	£60m	£369m	
Audley Travel	£44m	£162m	
nexeye	£34m	£393m	
Dutch Bakery	£26m	£73m	
Q Holding	£21m	£117m	
Dynatect ¹	£20m	£128m	

Largest value declines (>£20m)

Portfolio company	Value decline (excl FX)	Value at 31 Mar 2023	Driver of value movement
Luqom	£242m	£271m	
YDEON	£115m	£37m	
BoConcept	£36m	£160m	
Formel D	£24m	£27m	
Mepal	£22m	£69m	

Performance Multiple

¹ Net of a negative movement in multiple.

Private Equity

Action – strong 2022 performance



+30%
Sales growth

+46%
EBITDA growth

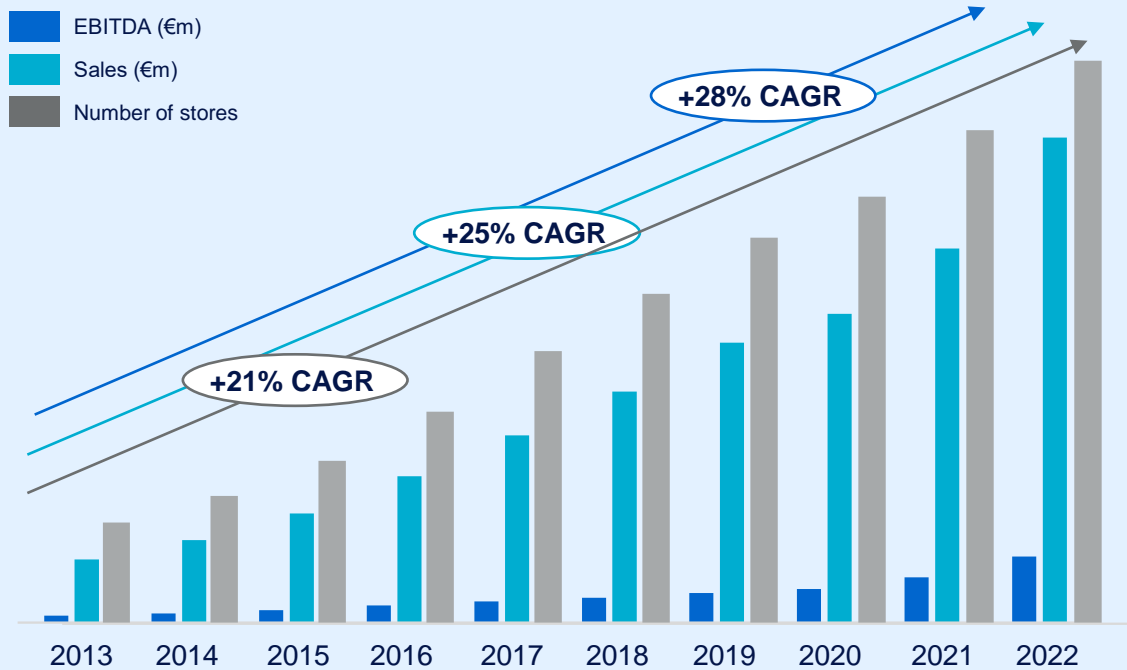
+18%
LFL growth

78%
Cash conversion

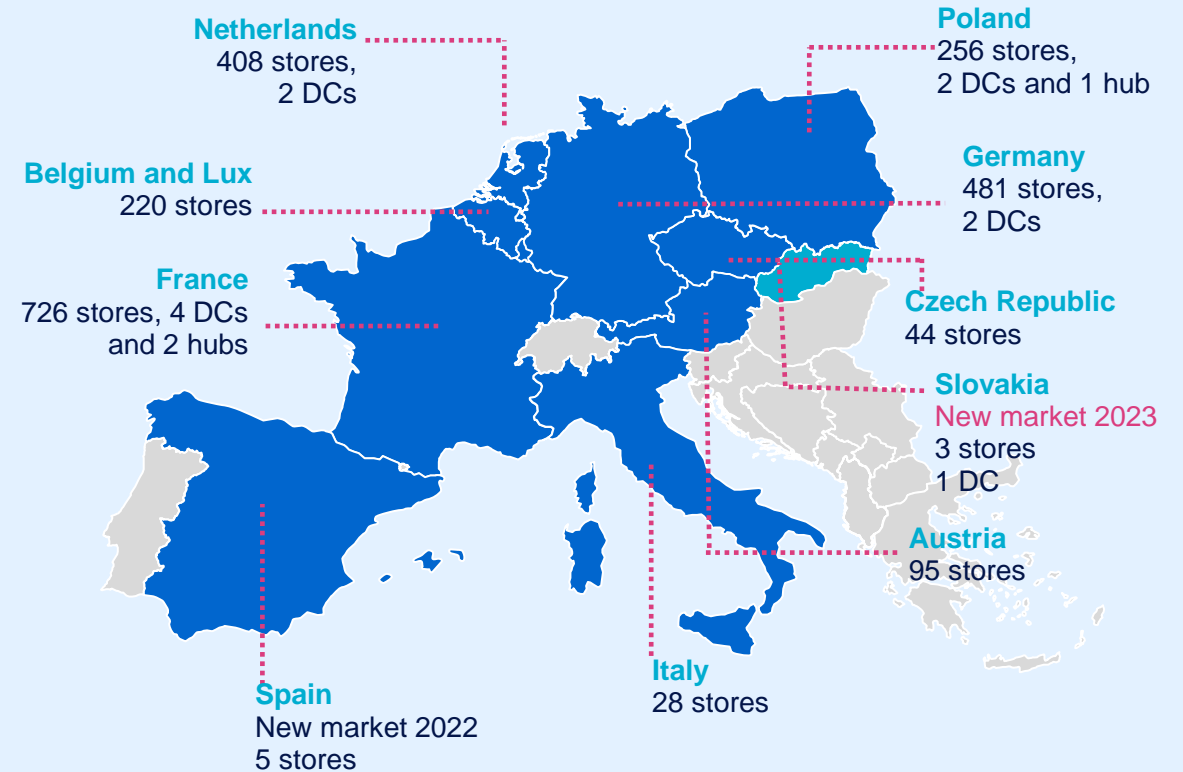
280
Net new stores

2,263
Total stores

An unbroken high growth track record



Expansion across Europe continues¹



¹ All stores as at 31 December 2022, except Slovakia, showing stores opened to P3 2023.

Private Equity

Action – strong start to the year



- Strong Q1 2023 trading, with net sales of €2.5bn (36% increase since Q1 2022), 24% LFL sales growth, LTM EBITDA of €1,328m
- Like-for-like sales growth at 22% year to date up to week 25
- 84 net new stores added in the year to date (vs 75 at the same time last year)
- Banking: successful amend and extend undertaken in April



Private Equity

Action – consistently strong business performance



- 11 countries and significant white space
- Everyday low prices
- 14 categories and flexible SKUs
- Focus on quality and sustainability
- Variable sourcing mix and routes
- Scale benefits shared with customers
- Self-funded store expansion with one-year payback period

Flexible business model, everyday value offering and international footprint make Action an exceptional, resilient and adaptable company

Private Equity

Compounding value | Cirtec and Royal Sanders



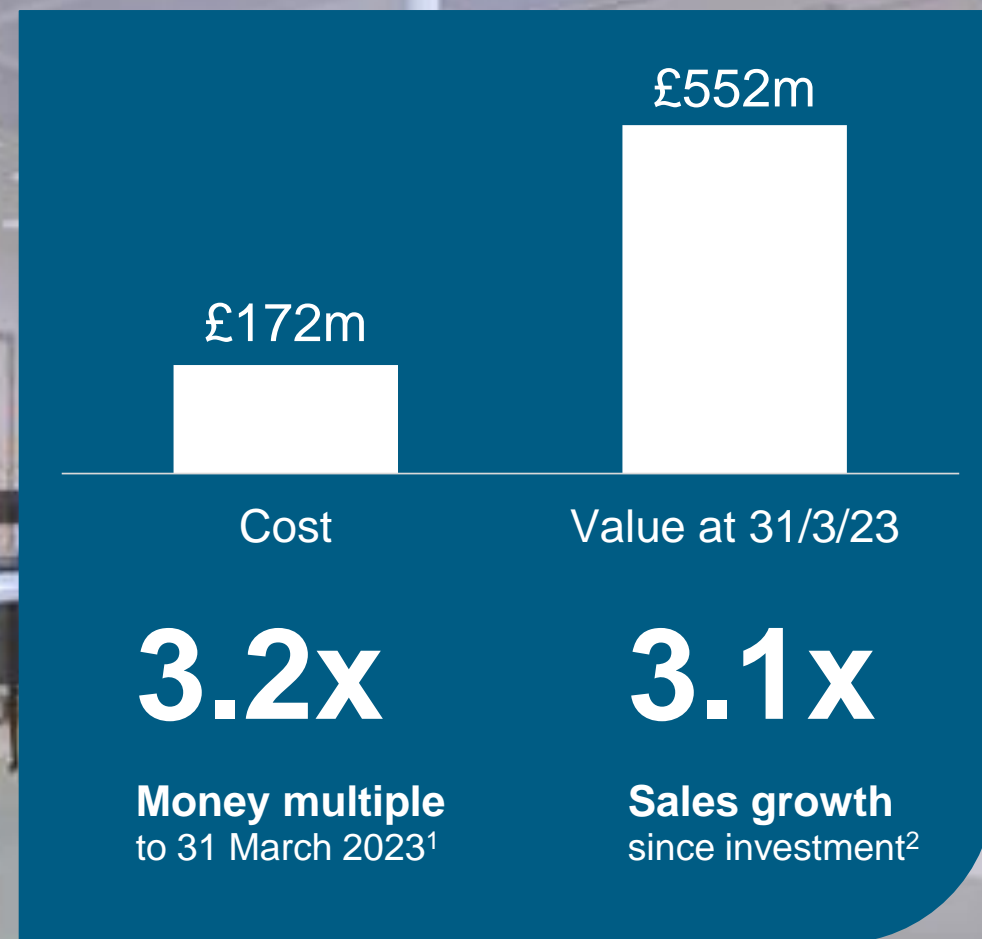


Significant scale and depth built since initial investment

- Nine bolt-on acquisitions to add product diversification and vertical integration
- Build-out of international operations in Europe and Costa Rica

Positioned for significant growth

- Exposure to highest growth end markets and cutting edge customers
- Leading position in core end markets
- Robust pipeline



¹ GBP money multiple.

² Based on LTM sales to 31 March 2023.

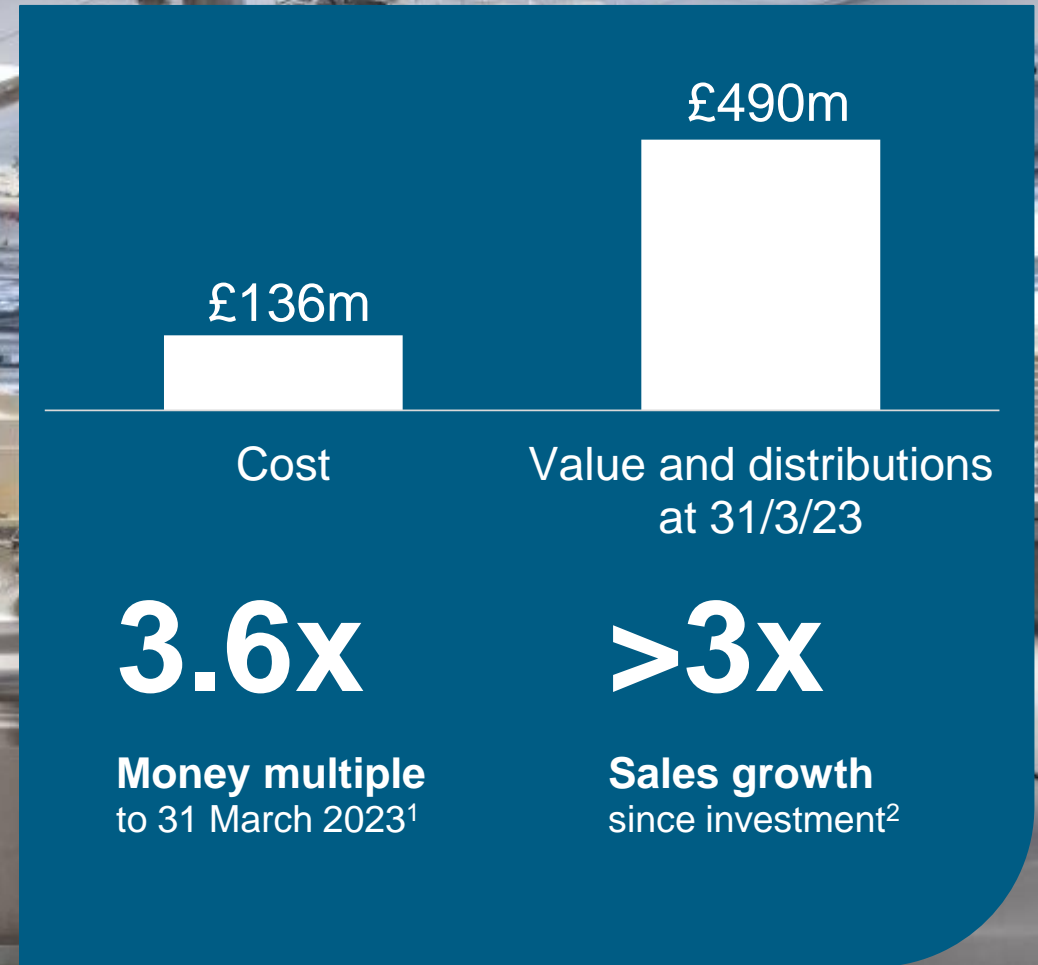


Leading consolidator in its industry

- Five bolt-on acquisitions completed since investment
- Consistent and strong track record of organic growth

Well positioned to continue to grow organically and through acquisitions

- ‘Winning with the winners’ as customers include many of Europe’s fastest-growing retailers and brand owners
- Supportive market fundamentals



¹ GBP money multiple.
² Based on LTM sales to 31 March 2023.

Private Equity

We made four new investments in the year...



Private Equity

...and continued to build existing platforms through targeted bolt-ons



LUQOM
G R O U P
+
BRUMBERG

arrivia
+
RED WEEK

WilsonHCG
HUMAN CAPITAL GROUP
+
personify

ma't
+
Nittmann & Pekoll

evernex
+
XSi

evernex
+
integra®

AESSEAL
ENVIRONMENTAL TECHNOLOGY
+
Vibtech Analysis Ltd.
Keeping Canadian Companies Competitive
DNTUM
ROTATING MACHINERY SERVICES

SANISURE®
Solution Based Innovation
+
Q's Twinsburg site

Cirtec MEDICAL
+
Q's Precision Components

dutchbakery®
+
Trade Factory

Private Equity

Realisations and cash income evidence quality of the portfolio



Havea

Full realisation

- 50% uplift on opening value
- 3.1x MM
- 24% IRR

CHRIST

Full realisation

- 45% uplift on opening value
- 1x MM (including investment in Amor)
- Last asset in EuroFund V

 **HOLDING COMPANY**
when precision matters

Partial realisation

- Sale of QSR, Precision Components and Twinsburg site
- 2.8x MM from proceeds to date and remaining value

£857m

Realised proceeds

£351m

Cash income



Portfolios continue to perform well, but GIR impacted by 3iN's share price volatility

- 6% gross investment return, impacted by share price decline for 3iN. 3iN total return of 14.7% (ahead of target)

Good contribution to operating cash profit

- £107m cash income from fee and portfolio income

Portfolios well positioned to deliver growth in real terms over the cycle

- Broadly counter-cyclical and exposed to defensive sectors



Strong growth in the period of ownership

- Entrenched market footprint, including 50 of the top 50 US airports
- Revenue growth of 12%, through development of ancillary services
- Improved margin profile through technology upgrades

Attractive opportunities for further growth

- Enhanced products with new and existing customers
- International expansion utilising new technologies and improved customer value proposition
- Penetration of new locations, including a growing relationship with the US Postal Service

£177m

£344m

Cost

Value and distributions
at 31/3/23

1.9x

Money multiple¹
to 31 March 2023



Outlook

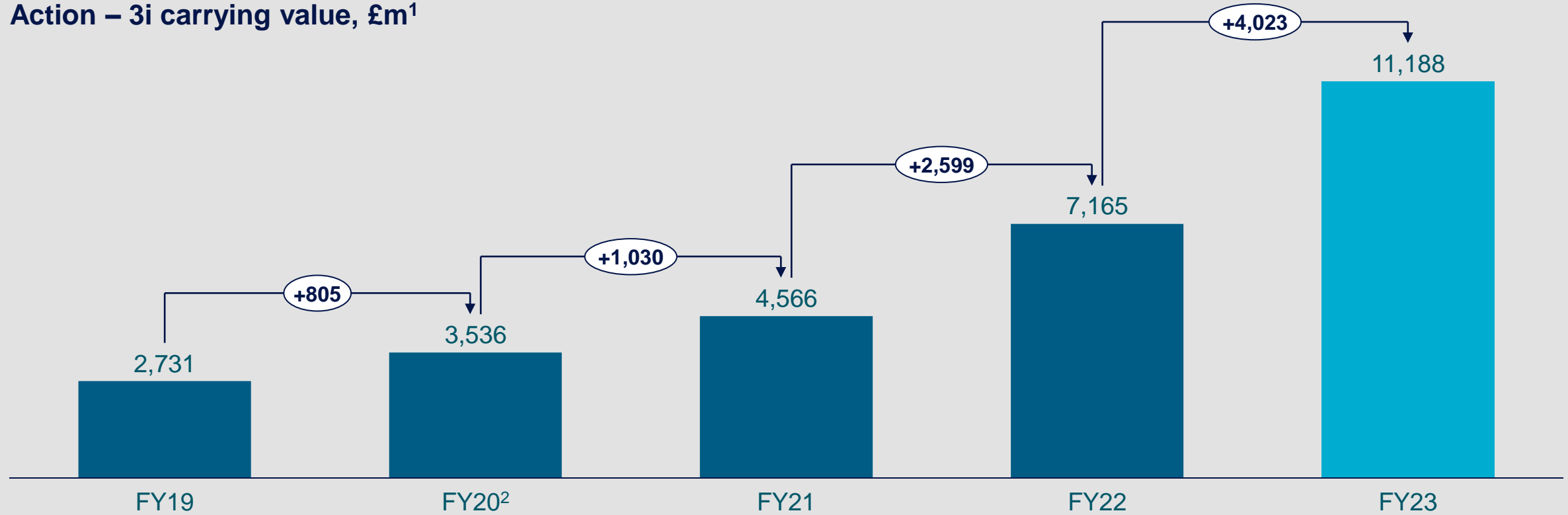
Simon Borrows
Chief Executive



Action has been an extraordinary investment...



Action – 3i carrying value, £m¹

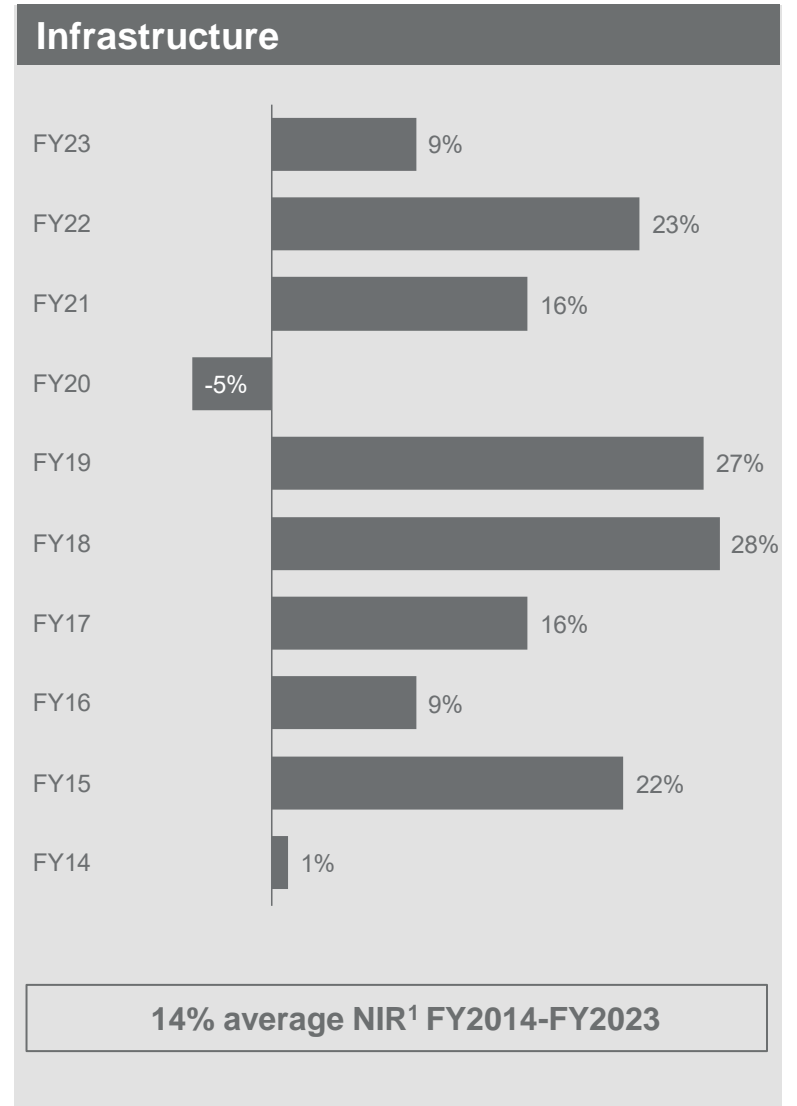
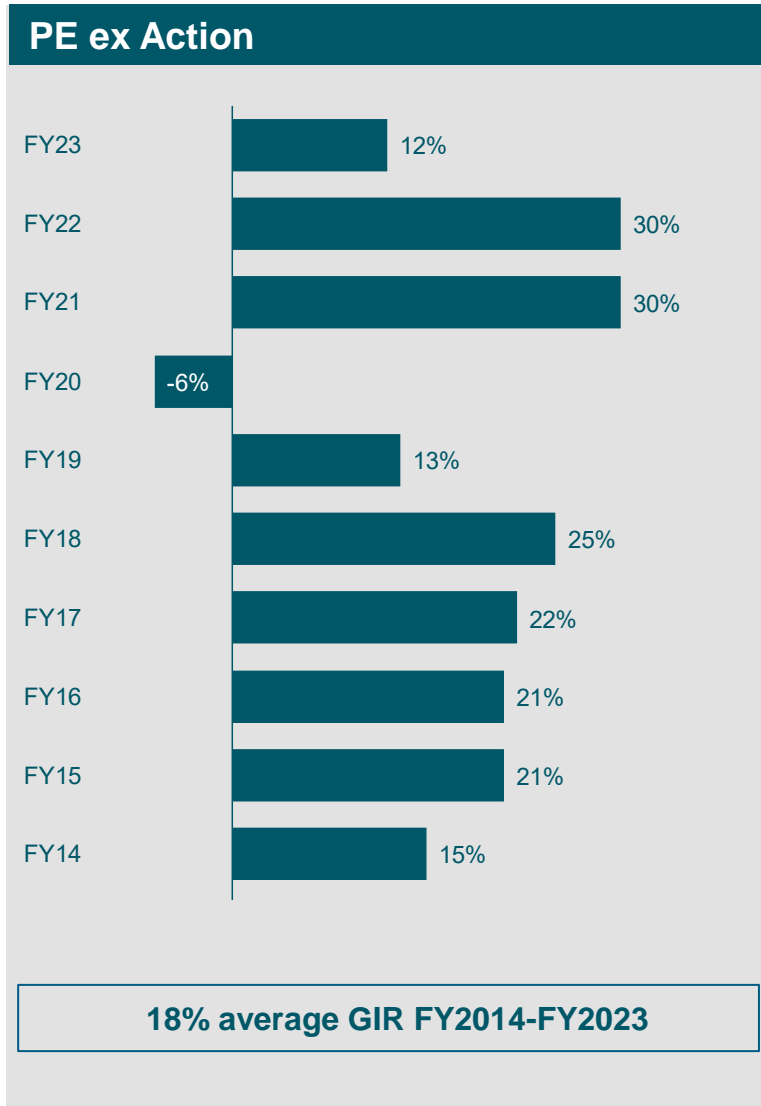
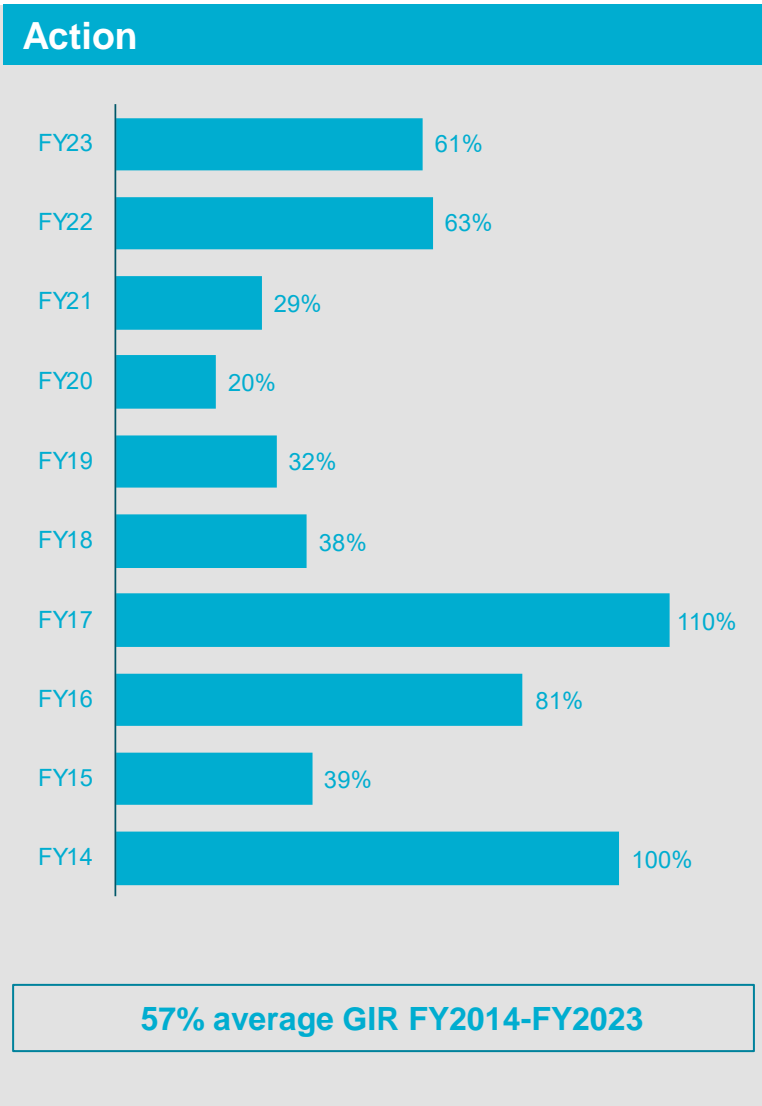


Step change in carrying value growth over recent years as **compounding** starting to manifest
Over **£600m** distributions to 3i in the last 18 months, or over **£1.8bn** through the ownership period

¹ 3i financial years.

² FY20 includes impact of 9.1% ownership increase.

... but all of 3i's segments have generated strong returns



¹ Includes fees.

3i has significant long-term potential



Permanent capital. Long-term, sustainable approach

Thematic approach to investment with exposure to long-term secular growth trends

Proven model, underpinned by robust processes, patience and price discipline

Active management of portfolio companies with significant influence and board representation

Resilient and prudently funded portfolio, positioned to withstand current macro challenges

Significant growth platforms in Action and other consumer and healthcare assets





The Resolutions

David Hutchison
Chairman





- 18 ordinary resolutions
- 4 special resolutions
- Normal annual business



Questions



AGM poll card

The Board recommends you vote FOR resolutions 1 to 22

Resolutions	For	Against	Abstain
1 To receive and consider the Company's Accounts for the year to 31 March 2023 and the Directors' and Auditor's reports.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 To approve the Directors' remuneration report.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 To approve the Directors' remuneration policy.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 To increase the limit on Directors' fees.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 To declare a dividend.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 To reappoint Mr S A Borrows as a Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7 To reappoint Mr S W Daintith as a Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8 To reappoint Ms J H Halai as a Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9 To reappoint Mr J G Hatchley as a Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10 To reappoint Mr D A M Hutchison as a Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11 To reappoint Ms L M S Knox as a Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12 To reappoint Ms C L McConville as a Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Resolutions	For	Against	Abstain
13 To reappoint Mr P A McKellar as a Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14 To reappoint Ms A Schaapveld as a Director.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15 To reappoint KPMG LLP as Auditor.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16 To authorise the Board to fix the Auditor's remuneration.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17 To renew the authority to incur political expenditure.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18 To renew the authority to allot shares.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19 To renew the section 561 authority.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20 To give additional authority under section 561.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21 To renew the authority to purchase own ordinary shares.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22 To resolve that General Meetings (other than AGMs) may be called on not less than 14 clear days' notice.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Signature





1. That the Company's accounts and the reports of the Directors and the Auditor for the year to 31 March 2023 be and are hereby approved
2. That the Directors' remuneration report for the year to 31 March 2023 be and is hereby approved
3. That the Directors' remuneration policy be and is hereby approved and takes effect from the date this resolution is passed
4. That the limit on the aggregate of all fees paid to Directors pursuant to Article 90 of the Company's Articles of Association be increased from £1,000,000 to £1,250,000
5. To declare a dividend of 29.75p per ordinary share for the year to 31 March 2023, payable to shareholders whose names appear on the Register of Members at close of business on 23 June 2023



6. That Mr S A Borrows be and he is hereby reappointed as a Director of the Company
7. That Mr S W Daintith and he is hereby reappointed as a Director of the Company
8. That Ms J H Halai be and she is hereby reappointed as a Director of the Company
9. That Mr J G Hatchley be and he is hereby reappointed as a Director of the Company
10. That Mr D A M Hutchison be and he is hereby reappointed as a Director of the Company



11. That Ms L M S Knox be and she is hereby reappointed as a Director of the Company
12. That Ms C L McConville be and she is hereby reappointed as a Director of the Company
13. That Mr P A McKellar be and he is hereby reappointed as a Director of the Company
14. That Ms A Schaapveld be and she is hereby reappointed as a Director of the Company
15. That KPMG LLP be and they are hereby reappointed as Auditor of the Company to hold office until the conclusion of the next General meeting at which Accounts are laid before the members
16. That the Board be and it is hereby authorised to fix the Auditor's remuneration



17. To authorise the Company to make political donations (other than to political parties) or incur political expenditure not exceeding £20,000 during the period until the end of next year's Annual General Meeting
18. To renew the Directors' authority to allot shares
19. To renew the Section 561 authority
20. To give additional authority under Section 561
21. To renew the Company's authority to purchase its own ordinary shares
22. That a General Meeting other than an Annual General Meeting may be called on not less than 14 clear days' notice

