



Audited financial statements

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Consolidated statement of comprehensive income

for the year to 31 March

	Notes	2026 £m	2025 £m
Realised profits over value on the disposal of investments	2	21	5
Unrealised profits on the revaluation of investments	3	2,996	3,812
Fair value movements on investment entity subsidiaries	11	1,565	953
Portfolio income			
Dividends		255	413
Interest income from investment portfolio		23	29
Fees receivable	4	6	13
Foreign exchange on investments		644	(245)
Movement in the fair value of derivatives	15	(14)	82
Gross investment return		5,496	5,062
Fees receivable from external funds	4	68	64
Operating expenses	5	(134)	(149)
Interest receivable		15	15
Interest payable		(65)	(65)
Exchange movements		(122)	77
Income from investment entity subsidiaries		18	21
Other expense		(1)	(1)
Operating profit before carried interest		5,275	5,024
Carried interest			
Carried interest and performance fees receivable		23	29
Carried interest and performance fees payable	13	(5)	(14)
Operating profit before tax		5,293	5,039
Tax credit/(charge)	7	1	(1)
Profit for the year		5,294	5,038
Other comprehensive income that may be reclassified to the income statement			
Exchange differences on translation of foreign operations		8	7
Other comprehensive income that will not be reclassified to the income statement			
Re-measurements of defined benefit plans	23	2	4
Other comprehensive income for the year		10	11
Total comprehensive income for the year		5,304	5,049
Earnings per share			
Basic (pence)	8	539.4	522.0
Diluted (pence)	8	538.6	520.6

The Notes to the accounts section forms an integral part of these financial statements.

Consolidated statement of financial position

as at 31 March

	Notes	2026 £m	2025 £m
Assets			
Non-current assets			
Investments			
Quoted investments	10,12	897	856
Unquoted investments	10,12	20,053	17,500
Investments in investment entity subsidiaries	11,12	10,535	6,916
Investment portfolio		31,485	25,272
Other non-current assets		22	29
Retirement benefit surplus	23	–	63
Property, plant and equipment		17	18
Right of use asset		43	41
Derivative financial instruments	15	10	46
Total non-current assets		31,577	25,469
Current assets			
Carried interest and performance fees receivable		24	33
Other current assets		60	51
Derivative financial instruments	15	42	91
Cash and cash equivalents		635	412
Total current assets		761	587
Total assets		32,338	26,056
Liabilities			
Non-current liabilities			
Trade and other payables	16	(9)	(9)
Carried interest and performance fees payable	13	(31)	(29)
Loans and borrowings	14	(1,211)	(1,194)
Derivative financial instruments	15	(22)	(4)
Retirement benefit deficit	23	(17)	(17)
Lease liability		(45)	(42)
Total non-current liabilities		(1,335)	(1,295)
Current liabilities			
Trade and other payables	16	(107)	(135)
Carried interest and performance fees payable	13	(4)	(12)
Lease liability		(5)	(3)
Total current liabilities		(116)	(150)
Total liabilities		(1,451)	(1,445)
Net assets		30,887	24,611

	Notes	2026 £m	2025 £m
Equity			
Issued capital	17	757	719
Share premium	17	2,494	792
Capital redemption reserve		43	43
Share-based payment reserve	24	29	35
Translation reserve		9	1
Capital reserve		26,205	21,257
Revenue reserve		1,428	1,845
Own shares	18	(78)	(81)
Total equity		30,887	24,611

The Notes to the accounts section forms an integral part of these financial statements.

David Hutchison

Chair

13 May 2026

Consolidated statement of changes in equity

for the year to 31 March

	Share capital £m	Share premium £m	Capital redemption reserve £m	Share-based payment reserve £m	Translation reserve £m	Capital reserve ¹ £m	Revenue reserve ¹ £m	Own shares £m	Total equity £m
2026									
Total equity at the start of the year	719	792	43	35	1	21,257	1,845	(81)	24,611
Profit for the year	–	–	–	–	–	4,964	330	–	5,294
Exchange differences on translation of foreign operations	–	–	–	–	8	–	–	–	8
Re-measurements of defined benefit plans	–	–	–	–	–	2	–	–	2
Total comprehensive income for the year	–	–	–	–	8	4,966	330	–	5,304
Share-based payments	–	–	–	12	–	–	–	–	12
Release on exercise/forfeiture of share awards	–	–	–	(18)	–	–	18	–	–
Exercise of share awards	–	–	–	–	–	(18)	–	18	–
Ordinary dividends	–	–	–	–	–	–	(765)	–	(765)
Purchase of own shares	–	–	–	–	–	–	–	(15)	(15)
Issue of ordinary shares	38	1,702	–	–	–	–	–	–	1,740
Total equity at the end of the year	757	2,494	43	29	9	26,205	1,428	(78)	30,887

1 Refer to Note 17 for the nature of the capital and revenue reserves.

	Share capital £m	Share premium £m	Capital redemption reserve £m	Share-based payment reserve £m	Translation reserve £m	Capital reserve ¹ £m	Revenue reserve ¹ £m	Own shares £m	Total equity £m
2025									
Total equity at the start of the year	719	791	43	42	(6)	17,154	1,519	(92)	20,170
Profit for the year	–	–	–	–	–	4,535	503	–	5,038
Exchange differences on translation of foreign operations	–	–	–	–	7	–	–	–	7
Re-measurements of defined benefit plans	–	–	–	–	–	4	–	–	4
Total comprehensive income for the year	–	–	–	–	7	4,539	503	–	5,049
Share-based payments	–	–	–	16	–	–	–	–	16
Release on exercise/forfeiture of share awards	–	–	–	(23)	–	–	23	–	–
Exercise of share awards	–	–	–	–	–	(11)	–	11	–
Ordinary dividends	–	–	–	–	–	(425)	(200)	–	(625)
Issue of ordinary shares	–	1	–	–	–	–	–	–	1
Total equity at the end of the year	719	792	43	35	1	21,257	1,845	(81)	24,611

1 Refer to Note 17 for the nature of the capital and revenue reserves.

The Notes to the accounts section forms an integral part of these financial statements.

Consolidated cash flow statement

for the year to 31 March

	Notes	2026 £m	2025 £m
Cash flow from operating activities			
Purchase of investments		(68)	(150)
Proceeds from investments		853	1,107
Amounts paid to investment entity subsidiaries		(1,072)	(1,537)
Amounts received from investment entity subsidiaries		972	865
Cash flow from derivatives		89	113
Portfolio interest received		6	6
Portfolio dividends received		253	420
Portfolio fees received		4	7
Fees received from external funds		64	65
Carried interest and performance fees received		31	44
Carried interest and performance fees paid	13	(14)	(23)
Operating expenses paid		(140)	(122)
Other cash income		6	1
Other cash expenses		(1)	(48)
Interest received		15	15
Net cash flow from operating activities		998	763
Cash flow from financing activities			
Issue of shares		1	1
Purchase of own shares	18	(15)	–
Dividend paid	9	(765)	(625)
Lease payments	14	(5)	(6)
Interest paid		(66)	(60)
Net cash flow from financing activities		(850)	(690)
Cash flow from investing activities			
Purchases of property, plant and equipment		(1)	(16)
Proceeds from settlement of defined benefit pension		65	–
Net cash flow from investing activities		64	(16)
Change in cash and cash equivalents		212	57
Cash and cash equivalents at the start of the year		412	358
Effect of exchange rate fluctuations		11	(3)
Cash and cash equivalents at the end of the year		635	412

The Notes to the accounts section forms an integral part of these financial statements.

Company statement of financial position

as at 31 March

	Notes	2026 £m	2025 £m
Assets			
Non-current assets			
Investments			
Quoted investments	10,12	897	856
Unquoted investments	10,12	20,053	17,500
Investment portfolio		20,950	18,356
Interests in Group entities	22	10,231	6,642
Other non-current assets		9	15
Derivative financial instruments	15	10	46
Total non-current assets		31,200	25,059
Current assets			
Carried interest and performance fees receivable		11	6
Other current assets		9	3
Derivative financial instruments	15	42	91
Cash and cash equivalents		602	381
Total current assets		664	481
Total assets		31,864	25,540
Liabilities			
Non-current liabilities			
Loans and borrowings	14	(1,211)	(1,194)
Derivative financial instruments	15	(22)	(4)
Total non-current liabilities		(1,233)	(1,198)
Current liabilities			
Trade and other payables	16	(62)	(75)
Total current liabilities		(62)	(75)
Total liabilities		(1,295)	(1,273)
Net assets		30,569	24,267

	Notes	2026 £m	2025 £m
Equity			
Issued capital	17	757	719
Share premium	17	2,494	792
Capital redemption reserve		43	43
Share-based payment reserve	24	29	35
Capital reserve		26,932	21,947
Revenue reserve		392	812
Own shares	18	(78)	(81)
Total equity		30,569	24,267

The Company profit for the year to 31 March 2026 is £5,330 million (2025: £5,294 million).

The Notes to the accounts section forms an integral part of these financial statements.

David Hutchison

Chair

13 May 2026

Company statement of changes in equity

for the year to 31 March

	Share capital £m	Share premium £m	Capital redemption reserve £m	Share-based payment reserve £m	Capital reserve ¹ £m	Revenue reserve ¹ £m	Own shares £m	Total equity £m
2026								
Total equity at the start of the year	719	792	43	35	21,947	812	(81)	24,267
Profit for the year	–	–	–	–	5,003	327	–	5,330
Total comprehensive income for the year	–	–	–	–	5,003	327	–	5,330
Share-based payments	–	–	–	12	–	–	–	12
Release on exercise/forfeiture of share awards	–	–	–	(18)	–	18	–	–
Exercise of share awards	–	–	–	–	(18)	–	18	–
Ordinary dividends	–	–	–	–	–	(765)	–	(765)
Purchase of own shares	–	–	–	–	–	–	(15)	(15)
Issue of ordinary shares	38	1,702	–	–	–	–	–	1,740
Total equity at the end of the year	757	2,494	43	29	26,932	392	(78)	30,569

1 Refer to Note 17 for the nature of the capital and revenue reserves.

	Share capital £m	Share premium £m	Capital redemption reserve £m	Share-based payment reserve £m	Capital reserve ¹ £m	Revenue reserve ¹ £m	Own shares £m	Total equity £m
2025								
Total equity at the start of the year	719	791	43	42	17,685	393	(92)	19,581
Profit for the year	–	–	–	–	4,698	596	–	5,294
Total comprehensive income for the year	–	–	–	–	4,698	596	–	5,294
Share-based payments	–	–	–	16	–	–	–	16
Release on exercise/forfeiture of share awards	–	–	–	(23)	–	23	–	–
Exercise of share awards	–	–	–	–	(11)	–	11	–
Ordinary dividends	–	–	–	–	(425)	(200)	–	(625)
Issue of ordinary shares	–	1	–	–	–	–	–	1
Total equity at the end of the year	719	792	43	35	21,947	812	(81)	24,267

1 Refer to Note 17 for the nature of the capital and revenue reserves.

The Notes to the accounts section forms an integral part of these financial statements.

Company cash flow statement

for the year to 31 March

	Notes	2026 £m	2025 £m
Cash flow from operating activities			
Purchase of investments		(68)	(150)
Proceeds from investments		853	1,107
Amounts paid to subsidiaries		(1,505)	(1,941)
Amounts received from subsidiaries		1,324	1,039
Dividends from subsidiaries		85	142
Cash flow from derivatives		89	113
Portfolio interest received		6	6
Portfolio dividends received		253	420
Portfolio fees paid		(2)	(1)
Carried interest and performance fees received		2	25
Interest received		14	14
Other cash income		6	–
Other cash expense		–	(34)
Net cash flow from operating activities		1,057	740
Cash flow from financing activities			
Issue of shares		1	1
Purchase of own shares	18	(15)	–
Dividends paid	9	(765)	(625)
Interest paid		(65)	(60)
Net cash flow from financing activities		(844)	(684)
Change in cash and cash equivalents		213	56
Cash and cash equivalents at the start of the year		381	328
Effect of exchange rate fluctuations		8	(3)
Cash and cash equivalents at the end of the year		602	381

The Notes to the accounts section forms an integral part of these financial statements.

Material accounting policies

Reporting entity

3i Group plc (the "Company") is a public limited company incorporated and domiciled in England and Wales. The consolidated financial statements ("the Group accounts") for the year to 31 March 2026 comprise the financial statements of the Company and its consolidated subsidiaries (collectively, "the Group").

The Group accounts have been prepared and approved by the Directors in accordance with section 395 of the Companies Act 2006 and the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008. The Company has taken advantage of the exemption in section 408 of the Companies Act 2006 not to present its Company statement of comprehensive income and related Notes.

A Basis of preparation

The Group and Company accounts have been prepared and approved by the Directors in accordance with UK-adopted international accounting standards. The financial statements are presented to the nearest million sterling (£m), the functional currency of the Company.

The Group and Company did not implement the requirements of any new standards in issue for the year ended 31 March 2026.

The IASB introduced a new IFRS Accounting Standard, IFRS 18 to replace IAS 1 Presentation of Financial Statements. This new standard establishes detailed requirements for classifying and aggregating income and expenses in the income statement, as well as disclosure obligations for management defined performance measures. IFRS 18 will have no impact on the Group's total comprehensive income as it does not impact recognition or measurement. The standard applies for annual reporting periods beginning on or after 1 January 2027 and was endorsed for use in the UK on 10 December 2025.

Going concern

These financial statements have been prepared on a going concern basis as disclosed in the Directors' report. The Directors have made an assessment of going concern for a period of at least 12 months from the date of approval of the accounts, taking into account the Group's current performance against a subdued macroeconomic environment and an uncertain geopolitical backdrop, financial position and the principal and emerging risks facing the business.

The Directors' assessment of going concern, which takes into account the business model on pages 20 and 21 and the Group's liquidity of £1,864 million, indicates that the Group and parent company will have sufficient funds to continue as a going concern, for at least the next 12 months from the date of approval of the accounts. As detailed within the Financial review on pages 83 to 87 on the Investment basis the Group covers its cash operating expenses of £145 million at 31 March 2026, with cash

income generated by our Private Equity and Infrastructure businesses and Scandlines of £421 million at 31 March 2026. During the year, we refinanced the Group's existing £900 million RCF with a new five-year £1.2 billion RCF at improved pricing. The new RCF provides the Group with additional financial flexibility at low cost until July 2030, with extension options to July 2032. The RCF continues to have no financial covenants. The Group's liquidity comprises cash and deposits of £664 million (31 March 2025: £423 million) and an undrawn multi-currency facility of £1,200 million (31 March 2025: £900 million), which has no financial covenants.

As a proprietary investor, the Group has a long-term, responsible investment approach, and is not subject to external pressure to realise investments before optimum value can be achieved. The Board has the ability to take certain actions to help support the Group in adverse circumstances. Mitigating actions within management control during extended periods of low liquidity include, for example, drawing on the existing RCF or temporarily reducing new investment levels. The Group manages liquidity with the aim of ensuring it is adequate and sufficient, by regular monitoring of investments, realisations, operating expenses and portfolio cash income and there have been no post balance sheet changes that would be materially detrimental to liquidity. The Directors are of the opinion that the Group's cash flow forecast is sufficient to support the Group given the current market, economic conditions and outlook.

Having performed the assessment on going concern, the Directors considered it appropriate to prepare the financial statements of the Company and Group on a going concern basis, and have concluded that the Group has sufficient financial resources, is well placed to manage business risks in the current economic environment, and can continue operations for a period of at least 12 months from the date of issue of these financial statements.

Material accounting policies continued

B Basis of consolidation

In accordance with IFRS 10, the Company meets the criteria as an investment entity and therefore is required to recognise subsidiaries that also qualify as investment entities at fair value through profit or loss. It does not consolidate the investment entities it controls.

Subsidiaries that provide investment-related services, such as advisory, management or employment services, are not accounted for at fair value through profit and loss and continue to be consolidated unless those subsidiaries qualify as investment entities, in which case they are recognised at fair value. Subsidiaries are entities controlled by the Group. Control, as defined by IFRS 10, is achieved when the Group has all of the following:

- power over the relevant activities of the investee;
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to affect those returns through its power over the investee.

The Group is required to determine the degree of control or influence the Group exercises and the form of any control to ensure that the financial treatment is accurate.

Subsidiaries are fully consolidated from the date on which the Group effectively obtains control. All intragroup balances and transactions with subsidiaries are eliminated upon consolidation. Subsidiaries are de-consolidated from the date that control ceases.

The Group comprises several different types of subsidiaries. For a new subsidiary, the Group assesses whether it qualifies as an investment entity under IFRS 10, based on the function the entity performs within the Group. For existing subsidiaries, the Group annually reassesses the function performed by each type of subsidiary to determine if the treatment under IFRS 10 exception from consolidation is still appropriate. The types of subsidiaries and their treatment under IFRS 10 are as follows:

General Partners (“GPs”) – Consolidated

General Partners provide investment management services and do not hold any direct investments in portfolio assets. These entities are not investment entities.

Investment managers/advisers – Consolidated

These entities provide investment-related services through the provision of investment management or advice. They do not hold any direct investments in portfolio assets. These entities are not investment entities.

Holding companies of investment managers/advisers – Consolidated

These entities provide investment-related services through their subsidiaries. Typically they do not hold any direct investment in portfolio assets and these entities are not investment entities.

Limited partnerships and other intermediate investment holding structures – Fair valued

The Group makes investments in portfolio assets through its ultimate parent company, as well as through other limited partnerships and corporate subsidiaries, which the Group has created to align the interests of the investment teams with the performance of the assets, through the use of various carried interest schemes. The purpose of these limited partnerships and corporate holding vehicles, many of which also provide investment-related services, is to invest for investment income and capital appreciation. These partnerships and corporate subsidiaries meet the definition of an investment entity and are accounted for at fair value through profit and loss.

Portfolio investments – Fair valued

Under IFRS 10, the test for accounting subsidiaries takes wider factors of control as well as actual equity ownership into account. In accordance with the investment entity exception, these entities have been held at fair value with movements in fair value being recognised in profit or loss.

Associates – Fair valued

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Investments that are held as part of the Group’s investment portfolio are carried in the Consolidated statement of financial position at fair value even though the Group may have significant influence over those companies.

Further detail on our application of IFRS 10 can be found in the Reconciliation of Investment basis to IFRS section.

Material accounting policies continued

C Critical accounting judgements and estimates

The reported results of the Group are sensitive to the accounting policies, assumptions and estimates that underpin the preparation of its financial statements. UK company law and IFRS require the Directors, in preparing the Group's financial statements, to select suitable accounting policies, apply them consistently and make judgements and estimates that are reasonable and prudent. The Group's estimates and assumptions are based on historical experience and expectation of future events and are reviewed periodically. The actual outcome may be materially different from that anticipated.

(a) Critical judgements

In the course of preparing the financial statements, one judgement has been made in the process of applying the Group's accounting policies, other than those involving estimations, that has had a significant effect on the amounts recognised in the financial statements as follows:

I. Assessment as an investment entity

The Board has concluded that the Company meets the definition of an investment entity under IFRS 10.

This assessment reflects that 3i raises funds from more than one investor and invests for capital appreciation and investment income and evaluates performance on a fair value basis. The Group's activities are focused on investing in a diversified portfolio of private equity and infrastructure assets, with performance measured through fair value in line with IFRS 13. 3i provides strategic oversight and governance support to investee companies, it does not undertake day to day operational management. Each investment is held with a defined exit strategy, supporting the Group's focus on maximising value on realisation for our investors.

Subsidiaries providing investment management services, are consolidated, while investment holding structures, portfolio companies and associates are measured at fair value through profit or loss. This judgement is reassessed during the year and remains appropriate given the Group's purpose, business model, strategic objectives and fair value-based performance evaluation.

(b) Critical estimates

In addition to these significant judgements, the Directors have made one estimate, which they deem to have a significant risk of resulting in a material adjustment to the amounts recognised in the financial statements within the next financial year. The detail of this estimate is as follows:

I. Fair valuation of the investment portfolio

The investment portfolio, a material group of assets of the Group, is held at fair value. Details of valuation methodologies used and the associated sensitivities are disclosed in Note 12 Fair values of assets and liabilities in this document. Given the importance of this area, the Board has a separate Valuations Committee to review the valuations policies, process and application to individual investments. A report on the activities of the Valuations Committee (including a review of the assumptions made) is included in the Valuations Committee report on pages 141 to 145.

Material accounting policies continued

D Other accounting policies

(a) Gross investment return

Gross investment return is equivalent to “revenue” for the purposes of IAS 1. It represents the overall increase in net assets from the investment portfolio net of deal-related costs and includes foreign exchange movements in respect of the investment portfolio. The substantial majority is investment income and outside the scope of IFRS 15. It is analysed into the following components with the relevant standard shown where appropriate:

- i. Realised profits or losses over value on the disposal of investments are the difference between the fair value of the consideration received in accordance with IFRS 13 less any directly attributable costs, on the sale of equity and the repayment of interest income from the investment portfolio, and its carrying value at the start of the accounting period, converted into sterling using the exchange rates in force at the date of disposal. See Note 2 for more details.
- ii. Unrealised profits or losses on the revaluation of investments are the movement in the fair value of investments in accordance with IFRS 13 between the start and end of the accounting period converted into sterling using the exchange rates in force at the date of fair value assessment. See Note 3 for more details.
- iii. Fair value movements on investment entity subsidiaries are the movements in the fair value of Group subsidiaries which are classified as investment entities under IFRS 10. The Group makes investments in portfolio assets through these entities which are usually limited partnerships or corporate subsidiaries. See Note 11 for more details.
- iv. Portfolio income is that portion of income that is directly related to the return from individual investments. It is recognised to the extent that it is probable that there will be economic benefit and the income can be reliably measured. The following specific recognition criteria must be met before the income is recognised:

- Dividends from equity investments are recognised in profit or loss when the shareholders’ rights to receive payment is established;
 - Interest income from the investment portfolio is recognised as it accrues. When the fair value of an investment is assessed to be below the principal value of a loan, the Group recognises a provision against any interest accrued from the date of the assessment going forward until the investment is assessed to have recovered in value; and
 - The accounting policy for fee income is included in Note 4.
- v. Foreign exchange on investments arises on investments made in currencies that are different from the functional currency of the Company, being sterling. Investments are translated at the exchange rate ruling at the date of the transaction in accordance with IAS 21. At each subsequent reporting date, investments are translated to sterling at the exchange rate ruling at that date.
 - vi. Movement in the fair value of derivatives relates to the change in fair value of forward foreign exchange contracts which have been used to minimise foreign currency risk in the investment portfolio. See Note 15 for more details.

(b) Foreign currency translation

For the Company and those subsidiaries and associates whose balance sheets are denominated in sterling, which is the Company’s functional and presentational currency, monetary assets and liabilities and non-monetary assets held at fair value denominated in foreign currencies are translated into sterling at the closing rates of exchange at the balance sheet date. Foreign currency transactions are translated into sterling at the average rates of exchange over the year and exchange differences arising are taken to profit or loss.

The statements of financial position of subsidiaries, which are not held at fair value, denominated in foreign currencies are translated into sterling at the closing rates. The statements of comprehensive income for these subsidiaries and associates are translated at the average rates and exchange differences arising are taken to other comprehensive income. Such exchange differences are reclassified to profit or loss in the period in which the subsidiary or associate is disposed of.

(c) Treasury assets and liabilities

Short-term treasury assets, and short and long-term treasury liabilities are used in order to manage cash flows.

Cash and cash equivalents comprise cash at bank and amounts held in money market funds which are readily convertible into cash and there is an insignificant risk of changes in value. Financial assets and liabilities are recognised in the balance sheet when the relevant Group entity becomes a party to the contractual provisions of the instrument. Derecognition occurs when rights to cash flows from a financial asset expire, or when a liability is extinguished.

Notes to the accounts

1 Segmental analysis

Operating segments are the components of the Group whose results are regularly reviewed by the Group's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance.

The Chief Executive, who is considered to be the chief operating decision maker, managed the Group on the basis of business divisions determined with reference to market focus, investment funding model and the Group's management hierarchy. A description of the activities, including returns generated by these divisions and the allocation of resources, is given in the Strategic report. To aid the readers' understanding we have split out Action, Private Equity's largest asset, into a separate column. Action is not regarded as a reported segment as the chief operating decision maker reviews performance, makes decisions and allocates resources to the Private Equity segment, which includes Action.

The segmental information that follows is presented on the basis used by the Chief Executive to monitor the performance of the Group. The reported segments are Private Equity, Infrastructure and Scandlines. Group performance is not monitored by the chief operating decision maker on a geographical or sector basis and, as such, these are not considered reportable segments.

The segmental analysis is prepared on the Investment basis. The Investment basis is an APM and we believe it provides a more understandable view of performance. For more information on the Investment basis and a reconciliation between the Investment basis and IFRS, see pages 88 to 92.

Investment basis	2026 Private Equity £m	2026 Of which Action £m	2026 Infrastructure £m	2026 Scandlines £m	2026 Total ³ £m	2025 Private Equity £m	2025 Of which Action £m	2025 Infrastructure £m	2025 Scandlines £m	2025 Total ³ £m
Year to 31 March										
Realised profits over value on the disposal of investments	89	–	–	–	89	50	–	1	–	51
Unrealised profits on the revaluation of investments	4,080	3,544	65	21	4,166	4,803	4,324	17	19	4,839
Portfolio income										
Dividends	281	246	40	21	342	450	433	37	22	509
Interest income from investment portfolio	43	–	12	–	55	69	–	12	–	81
Fees receivable	4	1	(1)	–	3	14	5	(4)	–	10
Foreign exchange on investments	811	745	(10)	22	823	(340)	(255)	(11)	(10)	(361)
Movement in the fair value of derivatives	(5)	(26)	–	(9)	(14)	67	44	–	15	82
Gross investment return	5,303	4,510	106	55	5,464	5,113	4,551	52	46	5,211

Notes to the accounts continued

Investment basis	2026 Private Equity £m	2026 Of which Action £m	2026 Infrastructure £m	2026 Scandlines £m	2026 Total ³ £m	2025 Private Equity £m	2025 Of which Action £m	2025 Infrastructure £m	2025 Scandlines £m	2025 Total ³ £m
Year to 31 March										
Fees receivable from external funds	3		65	–	68	3		61	–	64
Operating expenses	(87)		(45)	(3)	(135)	(98)		(49)	(3)	(150)
Interest receivable					16					18
Interest payable					(65)					(65)
Exchange movements					(23)					20
Other expense					(1)					–
Operating profit before carried interest					5,324					5,098
Carried interest										
Carried interest and performance fees receivable	1	–	22	–	23	–	–	29	–	29
Carried interest and performance fees payable	(47)	–	1	–	(46)	(70)	–	(11)	–	(81)
Operating profit before tax					5,301					5,046
Tax credit/(charge)					1					(1)
Profit for the year					5,302					5,045
Other comprehensive income										
Re-measurements of defined benefit plans					2					4
Total return					5,304					5,049
Realisations ¹	1,502	944	15	–	1,517	1,827	1,164	10	–	1,837
Investment										
Cash investment	(903)	(827)	(4)	–	(907)	(1,177)	(768)	(4)	(1)	(1,182)
Non-cash investment	(1,739)	(1,739)	–	–	(1,739)	–	–	–	–	–
Total investment	(2,642)	(2,566)	(4)	–	(2,646)	(1,177)	(768)	(4)	(1)	(1,182)
Net realisations/(investment)	(1,140)	(1,622)	11	–	(1,129)	650	396	6	(1)	655
Balance sheet										
Opening portfolio value at 1 April	23,558	17,831	1,492	529	25,579	19,629	14,158	1,488	519	21,636
Additions ²	2,751	2,566	4	–	2,755	1,318	768	4	1	1,323
Value disposed	(1,414)	(944)	(15)	–	(1,429)	(1,777)	(1,164)	(9)	–	(1,786)
Unrealised value movement	4,080	3,544	65	21	4,166	4,803	4,324	17	19	4,839
Foreign exchange and other movements	732	746	(3)	21	750	(415)	(255)	(8)	(10)	(433)
Closing portfolio value	29,707	23,743	1,543	571	31,821	23,558	17,831	1,492	529	25,579

1 Realised proceeds may differ from cash proceeds due to timing of cash receipts. In the prior year, Private Equity recognised £1,827 million of realised proceeds, of which £1 million related to withholding tax.

2 Includes cash investment, non-cash investment and capitalised interest. In addition, £5 million of cash proceeds were received, which had been recognised as realised proceeds in FY2024.

3 The total is the sum of Private Equity, Infrastructure and Scandlines, "Of which Action" is part of Private Equity.

Interest receivable, interest payable, exchange movements (excluding foreign exchange on investments), the tax charge and re-measurements of defined benefit plans are not managed by segment by the chief operating decision maker and therefore have not been allocated to a specific segment.

Notes to the accounts continued

2 Realised profits over value on the disposal of investments

	2026 Unquoted investments £m	Total £m
Realisations	853	853
Valuation of disposed investments	(832)	(832)
	21	21
Of which:		
– profits recognised on realisations	22	22
– losses recognised on realisations	(1)	(1)
	21	21

	2025 Unquoted investments £m	Total £m
Realisations	1,107	1,107
Valuation of disposed investments	(1,102)	(1,102)
	5	5
Of which:		
– profits recognised on realisations	6	6
– losses recognised on realisations	(1)	(1)
	5	5

3 Unrealised profits on the revaluation of investments

	2026 Unquoted investments £m	2026 Quoted investments £m	Total £m
Movement in the fair value of investments	2,955	41	2,996
Of which:			
– unrealised profits	2,997	41	3,038
– unrealised losses	(42)	–	(42)
	2,955	41	2,996

	2025 Unquoted investments £m	2025 Quoted investments £m	Total £m
Movement in the fair value of investments	3,835	(23)	3,812
Of which:			
– unrealised profits	3,881	–	3,881
– unrealised losses	(46)	(23)	(69)
	3,835	(23)	3,812

Notes to the accounts continued

4 Revenue

Accounting policy:

The following items from the Consolidated statement of comprehensive income fall within the scope of IFRS 15:

Fees receivable are earned for providing services to 3i's portfolio companies, which predominantly fall into one of two categories:

1. Negotiation and other transaction fees are earned for providing services relating to a specific transaction, such as when a portfolio company is bought, sold or refinanced. These fees are generally of a fixed nature and the revenue is recognised in full at the point of transaction completion.
2. Monitoring and other ongoing service fees are earned for providing a range of services to a portfolio company over a period of time. These fees are generally of a fixed nature and the revenue is recognised evenly over the period, in line with the services provided.

Fees receivable from external funds are earned for providing management and advisory services to a variety of fund partnerships and other entities. Fees are typically calculated as a percentage of the cost or value of the assets managed during the year and are paid quarterly, based on the assets under management at that date. The revenue is recognised evenly over the period, in line with the services provided.

Carried interest and performance fees receivable are earned from funds which the Group manages on behalf of third parties. These profits are earned when the funds meet certain performance conditions and are paid by the fund when these conditions have been met on a cash basis.

Items from the Consolidated statement of comprehensive income which fall within the scope of IFRS 15 are included in the table below:

	Private Equity £m	Infrastructure £m	Total £m
Year to 31 March 2026			
Revenue by type			
Fees receivable ¹	6	–	6
Fees receivable from external funds	3	65	68
Carried interest and performance fees receivable	1	22	23
Total	10	87	97
Year to 31 March 2025			
Revenue by type			
Fees receivable ¹	16	(3)	13
Fees receivable from external funds	3	61	64
Carried interest and performance fees receivable	–	29	29
Total	19	87	106

¹ Fees receivable above are different to the Investment basis figures included in Note 1. This is due to the fact that Note 1 is disclosed on the Investment basis and the table above is shown on the IFRS basis. For an explanation of the Investment basis and a reconciliation between Investment basis and IFRS basis see pages 88 to 92.

Notes to the accounts continued

5 Operating expenses

Operating expenses of £134 million (2025: 149 million) recognised in the IFRS Consolidated statement of comprehensive income, includes employee costs, office costs, travel and marketing costs and other professional fees including audit fees detailed in Note 6.

The table below details employee costs and is prepared in accordance with Companies Act requirements, which is consistent with both the IFRS and the Investment basis. For more detail on staff costs for Directors refer to the disclosures labelled as audited included in the Directors' remuneration report on pages 146 to 169.

	2026 £m	2025 £m
Wages and salaries	58	71
Social security costs	13	17
Share-based payment costs (Note 24) ¹	14	12
Pension costs	4	4
Total employee costs	89	104

1 Equity-settled share awards.

Wages and salaries and social security costs have decreased due to a lower share-based payment charge for cash-settled awards. The average number of full-time equivalent employees during the year was 216 (2025: 226), of which 142 (2025: 146) were employed in the UK.

Including expenses incurred in the entities accounted for as investment entity subsidiaries of £1 million (2025: £1 million), the Group's total operating expenses on the Investment basis for the year were £135 million (2025: £150 million).

6 Information regarding the Group's Auditor

During the year, the Group received the following services from its External auditor, KPMG LLP. The table below is prepared in accordance with Companies Act requirements, which is consistent with both the IFRS and the Investment basis.

	2026 £m	2025 £m
Audit services		
Statutory audit – Company	1.8	1.8
– UK subsidiaries	0.7	0.7
– Overseas subsidiaries	0.4	0.4
Total audit services	2.9	2.9
Non-audit services		
Other assurance services	0.4	0.4
Total audit and non-audit services	3.3	3.3

Notes to the accounts continued

7 Tax

Accounting policy:

Tax represents the sum of the tax currently payable, withholding taxes suffered and deferred tax. Tax is charged or credited in the Consolidated statement of comprehensive income, except where it relates to items charged or credited directly to equity, in which case the tax is also dealt with in equity. The tax currently payable is based on the taxable profit for the year. This may differ from the profit included in the Consolidated statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The affairs of the Group's parent company are directed so as to allow it to meet the requisite conditions to continue to operate as an approved investment trust company for UK tax purposes. An approved investment trust company is a UK investment company which is required to meet certain conditions set out in the UK tax rules to obtain and maintain its tax status. This approval allows certain investment profits of the Company, broadly its capital profits, to be exempt from tax.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. The deferred tax assets and liabilities have been calculated using the corporation tax rate in the UK of 25% (2025: 25%).

IFRIC 23 has been applied to the recognition and measurement of uncertain tax provisions held at the year end. There were no material uncertain tax positions arising during the year or at the year end.

The Group is within the scope of the OECD Pillar 2 model rules. Under the Pillar 2 legislation, the Group is liable to pay a top-up tax in the UK for the difference between its GloBE effective tax rate per jurisdiction and the 15% minimum rate. The Group's key business operations are not based in low tax jurisdictions and the application of the Pillar 2 rules is not anticipated to have a material impact on the Group.

	2026 £m	2025 £m
Current year: UK subsidiaries	–	1
Current year: Overseas subsidiaries	1	1
Prior year: UK subsidiaries	(2)	(1)
Prior year: Overseas subsidiaries	–	–
Total income tax (credit)/charge in the Consolidated statement of comprehensive income	(1)	1

Reconciliation of tax in the Consolidated statement of comprehensive income

The tax credit for the year is different to the standard rate of corporation tax in the UK, currently 25% (2025: 25%), and the differences are explained below:

	2026 £m	2025 £m
Profit before tax	5,293	5,039
Profit before tax multiplied by rate of corporation tax in the UK of 25% (2025: 25%)	1,323	1,260
Effects of:		
Non-taxable capital profits due to UK-approved investment trust company status	(1,250)	(1,139)
Non-taxable dividend income	(77)	(122)
	(4)	(1)
Other differences between accounting and tax profits:		
Permanent differences – non-deductible items	7	2
Temporary differences on which deferred tax is not recognised	(19)	(6)
Overseas countries' taxes	1	1
Tax losses carried forward on which deferred tax not recognised	16	6
Prior year tax credits	(2)	(1)
Total income tax (credit)/charge in the Consolidated statement of comprehensive income	(1)	1

The deferred income tax liability at 31 March 2026 is £1 million (31 March 2025: £1 million). This is disclosed with Note 16 Trade and other payables.

At 31 March 2026, the Group had carried forward tax losses of £1,472 million (31 March 2025: £1,382 million), capital losses of £77 million (31 March 2025: £77 million) and other deductible temporary differences of £44 million (31 March 2025: £82 million). With uncertainty that the Group will generate sufficient or relevant taxable profits not covered by the Investment Trust exemption in the foreseeable future to utilise these amounts, no deferred tax asset has been recognised in respect of these losses. Deferred tax assets and liabilities have been calculated using the corporation tax rate in the UK of 25% (2025: 25%).

In addition, the Group has long-standing carried forward tax losses of £179 million (31 March 2025: £181 million) and other deductible temporary differences of nil (31 March 2025: £2 million) in overseas territories, being Germany, US, France and Luxembourg, disclosed and agreed with local tax authorities, for which no deferred asset has been recognised.

Notes to the accounts continued

8 Per share information

The calculation of basic net assets per share is based on the net assets and the number of shares in issue at the year end. When calculating the diluted net assets per share, the number of shares in issue is adjusted for the effect of all dilutive share awards. Dilutive share awards are equity awards with performance conditions attached, see Note 24 Share-based payments for further details.

	2026	2025
Net assets per share (£)		
Basic	30.34	25.49
Diluted	30.30	25.42
Net assets (£m)		
Net assets attributable to equity holders of the Company	30,887	24,611

	2026	2025
Number of shares in issue		
Ordinary shares	1,024,702,777	973,398,978
Own shares	(6,813,218)	(7,979,305)
	1,017,889,559	965,419,673
Effect of dilutive potential ordinary shares		
Share awards	1,475,671	2,665,677
Diluted shares	1,019,365,230	968,085,350

Further details on movements in ordinary shares and own shares are provided in Notes 17 and 18 respectively.

The calculation of basic earnings per share is based on the profit attributable to shareholders and the weighted average number of shares in issue. The weighted average shares in issue for the year to 31 March 2026 are 981,517,180 (2025: 965,214,237). When calculating the diluted earnings per share, the weighted average number of shares in issue is adjusted for the effect of all dilutive share awards. The diluted weighted average shares in issue for the year to 31 March 2026 are 982,927,508 (2025: 967,799,507).

	2026	2025
Earnings per share (pence)		
Basic	539.4	522.0
Diluted	538.6	520.6
Earnings (£m)		
Profit for the year attributable to equity holders of the Company	5,294	5,038

9 Dividends

	2026 pence per share	2026 £m	2025 pence per share	2025 £m
Declared and paid during the year				
Ordinary shares				
Second dividend	42.50	408	34.50	332
First dividend	36.50	357	30.50	293
	79.00	765	65.00	625
Proposed dividend	48.00	484	42.50	408

The Group introduced a simplified dividend policy in May 2018. In accordance with this policy, subject to maintaining a conservative balance sheet approach, the Group aims to maintain or grow the dividend each year. The first dividend has been set at 50% of the prior year's total dividend.

The dividend can be paid out of either the capital reserve or the revenue reserve subject to the investment trust rules, see Note 17 and the statement of changes in equity for details of reserves.

The distributable reserves of the Company are £11,234 million (31 March 2025: £10,488 million) and the Board reviews the distributable reserves bi-annually, including consideration of any material changes since the most recent audited accounts, ahead of proposing any dividend. The Board also reviews the proposed dividends in the context of the requirements of being an approved investment trust. Shareholders are given the opportunity to approve the total dividend for the year at the Company's Annual General Meeting. Details of the Group's continuing viability and going concern can be found in the Risk management section.

Notes to the accounts continued

10 Investment portfolio

Accounting policy:

Investments are recognised and derecognised on the date when their purchase or sale is subject to a relevant contract and the associated risks and rewards have been transferred. The Group manages its investments with a view to profiting from the receipt of investment income and capital appreciation from changes in the fair value of investments.

All investments are initially recognised at the fair value of the consideration given and are subsequently measured at fair value, in accordance with the Group's valuation policies.

Quoted investments are accounted for at fair value through profit and loss. Fair value is measured using the closing bid price at the reporting date, where the investment is quoted on an active stock market.

Unquoted investments, including both equity and loans, are accounted for at fair value through profit and loss. Fair value is determined in line with 3i's valuation policy, which is compliant with the fair value guidelines under IFRS and the International Private Equity and Venture Capital ("IPEV") Valuation Guidelines, details of which are available in "Valuations Committee report" on pages 141 to 145.

Quoted investments are classified as Level 1 and unquoted investments are classified as Level 3 in the fair value hierarchy. See Note 12 for details.

Interest bearing loans accrue interest which is either settled in cash or capitalised on a regular basis and included as part of the principal loan balance. The capitalisation of accrued interest is treated as part of investment additions during the year. If the fair value of an investment is assessed to be below the principal value of the loan the Group recognises a fair value reduction against any interest income accrued from the date of the assessment going forward. "Capitalisation at nil value" is the term used to describe the capitalisation of accrued interest which has been fully provided for. These transactions are disclosed as additions to portfolio cost with an equal reduction made where loan notes have nil value.

In accordance with IFRS 10, the proportion of the investment portfolio held by the Group's unconsolidated subsidiaries is presented as part of the fair value of investment entity subsidiaries, along with the fair value of their other assets and liabilities.

A reconciliation of the fair value of Investments in investment entities is included in Note 11.

3i's investment portfolio is made up of longer-term investments, with average holding periods greater than one year, and thus is classified as non-current.

	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Opening fair value	18,356	15,072	18,356	15,072
Additions	92	819	92	819
– of which loan notes with nil value	(14)	(9)	(14)	(9)
Disposals, repayments and write-offs ¹	(1,136)	(1,102)	(1,136)	(1,102)
Fair value movement ²	2,996	3,812	2,996	3,812
Other movements ³	656	(236)	656	(236)
Closing fair value	20,950	18,356	20,950	18,356
Quoted investments	897	856	897	856
Unquoted investments	20,053	17,500	20,053	17,500
Closing fair value	20,950	18,356	20,950	18,356

- Disposals, repayments and write-offs includes the transfer of £304 million related to Action. See Note 11 for further details.
- All fair value movements relate to assets held at the end of the year and are recognised in unrealised profits on the revaluation of investments.
- Other movements include the impact of foreign exchange and accrued interest.

The table below reconciles between purchase of investments in the cash flow statement and additions as disclosed in the table above. In the year to 31 March 2025 the transfer of portfolio investments from and to investment entity subsidiaries represents the overall investment into Action.

	2026 £m	2025 £m
Purchase of investments	68	150
Transfer of portfolio investments from investment entity subsidiaries ¹	–	1,371
Transfer of portfolio investments to investment entity subsidiaries ²	–	(730)
Investment	68	791
Capitalised interest received by way of loan notes	24	28
Additions	92	819

- The comparative figure relates to Action. See Note 11 for further details.
- The comparative includes £593 million related to Action. See Note 11 for further details.

Included within profit or loss is £23 million (2025: £29 million) of interest income. Interest income included £10 million (2025: £18 million) of accrued income capitalised during the year, £6 million (2025: £6 million) of cash income and £7 million (2025: £5 million) of accrued income remaining uncapitalised at the year end.

Notes to the accounts continued

11 Investments in investment entity subsidiaries

Accounting policy:

Investments in investment entity subsidiaries are accounted for as financial instruments at fair value through profit and loss in accordance with IFRS 9.

These entities are typically limited partnerships and other intermediate investment holding structures which hold the Group's interests in investments in portfolio companies. The fair value can increase or decrease from either amounts paid to or received from the investment entity subsidiaries or valuation movements in line with the Group's valuation policy.

Substantially all of these entities meet the definition of a Fund under the IPEV guidelines and the fair value of these entities is their net asset value.

We consider the net asset value of investment entity subsidiaries to be the most appropriate to determine fair value. At each reporting period, we consider whether any additional fair value adjustments need to be made to the net asset value of the investment entity subsidiaries. These adjustments may be required to reflect market participants' considerations about fair value that may include, but are not limited to, liquidity and the portfolio effect of holding multiple investments within the investment entity subsidiary. There was no particular circumstance to indicate that a fair value adjustment was required (31 March 2025: no adjustment required) and, after due consideration, we concluded that the net asset values were the most appropriate reflection of fair value at 31 March 2026. Transfer of portfolio investments from investment entity subsidiaries includes the transfer of investment portfolio between investment entity subsidiaries and the Company at fair value. The consideration for these transfers can either be cash or intra-group receivables.

Level 3 fair value reconciliation – investments in investment entity subsidiaries

	Group 2026 £m	Group 2025 £m
Non-current		
Opening fair value	6,916	5,804
Amounts paid to investment entity subsidiaries	1,072	1,537
Amounts received from investment entity subsidiaries	(972)	(865)
Fair value movements on investment entity subsidiaries	1,565	953
Transfer of portfolio investments from investment entity subsidiaries	–	(1,371)
Transfer of portfolio investments to investment entity subsidiaries	304	730
Transfer of assets to investment entity subsidiaries	1,759	59
Exchange movements	(109)	69
Closing fair value	10,535	6,916

There were no transfers of portfolio investments from investment entity subsidiaries during the year, during the year to 31 March 2025, the Company received a transfer of portfolio investments of £1,371 million from partnerships which are classified as investment entity subsidiaries, all of which related to Action. During the year to 31 March 2026, the Company transferred investment portfolio of £304 million (31 March 2025: £730 million) to partnerships which are classified as investment entity subsidiaries of which £304 million (31 March 2025: £593 million) related to Action. Transfer of assets to investment entity subsidiaries for the year to 31 March 2026 includes the £1,739 million non-cash consideration of shares issued to partnerships which are classified as investment entity subsidiaries which related to Action. See Note 17 for details.

Restrictions

3i Group plc, the ultimate parent company, receives dividend income from its subsidiaries. There is £18 million (31 March 2025: none) of restricted held in investment entity subsidiaries relating to carried interest and performance fees payable.

Support

3i Group plc continues to provide, where necessary, ongoing support to its investment entity subsidiaries for the purchase of portfolio investments. The Group's current commitments are disclosed in Note 20.

Notes to the accounts continued

12 Fair values of assets and liabilities

Accounting policy:

Financial instruments are initially classified at either amortised cost or fair value through profit or loss. Financial instruments classified at fair value through profit or loss are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in profit or loss in the Statement of comprehensive income. Financial instruments classified at amortised cost are subsequently measured at amortised cost using the effective interest method with interest income or expense and foreign exchange gains and losses recognised in profit or loss in the Statement of comprehensive income.

(A) Classification

The following tables analyse the Group's assets and liabilities in accordance with the categories of financial instruments in IFRS 9:

	Group 2026 Classified at fair value through profit and loss	Group 2026 Other financial instruments at amortised cost	Group 2026 Total £m	Group 2025 Classified at fair value through profit and loss	Group 2025 Other financial instruments at amortised cost	Group 2025 Total £m
Assets						
Quoted investments	897	–	897	856	–	856
Unquoted investments	20,053	–	20,053	17,500	–	17,500
Investments in investment entities	10,535	–	10,535	6,916	–	6,916
Other financial assets ¹	65	93	158	155	91	246
Total	31,550	93	31,643	25,427	91	25,518
Liabilities						
Loans and borrowings	–	1,211	1,211	–	1,194	1,194
Other financial liabilities ¹	22	201	223	4	225	229
Total	22	1,412	1,434	4	1,419	1,423
	Company 2026 Classified at fair value through profit and loss	Company 2026 Other financial instruments at amortised cost	Company 2026 Total £m	Company 2025 Classified at fair value through profit and loss	Company 2025 Other financial instruments at amortised cost	Company 2025 Total £m
Assets						
Quoted investments	897	–	897	856	–	856
Unquoted investments	20,053	–	20,053	17,500	–	17,500
Other financial assets ¹	53	28	81	143	18	161
Total	21,003	28	21,031	18,499	18	18,517
Liabilities						
Loans and borrowings	–	1,211	1,211	–	1,194	1,194
Other financial liabilities ¹	22	62	84	4	75	79
Total	22	1,273	1,295	4	1,269	1,273

Within the Company, Interests in Group entities of £10,231 million (31 March 2025: £6,642 million) includes £9,967 million (31 March 2025: £6,385 million) held at fair value and £264 million (31 March 2025: £257 million) held at cost less impairment.

¹ Other financial assets include other non-current and current assets, derivative financial instruments, and carried interest and performance fees receivable. Other financial liabilities include non-current and current trade and other payables, carried interest and performance fees payable, derivative financial instruments and lease liabilities.

Notes to the accounts continued

12 Fair values of assets and liabilities continued

(B) Valuation

The fair values of the Group's financial assets and liabilities not held at fair value, are not materially different from their carrying values, with the exception of loans and borrowings. The fair value of the loans and borrowings is £1,135 million (31 March 2025: £1,115 million), determined with reference to their published market prices. The carrying value of the loans and borrowings is £1,211 million (31 March 2025: £1,194 million) and accrued interest payable (included within trade and other payables) is £29 million (31 March 2025: £29 million).

Valuation hierarchy

The Group classifies financial instruments measured at fair value according to the following hierarchy:

Level	Fair value input description	Financial instruments
Level 1	Quoted prices (unadjusted) from active markets	Quoted equity instruments
Level 2	Inputs other than quoted prices included in Level 1 that are observable either directly (ie as prices) or indirectly (ie derived from prices)	Derivative financial instruments
Level 3	Inputs that are not based on observable market data	Unquoted investments

Unquoted equity instruments and debt instruments are measured in accordance with the IPEV Guidelines with reference to the most appropriate information available at the time of measurement. Further information regarding the valuation of unquoted equity instruments can be found on page 201.

The table below shows the classification of financial instruments held at fair value into the valuation hierarchy at 31 March 2026:

	Group 2026 Level 1 £m	Group 2026 Level 2 £m	Group 2026 Level 3 £m	Group 2026 Total £m	Group 2025 Level 1 £m	Group 2025 Level 2 £m	Group 2025 Level 3 £m	Group 2025 Total £m
Assets								
Quoted investments	897	–	–	897	856	–	–	856
Unquoted investments	–	–	20,053	20,053	–	–	17,500	17,500
Investments in investment entity subsidiaries	–	–	10,535	10,535	–	–	6,916	6,916
Other financial assets	–	52	13	65	–	137	18	155
Liabilities								
Other financial liabilities	–	(22)	–	(22)	–	(4)	–	(4)
Total	897	30	30,601	31,528	856	133	24,434	25,423

Notes to the accounts continued

12 Fair values of assets and liabilities continued

We determine that, in the ordinary course of business, the net asset value of an investment entity subsidiary is considered to be the most appropriate to determine fair value. The underlying portfolio is valued under the same methodology as directly held investments, with any other assets or liabilities within investment entity subsidiaries fair valued in accordance with the Group's accounting policies. Note 11 details the Directors' considerations about the fair value of the underlying investment entity subsidiaries.

Movements in the directly held investment portfolio categorised as Level 3 during the year are set out in the table below:

	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Opening fair value	17,500	14,193	17,500	14,193
Additions ¹	92	819	92	819
– of which loan notes with nil value	(14)	(9)	(14)	(9)
Disposals, repayments and write-offs	(1,136)	(1,102)	(1,136)	(1,102)
Fair value movement ²	2,955	3,835	2,955	3,835
Other movements ³	656	(236)	656	(236)
Closing fair value	20,053	17,500	20,053	17,500

1 The table in Note 10 reconciles additions.

2 All fair value movements relate to assets held at the end of the year and are recognised in unrealised profits on the revaluation of investments.

3 Other movements include the impact of foreign exchange and accrued interest.

Unquoted investments valued using Level 3 inputs also had the following impact on profit and loss: realised profits over value on disposal of investments of £21 million (2025: £5 million), dividend income of £220 million (2025: £380 million) and foreign exchange gains of £644 million (2025: £245 million loss).

Assets move between Level 1 and Level 3 when an unquoted equity investment lists on a quoted market exchange. There were no transfers into or out of Level 3 during the year. In the 12 months to 31 March 2026, three assets changed valuation basis within Level 3. Two moved from valuations based on the price of recent investments to earnings-based valuations, while one asset moved from an earnings-based valuation to an other basis. Action remains unchanged on an earnings-basis. The changes in valuation methodology in the period reflect our view of the most appropriate method to determine the fair value of these assets at 31 March 2026. Further information can be found in the Private Equity and Infrastructure sections of the Business and Financial reviews starting on page 25.

The table on the next page summarises the various valuation methodologies used by the Group to fair value Level 3 instruments, the inputs and the sensitivities applied and the impact of those sensitivities to the unobservable inputs. Against ongoing geopolitical uncertainty, and a subdued macroeconomic backdrop across Europe and North America, our portfolio has performed resiliently, with a number of standout performers. The performance against the wider market has been an important consideration in our portfolio valuations at 31 March 2026. This included an assessment of, the maintainability of earnings, taking into account both historical performance through prior periods of volatility and forecasted performance. While the market is monitored closely, our valuations apply a long-term, through-the-cycle view on multiple, with market-driven changes reflected where movements are sustained. For assets with a higher level of judgements, valuation triangulations are performed, to support the valuation applied.

As part of our case-by-case review of our portfolio companies the risks and opportunities from climate change are an important consideration in the overall discussion on fair value and where relevant and possible, we embed certain climate-related considerations in the valuations. These risks are adequately captured in the multiple sensitivity. All numbers in the table on the next page are on an Investment basis.

Notes to the accounts continued

12 Fair values of assets and liabilities continued

Level 3 unquoted investments

Methodology	Description	Fair value at 31 March 2026 £m	Sensitivity on key unobservable input	Fair value impact of sensitivities £m
Earnings	<p>Used for investments which are typically profitable and for which we can determine a set of listed companies and precedent transactions, where relevant, with similar characteristics.</p> <p>Earnings multiples are applied to the earnings of the Company to determine the enterprise value</p> <p>Earnings multiples: When selecting earnings multiples, we consider:</p> <p>(1) Comparable listed companies current performance and through-the-cycle averages</p> <p>(2) Relevant market transaction multiples</p> <p>(3) Company performance, organic growth and value-accretive add-ons, if any</p> <p>(4) Exit expectations and other company-specific factors</p> <p>The post-discount multiple ranges from 6.2x to 19.0x (2025: 4.7x to 19.0x)</p> <p>Earnings: Reported earnings are adjusted for non-recurring items, such as restructuring expenses, for significant corporate actions and, in exceptional cases, adjustments to arrive at maintainable earnings. The most common measure is EBITDA. Earnings are usually obtained from portfolio company management accounts to the preceding quarter end, with reference also to forecast earnings and the maintainable view of earnings.</p> <p>Action: Valued using run-rate earnings. A run-rate adjustment, applied to adjusted EBITDA, reflects two years of accelerated ramp-up following the opening of new stores. At 31 March 2026, Action's valuation earnings were €2,653 million (see page 29), of which LTM EBITDA was €2,428 million.</p> <p>As our largest asset, we have disclosed an additional sensitivity to Action's most significant unobservable input, its valuation multiple.</p>	<p>29,261 (2025: 22,978)</p>	<p>A 5% increase to the earnings multiple (sensitivity includes Action)</p> <p>A 1.0x increase to the net valuation multiple of 18.5x</p>	<p>1,731 (2025: 1,361)</p> <p>1,513 (2025: 1,129)</p>
Discounted cash flow	<p>Appropriate for businesses with long-term stable cash flows, typically in Infrastructure or, alternatively, businesses where a DCF is more appropriate in the short term.</p> <p>Long-term cash flows are discounted at a rate which is benchmarked against market data, where possible, or adjusted from the rate at the initial investment based on changes in the risk profile of the investment</p> <p>The weighted average discount rate used in our DCF valuations is 12% (2025: 12%)</p>	<p>1,082 (2025: 1,044)</p>	<p>A 5% increase to the discount rate</p>	<p>(42) (2025: (44))</p>
NAV	<p>Used for investments in unlisted funds</p> <p>Based on the net asset value reported by the fund manager. The valuation of the underlying portfolio is consistent with IFRS</p>	<p>135 (2025: 121)</p>	<p>A 5% increase on closing NAV</p>	<p>7 (2025: 6)</p>
Price of recent investment	<p>Used for recent investments in unlisted companies</p> <p>Valued net of negotiation fees</p>	<p>— (2025: 216)</p>	<p>n/a</p>	<p>n/a</p>
Other	<p>Used where elements of a business are valued on different bases</p> <p>Values of separate elements prepared on or triangulated against one of the methodologies listed above</p>	<p>350 (2025: 304)</p>	<p>A 5% increase in the closing value</p>	<p>17 (2025: 15)</p>

Notes to the accounts continued

13 Carried interest and performance fees payable

Accounting policy:

The Group offers investment executives the opportunity to participate in the returns from investments subject to certain performance conditions. "Carried interest and performance fees payable" is the term used for amounts payable to executives on these investment-related transactions.

A variety of asset pooling arrangements are in place so that participants may have an interest in one or more carried interest plans and participants include current and former investment employees. Carried interest payable is accrued if its performance conditions, measured at the balance sheet date, would be achieved if the remaining assets in that plan were realised at fair value. An accrual is made equal to the participants' share of profits in excess of the performance conditions in place in the carried interest plan, discounted to reflect the likely actual cash payment date, which may be materially later than the time of the accrual.

Under IFRS 10, where carried interest payable reduces the fair value of an investment entity subsidiary, that movement is recorded through "Fair value movements on investment entity subsidiaries". At 31 March 2026, £373 million of carried interest payable was recognised in the Consolidated statement of financial position of these investment entity subsidiaries (31 March 2025: £319 million).

	Group 2026 £m	Group 2025 £m
Opening carried interest and performance fees payable	41	54
Carried interest and performance fees payable recognised in profit and loss during the year	5	14
Cash paid in the year	(14)	(23)
Other movements ¹	3	(4)
Closing carried interest and performance fees payable	35	41
Of which: payable in greater than one year	31	29

¹ Other movements include the impact of foreign exchange and equity-settled share based payments.

We no longer accrue carried interest and performance fees payable on Action, which is the largest asset in the Group's investment portfolio.

A 5% increase in the valuation of all individual assets in the underlying investment portfolio (excluding Action) held by investment entity subsidiaries would result in a £21 million increase in carried interest and performance fees payable (31 March 2025: £20 million).

A 5% decrease in the valuation of all individual assets in the underlying investment portfolio (excluding Action) held by investment entity subsidiaries would result in a £20 million decrease in carried interest and performance fees payable (31 March 2025: £20 million).

Notes to the accounts continued

14 Loans and borrowings

Accounting policy:

All loans and borrowings are initially recognised at the fair value of the consideration received. After initial recognition, these are subsequently measured at amortised cost using the effective interest method, which is the rate that exactly discounts the estimated future cash flows through the expected life of the liabilities. Financial liabilities are derecognised when they are extinguished.

	Group 2026 £m	Group 2025 £m
Loans and borrowings are repayable as follows:		
Within one year	–	–
Between the second and fifth year	436	419
After five years	775	775
	1,211	1,194

Reconciliation of liabilities arising from financing activities

The changes in the Group's liabilities arising from financing activities are classified as follows:

	Loans and borrowings 2026 £m	Lease liability 2026 £m	Loans and borrowings 2025 £m	Lease liability 2025 £m
Opening liability	1,194	45	1,202	49
Additions	–	8	–	–
Interest	–	2	–	2
Repayments	–	(5)	–	(6)
Exchange movements	17	–	(8)	–
Closing liability	1,211	50	1,194	45

Notes to the accounts continued

14 Loans and borrowings continued

Principal borrowings include:

	Rate	Maturity	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Fixed rate						
€500 million notes (public issue)	4.875%	2029	436	419	436	419
£375 million notes (public issue)	5.750%	2032	375	375	375	375
£400 million notes (public issue)	3.750%	2040	400	400	400	400
			1,211	1,194	1,211	1,194
Committed multi-currency facilities: Revolving Credit Facility (RCF)						
£1,200 million tranche		Euribor/SONIA/SOFR + 0.5%	2030	–	–	–
Total loans and borrowings			1,211	1,194	1,211	1,194

During the year the Company increased the size of its committed multi-currency facility to £1,200 million (31 March 2025: £900 million). The syndicated multi-currency facility has no financial covenants.

All of the Group's borrowings are repayable in one instalment on the respective maturity dates. None of the Group's interest-bearing loans and borrowings are secured on the assets of the Group. The fair value of the loans and borrowings is £1,135 million (31 March 2025: £1,115 million), determined with reference to their published market prices. The interest payable for loans and borrowings recognised within profit and loss is £62 million (2025: £63 million) and the interest paid for loans and borrowings recognised within the Consolidated cash flow statement is £65 million (2025: £60 million).

In accordance with the FCA's Investment Funds sourcebook (FUNDS 3.2.2R and Fund 3.2.6R), 3i Investments plc, as AIFM of the Company, is required to calculate leverage and disclose this to investors. The leverage is calculated using the gross method and commitment method. Gross method calculates the overall exposure over the net asset value whereas the commitment method calculates the net exposure over the net asset value. Leverage at 31 March 2026 for the Group is 107% (31 March 2025: 110%) and the Company is 104% (31 March 2025: 107%) under both the gross method and the commitment method. The leverage for 3i Investments plc at 31 March 2026 is 100% (31 March 2025: 100%) under both the gross method and the commitment method.

Under the Securities Financing Transactions Regulation and the FCA's Investment Funds sourcebook (FUNDS 3.2.4A), 3i is required to disclose certain information relating to the use of securities financing transactions ("SFTs") and total return swaps. At 31 March 2026, 3i was not party to any transactions involving SFTs or total return swaps.

Notes to the accounts continued

15 Derivatives

Accounting policy:

Derivative financial instruments are accounted for at fair value through profit and loss in accordance with IFRS 9. They are revalued at the balance sheet date based on market prices, with any change in fair value being recorded in profit and loss. Derivatives are recognised in the Consolidated statement of financial position as a financial asset when their fair value is positive and as a financial liability when their fair value is negative. Derivative contracts are disclosed in the Consolidated statement of financial position as either current or non-current according to their maturity profile. The Group's derivative financial instruments are not designated as hedging instruments.

	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Statement of comprehensive income				
Movement in the fair value of derivatives	(14)	82	(14)	82

	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Statement of financial position				
Non-current assets				
Forward foreign exchange contracts	10	46	10	46
Current assets				
Forward foreign exchange contracts	42	91	42	91
Non-current liabilities				
Forward foreign exchange contracts	(22)	(4)	(22)	(4)

The Group uses forward foreign exchange contracts to mitigate the effect of fluctuations arising from movements in exchange rates in the value of the Group's investments in euro and US dollar. As at 31 March 2026, the notional amount of these forward foreign exchange contracts held by the Company was €3.0 billion (31 March 2025: €2.6 billion) and \$1.2 billion (31 March 2025: \$1.2 billion).

16 Trade and other payables

Accounting policy:

Liabilities, other than those specifically accounted for under a separate policy, are stated based on the amounts which are considered to be payable in respect of goods or services received up to the balance sheet date. Financial liabilities are recognised at amortised cost in accordance with IFRS 9.

	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Trade and other payables	116	144	30	29
Amounts due to subsidiaries	–	–	32	46
Total trade and other payables	116	144	62	75
Of which: payable in greater than one year	9	9	–	–

In the year to 31 March 2025 deferred income taxes, provisions and income taxes were presented on their respective financial statement lines. In the table above these financial statement lines have been aggregated into trade and other payables.

Notes to the accounts continued

17 Issued capital and reserves

Accounting policy:

Ordinary shares issued by the Group are recognised at the proceeds or fair value received with the excess of the amount received over nominal value being credited to the share premium account. Direct issue costs net of tax are deducted from equity.

Capital reserve recognises all profits and losses that are capital in nature or have been allocated to capital, which include the accumulation of investment gains and losses as well as changes to the value of financial instruments measured at fair value through profit and loss.

Revenue reserve recognises all profits and losses that are revenue in nature or have been allocated to revenue and is the accumulation of revenue profits and losses.

Issued and fully paid	2026 Number	2026 £m	2025 Number	2025 £m
Ordinary shares of 73 ¹ / ₂ p				
Opening balance	973,398,978	719	973,366,445	719
Issued under employee share plans	33,715	–	32,533	–
Issued ordinary shares	51,270,084	38	–	–
Closing balance	1,024,702,777	757	973,398,978	719

The Company issued 33,715 ordinary shares to the Trustee of the 3i Group Share Incentive Plan for a total cash consideration of £1,234,881 at various prices from 2,327 pence to 4,445 pence per share (being the market prices on the issue dates which were the last trading day of each month in the year, with the exception of December 2025, when the issue date was 6 January 2026). These shares were ordinary shares with no additional rights attached to them and had a total nominal value of £24,903 and share premium of £1,209,978.

During the year to 31 March 2026 the Company issued 51,270,084 ordinary shares in exchange for approximately 5.1% of Action's equity from GIC, which represented an equivalent non-cash consideration of £1,739 million. These shares had a nominal value of £38 million and share premium of £1,701 million.

Total share premium for the year to 31 March 2026 is £2,494 million (31 March 2025: £792 million).

18 Own shares

Accounting policy:

Own shares are recorded by the Group when ordinary shares are acquired by the Company or by The 3i Group Employee Benefit Trust ("Trust"). Own shares are deducted from shareholders' equity. A transfer is made to retained earnings at their weighted average cost in line with the vesting of own shares held for the purposes of share-based payments. The number of own shares held by the Trust and the schemes are described in Note 24.

	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Opening cost	81	92	81	92
Additions	15	–	15	–
Awards granted	(18)	(11)	(18)	(11)
Closing cost	78	81	78	81

Holdings of 3i Group plc shares

The total number of 3i Group plc shares held in the Trust at 31 March 2026 was 7 million (31 March 2025: 8 million). Dividend rights have been waived on these shares. The total market value of the shares held in the Trust based on the year-end share price of 2,438 pence (31 March 2025: 3,616 pence) was £166 million (31 March 2025: £289 million). During the year to 31 March 2026 the Trust acquired 0.4 million shares (31 March 2025: none).

Notes to the accounts continued

19 Capital structure

The capital structure of the Group consists of shareholders' equity and net debt or cash. The type and maturity of the Group's borrowings are analysed further in Note 14. Capital is managed with the objective of maximising long-term return to shareholders, whilst maintaining a capital base to allow the Group to operate effectively in the market and sustain the future development of the business.

	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Cash and deposits	635	412	602	381
Borrowings and derivative financial liabilities	(1,233)	(1,198)	(1,233)	(1,198)
Net debt ¹	(598)	(786)	(631)	(817)
Total equity	30,887	24,611	30,569	24,267
Gearing (net debt/total equity)	2%	3%	2%	3%

1 The above numbers have been prepared under IFRS and differ from the Investment basis as detailed in the Strategic report.

Capital constraints

The Group is generally free to transfer capital from subsidiary undertakings to the parent company, subject to maintaining each subsidiary with sufficient reserves to meet local statutory/regulatory obligations. No significant constraints (other than those disclosed in Note 11) have been identified and the Group has been able to distribute profits as appropriate.

The Group has been subject to the FCA's MIFIDPRU sourcebook ("MIFIDPRU") since 1 January 2022. The regulatory capital requirements for the Group and 3i Investments plc, an investment firm regulated by the FCA, are calculated in accordance with MIFIDPRU 2.5, 4.3, 4.5 and 4.6. These capital requirements are reviewed regularly by the Group's Audit and Compliance Committee, and the Board of 3i Investments plc, respectively. In addition, 3i Investments plc prepares an Internal Capital and Risk Assessment ("ICARA"), which is approved by the Board of 3i Investments plc on an annual basis.

20 Commitments

Accounting policy:

Commitments represent amounts the Group has contractually committed to pay third parties but do not yet represent a charge or asset. This gives an indication of committed future cash flows. Commitments are recognised in the balance sheet at the point of settlement subject to associated risks and rewards being transferred. Commitments at the year-end do not impact the Group's financial results for the year.

At 31 March 2026, the Group and the Company had unquoted investment commitments of £6 million (31 March 2025: £7 million). All outstanding commitments at 31 March 2026 and 31 March 2025 were due within one year.

At 31 March 2026, the Group also had a commitment of £51 million (31 March 2025: £57 million) into partnerships which are classified as investment entity subsidiaries. All outstanding commitments at 31 March 2026 and 31 March 2025 were due within two and five years.

The amounts shown above include £57 million of commitments made by the Group and Company, to invest into funds (31 March 2025: £64 million). The Group and Company were contractually committed to these investments as at 31 March 2026.

21 Contingent liabilities

Accounting policy:

Contingent liabilities are potential liabilities where there is even greater uncertainty, which could include a dependency on events not within the Group's control, but where there is a possible obligation. Contingent liabilities are only disclosed and not included within the Consolidated statement of financial position.

At 31 March 2026, there was no (31 March 2025: no) material litigation outstanding, nor any other matter, against the Company or any of its subsidiary undertakings, which may indicate the existence of a contingent liability.

Notes to the accounts continued

22 Interests in Group entities

Accounting policy:

The Company has controlling equity interests in, and makes loans to, both consolidated and fair valued Group entities. Equity investments in, and loans to, investment entities are held at fair value in the Company's accounts, as this reflects the Group's business model to hold assets to seek returns on capital and not contractual cash flow. The net assets of these entities represent fair value. Equity investments in other subsidiaries are held at cost less impairment and any loans to these subsidiaries are held at amortised cost in accordance with IFRS 9, which includes the requirement to calculate expected credit losses on initial recognition.

Equity investments and loans are deemed longer-term in nature, with average holding periods greater than one year, and thus is classified as non-current.

	Company 2026 Equity investments £m	Company 2026 Loans £m	Company 2026 Total £m	Company 2025 Equity investments £m	Company 2025 Loans £m	Company 2025 Total £m
Opening book value	2,994	3,648	6,642	3,139	2,738	5,877
Additions	13	3,104	3,117	73	1,899	1,972
Share of profits from partnership entities	–	174	174	–	956	956
Disposals and repayments	–	(878)	(878)	(536)	(1,882)	(2,418)
Fair value movements	1,076	199	1,275	318	(122)	196
Exchange movements	–	(99)	(99)	–	59	59
Closing book value	4,083	6,148	10,231	2,994	3,648	6,642

Equity investments in, and loans to investment entities, are held at fair value and equity investments in other subsidiaries are held at cost less impairment. The measurements at fair value and cost less impairment are assessed against the Company's equity and loan instruments into these subsidiaries, which are eliminated on consolidation for the Group. For this reason equity investments and loans into investments entities and other subsidiaries do not form part of the investment portfolio for the Company and instead are included within Interests in Group entities.

Amounts for equity investments in, and loans to, investment entities held at fair value and other subsidiaries at amortised cost are detailed in Note 12. Details of significant Group entities are given in Note 27. No expected credit losses have been recognised on those equity investments and loans held at amortised cost as they are not material.

Notes to the accounts continued

23 Retirement benefits

Accounting policy:

Payments to defined contribution retirement benefit plans are charged to profit and loss as they fall due.

For defined benefit retirement plans, the cost of providing benefits is determined using the projected unit method with actuarial valuations being carried out at each balance sheet date. Interest on the net defined benefit asset/liability, calculated using the discount rate used to measure the defined benefit obligation, is recognised in profit and loss. Re-measurement gains or losses are recognised in full as they arise in other comprehensive income.

A retirement benefit deficit is recognised in the Consolidated statement of financial position to the extent that the present value of the defined benefit obligations exceeds the fair value of plan assets.

A retirement benefit surplus is recognised in the Consolidated statement of financial position where the fair value of plan assets exceeds the present value of the defined benefit obligations limited to the extent that the Group can benefit from that surplus. Where the retirement benefit scheme is in surplus, this is recognised net, being the lower of any surplus in the fund and the asset ceiling.

(i) Defined contribution plans

The Group operates a number of defined contribution retirement benefit plans for qualifying employees throughout the Group. The assets of these plans are held separately from those of the Group. The total expense recognised, in operating expenses, in profit and loss is £3 million (2025: £3 million), which represents the contributions paid to these defined contribution plans. There were no outstanding payments due to these plans at the balance sheet date.

(ii) Defined benefit plans

The Group previously operated a final salary defined benefit plan for qualifying employees of its subsidiaries in the UK ("the Plan"). The Plan was approved by HMRC for tax purposes, operated separately from the Group and was governed by an independent set of Trustees, whose appointment and powers are determined by the Plan's documentation.

During the year to 31 March 2025, the Plan completed a buy-out meaning that the previously executed buy-in policies were converted into individual annuity policies held in each Plan member's name, thereby fully removing the defined benefit obligation from the Group. This led to the full settlement of the pension obligation.

The Trustees completed the wind-up of the Plan in March 2026. The remaining surplus assets were paid to the Group, net of associated tax liabilities settled by the Plan, the Group received £65 million.

Qualifying employees in Germany are entitled to a pension based on their length of service. The future liability calculated by German actuaries is £17 million (31 March 2025: £17 million). There is a £1 million expense (2025: £1 million) recognised in operating expenses, in profit and loss for the year and £1 million gain (2025: £2 million) in other comprehensive income for this scheme. Changes in the present value of the obligation, assumptions and sensitivities of this scheme have not been disclosed as they are not material.

The amount recognised in the Consolidated statement of financial position in respect of the Group's defined benefit plans is as follows:

	2026 £m	2025 £m
Fair value of the Plan assets	–	85
Asset restriction	–	(22)
Retirement benefit surplus in respect of the Plan	–	63
Retirement benefit deficit in respect of other defined benefit schemes	(17)	(17)

The total re-measurement gain recognised in other comprehensive income in respect of the Group's defined benefit plans was £2 million (2025: £4 million).

Notes to the accounts continued

24 Share-based payments

Accounting policy:

The Group has equity-settled and cash-settled share-based payment transactions with certain employees. Equity-settled schemes are measured at fair value at the date of grant, which is then recognised in profit or loss over the period that employees provide services, generally the period between the start of the performance period and the vesting date of the shares. The number of share awards expected to vest takes into account the likelihood that performance and service conditions included in the terms of the award will be met.

Fair value is measured by use of an appropriate model which takes into account the current share price, the risk-free interest rate, the expected volatility of the share price over the life of the award and any other relevant factors. In valuing equity-settled transactions, no account is taken of any vesting conditions, other than conditions linked to the price of the shares of 3i Group plc. The charge is adjusted at each balance sheet date to reflect the actual number of forfeitures, cancellations and leavers during the year. The movement in cumulative charges since the previous balance sheet is recognised in profit and loss, with a corresponding entry in equity.

Liabilities arising from cash-settled share-based payment transactions are recognised in profit or loss over the vesting period. They are fair valued at each reporting date. The cost of cash-settled share-based payment transactions is adjusted for the forfeitures of the participants' rights that no longer meet the plan requirements as well as for early vesting.

The cost of the share-based payments is allocated either to operating expenses or carried interest depending on the original driver of the award. Executive Director Long-term Incentive Plans are allocated to operating expenses.

To ensure that employees' interests are aligned with shareholders, a significant amount of variable compensation paid to eligible employees is deferred into shares that vest over a number of years. For legal, regulatory or practical reasons certain participants may be granted cash-settled awards under these schemes, which are intended to replicate the financial effects of a share award without entitling the participant to acquire shares. The weighted average fair value grant price for cash-settled awards granted during the year was 4,062p (31 March 2025: 2,926p) and the reporting price for these awards at 31 March 2026 was 2,438 pence (31 March 2025: 3,616 pence). The carrying amount of liabilities arising from cash-settled awards at 31 March 2026 is £10 million (31 March 2025: £24 million). The total equity-settled share-based payment reserve at 31 March 2026 is £29 million (31 March 2025: £35 million).

The cost of the share-based payments is allocated either to operating expenses or carried interest depending on the original driver of the award. Executive Director Performance Share Awards are allocated to operating expenses. The total cost recognised in the Consolidated statement of comprehensive income for the year is £12 million (2025: £28 million) of which £14 million (2025: £12 million) is recognised on operating expenses and credited to equity.

Notes to the accounts continued

24 Share-based payments continued

Movements in share awards

The number of equity and cash-settled share-based awards outstanding as at 31 March is as follows:

	2026 Number	2025 Number
Outstanding at the start of the year	4,634,486	6,210,978
Granted	524,340	791,022
Released	(2,495,231)	(2,308,170)
Forfeited	(208,262)	(59,344)
Lapsed	–	–
Outstanding at the end of year	2,455,333	4,634,486
Weighted average remaining contractual life of awards outstanding in years	1.6	1.4
Weighted average fair value of awards granted (pence)	2,610	2,272
Weighted average market price at date of exercise (pence)	4,090	2,924

Measurement of fair values

The fair values of the plans have been measured using either the Monte Carlo model or Black Scholes model for equity share awards. The inputs used in the measurement of the grants are based on the following assumptions:

	Monte Carlo model		Black Scholes	
	2026	2025	2026	2025
Share price at grant date (pence) ¹	4,112	2,996	4,062	2,926
Fair value at grant date (pence) ¹	1,840	1,753	3,815	2,749
Exercise price (pence)	–	–	–	–
Expected volatility (weighted average)	24.1%	27.1%	27.3%	27.7%
Expected life (weighted average)	4 years	4 years	4 years	3 years
Dividend yield	–	–	1.8%	2.1%
Risk free interest rate	3.80%	4.25%	4.06%	4.08%

1 Where share awards are granted on multiple dates the average price is disclosed.

Expected volatility was determined by reviewing share price volatility for the expected life of each award up to the date of grant.

Details of the different types of awards are as follows:

Performance Share Awards

Performance Share Awards are granted to employees and Executive Directors under the 3i Group Discretionary Share Plan 2020.

Performance Share Awards granted to employees and Executive Directors after the financial year-end are subject to performance conditions based on absolute and relative Total Shareholder Return over three financial years. Awards performance vest, to the extent they satisfy the performance conditions, following the three-year performance period. These awards are measured using the Monte Carlo model. The model simulates the total shareholder return which has been incorporated into the fair value at the grant date by applying a discount to the valuation obtained.

Employee share awards are released, to the extent they have performance vested, in the third year from the date of grant together with a payment equal to the value of the dividends which would have been paid on the released shares during the period from grant to release. The method of settlement can either be equity or cash depending on the type of award. Executive Director awards are released, to the extent they have performance vested, in the fifth year from the date of grant together with a payment equal to the value of the dividends that would have been paid on the released shares during the period from grant to release. The method of settlement is equity.

The features of the Group's share schemes for Executive Directors are described in the Directors' remuneration report on pages 146 to 169.

Restricted Share Awards

Restricted Share Awards are granted under the 3i Group Deferred Bonus Plan 2020 (and predecessor rules) and are granted to employees and Executive Directors after the financial year-end and are subject to continued service conditions. The shares subject to the awards are transferred to the participants on grant subject to forfeiture if the service condition is not fulfilled and cease to be subject to forfeiture in equal proportions generally over the three years following grant or over four years in the case of certain such awards granted to members of the Executive Committee. Cash dividends are received by participants on the shares during the period in which they remain subject to forfeiture. The method of settlement can either be equity or cash depending on the type of award. The equity awards are measured using the Black Scholes model.

Notes to the accounts continued

25 Financial risk management

Introduction

A review of the Group's objectives, policies and processes for managing and monitoring risk is set out in the Risk management section on pages 94 to 104. This Note provides further detail on financial risk management, cross-referring to the Risk management section where applicable, and includes quantitative data on specific financial risks.

The Group is a highly selective investor and each investment is subject to an individual risk assessment through an investment approval process. The Group's Investment Committee is part of the overall risk management framework set out in the Risk section. The risk management processes of the Company are aligned with those of the Group and both the Group and the Company share the same financial risks.

Financial risks

Concentration risk

3i's investment process seeks to diversify risk through significant dispersion of investments by geography, economic sector, asset class and size as well as through the maturity profile of its investment portfolio. Although 3i does not set maximum limits for asset allocation, it does have a maximum exposure limit for the cost of new investments. This is detailed in the Investment policy on page 170 in the Governance section. Quantitative data regarding the concentration risk of the portfolio across business divisions can be found in the Segmental analysis in Note 1 and in the 15 large investments table on pages 232 and 233.

Action is the largest asset in the Group's investment portfolio. We first invested in Action in 2011 and throughout our investment have acquired further stakes in the business seeing strong organic growth over our hold period. A 5% increase or decrease in value would result in a £1,187 million (31 March 2025: £892 million) impact on the overall value. For further details on Action refer to the Action case study on pages 26 to 33.

Credit risk

The Group is subject to credit risk on its unquoted investments, derivatives, cash and deposits. The maximum exposure is the balance sheet amount. The Group's cash is held with a variety of counterparties with a minimum rating above A+ (2025: A-) with 94% of the Group's unrestricted surplus cash held on demand in AAA rated money market funds (31 March 2025: 91%). The counterparties selected for the derivative financial instruments were all banks with a minimum of a A- (2025: A-) credit rating with at least one major rating agency.

The credit quality of unquoted investments, which are held at fair value and include debt and equity elements, is based on the financial performance of the individual portfolio companies. The credit risk relating to these assets is based on their enterprise value and is reflected through fair value movements. Further detail can be found in the Price risk – market fluctuations disclosure in this Note and the sensitivity disclosure to changes in the valuation assumptions is provided in the valuation section of Note 12.

Liquidity risk

The liquidity outlook is monitored at least monthly by management and regularly by the Board in the context of periodic strategic reviews of the balance sheet. The new investment pipeline and forecast realisations are closely monitored and assessed against our vintage control policy, as described on page 94 of the Risk management section. The table below analyses the maturity of the Group's gross contractual liabilities. The Company disclosures are the same as those for the Group.

Financial liabilities

	Group 2026 Due within 1 year £m	Group 2026 Due between 1 and 2 years £m	Group 2026 Due between 2 and 5 years £m	Group 2026 Due more than 5 years £m	£m Total £m	Group 2025 Due within 1 year £m	Group 2025 Due between 1 and 2 years £m	Group 2025 Due between 2 and 5 years £m	Group 2025 Due more than 5 years £m	£m Total £m
Gross commitments:										
Fixed loan notes	58	58	588	960	1,664	56	56	591	998	1,701
Total	58	58	588	960	1,664	56	56	591	998	1,701

Notes to the accounts continued

25 Financial risk management continued

Market risk

The valuation of the Group's investment portfolio is largely dependent on the underlying trading performance of the companies within the portfolio, but the valuation and other items in the financial statements can also be affected by interest rate, currency and quoted market fluctuations. The Group's sensitivity to these items is set out below.

Interest rate risk

On the liability side, the direct impact of a movement in interest rates is limited to any drawings under the committed multi-currency facility as the Group's outstanding debt is fixed rate. The sensitivities below arise principally from changes in interest receivable on cash and deposits.

An increase of 100 basis points, based on the closing balance sheet position over a 12-month period, would lead to an approximate increase in total comprehensive income of £6 million (2025: £4 million) for the Group and £6 million (2025: £4 million) for the Company. In addition, the Group and Company have indirect exposure to interest rates through changes to the financial performance and the valuation of portfolio companies caused by interest rate fluctuations.

Currency risk

The Group's net assets in sterling, euro, US dollar, Danish krone and all other currencies combined are shown in the table below. This sensitivity analysis is performed based on the sensitivity of the Group's net assets to movements in foreign currency exchange rates assuming a 10% movement in exchange rates against sterling. The sensitivity of the Company to foreign exchange risk is not materially different from the Group.

The Group considers currency risk on specific investment and realisation transactions. Further information on how currency risk is managed is provided on page 104.

As at 31 March 2026	Sterling £m	Euro £m	US dollar £m	Danish krone £m	Other £m	Total £m
Net assets	5,267	24,180	1,223	182	35	30,887
Sensitivity analysis						
Assuming a 10% movement in exchange rates against sterling						
Impact on net assets	n/a	2,417	121	18	4	2,560

1 The Group's foreign exchange hedging is treated as a sterling asset within the above table.

As at 31 March 2025	Sterling £m	Euro £m	US dollar £m	Danish krone £m	Other £m	Total £m
Net assets	4,942	18,257	1,211	177	24	24,611
Sensitivity analysis						
Assuming a 10% movement in exchange rates against sterling						
Impact on net assets	n/a	1,825	120	18	2	1,965

1 The Group's foreign exchange hedging is treated as a sterling asset within the above table.

Notes to the accounts continued

25 Financial risk management continued

Price risk – market fluctuations

The Group's management of price risk, which arises primarily from quoted and unquoted equity instruments, is through the careful consideration of the investment, asset management and divestment decisions at the Investment Committee. The Investment Committee's role in risk management is detailed on page 94 in the Risk management section. A 5% change in the fair value of those investments is shown in the table below.

Group	Quoted investment £m	Unquoted investment £m	Investment in Investment entity subsidiaries	Total £m
As at 31 March 2026	45	1,003	527	1,575
As at 31 March 2025	43	875	346	1,264

Company	Quoted investment £m	Unquoted investment £m	Total £m
As at 31 March 2026	45	1,003	1,048
As at 31 March 2025	43	875	918

Notes to the accounts continued

26 Related parties and interests in other entities

The Group has various related parties stemming from relationships with limited partnerships managed by the Group, its investment portfolio (including unconsolidated subsidiaries), its advisory arrangements and its key management personnel. In addition, the Company has related parties in respect of its subsidiaries. Some of these subsidiaries are held at fair value (unconsolidated subsidiaries) due to the treatment prescribed in IFRS 10.

Related parties

Advisory and management arrangements

The Group acted as Investment Manager to 3iN, which is listed on the London Stock Exchange, for the year to 31 March 2026. The following amounts have been recognised in respect of the management relationship:

	Group 2026 £m	Group 2025 £m	Company 2026 £m	Company 2025 £m
Statement of comprehensive income				
Unrealised profit/(loss) on the revaluation of investments	41	(23)	41	(23)
Fees receivable from external funds	54	51	–	–
Performance fees receivable	16	29	–	–
Dividends	35	33	35	33

Controlled investments

The Group makes investments in the equity of both unquoted and quoted investments which it controls. Control is obtained when the Group is exposed to, or has rights to variable returns and has the ability to use its power to affect these returns. When this occurs, the Group deems these investments to be an accounting subsidiaries under IFRS 10 and recognises them at fair value through profit or loss. Material transactions during the year with controlled investments include £944 million (2025: £1,164 million) of refinancing proceeds received from Action and £246 million (2025: £433 million) dividends received from Action.

Associates

The Group makes investments in the equity of both unquoted and quoted investments where it does not have control, but may be able to participate in the financial and operating policies of that company. IFRS presumes that it is possible to exert significant influence when the equity holding is greater than 20%. The Group has taken the investment entity exception, as permitted by IFRS 10, and has not equity accounted for these investments, in accordance with IAS 28, but they are related parties. There are no material transactions with associates in the year (2025: none).

Limited partnerships

The Group manages a number of external funds which invest through limited partnerships. Group companies act as the general partners of these limited partnerships and exert significant influence over them. There were no material transactions in respect of these limited partnerships in the year (2025: none).

Subsidiaries

The Group consists of the parent Company 3i Group plc and its subsidiaries listed in Note 27. All transactions between the Company and its fully consolidated subsidiaries, which are related parties of the Company, are eliminated on consolidation. Material related party transactions between the Company and its subsidiaries include drawdowns and distributions, subsidiary transfers and dividends.

During the year, the Company received £1,324 million from fellow subsidiaries (2025: £1,039 million) and paid £1,505 million to fellow subsidiaries (2025: £1,941 million).

The Company received dividends of £85 million (2025: £142 million) from fellow subsidiaries.

Key management personnel

The Group's key management personnel comprise the members of the Executive Committee and the Board's non-executive Directors. The following amounts have been included in respect of these individuals:

	Group 2026 £m	Group 2025 £m
Statement of comprehensive income		
Salaries, fees, supplements and benefits in kind	6	6
Cash bonuses	5	3
Carried interest and performance fees payable	2	4
Share-based payments	10	9
Termination payments	–	–

	Group 2026 £m	Group 2025 £m
Statement of financial position		
Bonuses and share-based payments	24	22
Carried interest and performance fees payable within one year	1	5
Carried interest and performance fees payable after one year	15	13

Notes to the accounts continued

26 Related parties and interests in other entities continued

No carried interest and performance fees payable is paid or accrued for the Executive or non-executive Directors, as they do not participate in these schemes. Carried interest and performance fees paid in the year to other key management personnel was £2 million (2025: £20 million). Simon Borrows and Jasi Halai are members of key management personnel for both 3i Group plc and Peer Holding I B.V., the Dutch holding company for the Group's investment in Action. In accordance with IAS 24, they are considered related parties. Neither of them received any remuneration from Action during the year (2025: none).

Unconsolidated structured entities

The application of IFRS 12 requires additional disclosure on the Group's exposure to unconsolidated structured entities. The Group has exposure to a number of unconsolidated structured entities, as a result of its investment activities across its Private Equity and Infrastructure business lines.

The Group manages a number of closed-end limited partnerships, which are either Private Equity or Infrastructure focused. The purpose of these partnerships is to invest in Private Equity or Infrastructure investments for capital appreciation. Limited Partners, which in some cases may include the Group, finance these entities by committing capital to them and cash is drawn down or distributed for financing investment activity. The Group's attributable stakes in these entities are held at fair value, fees receivable are recognised on an accruals basis and carried interest is accrued when relevant performance hurdles are met. The carrying amount and maximum loss exposure for these entities is not material (2025: not material).

27 Subsidiaries and related undertakings

IFRS 10 deems control, as opposed to equity ownership, as the key factor when determining what meets the definition of a subsidiary. If a group is exposed to, or has rights to, variable returns from its involvement with the investee, then under IFRS 10 it has control. This is inconsistent with the UK's Companies Act 2006, where voting rights being greater than 50% is the key factor when identifying subsidiaries.

Under IFRS 10, 35 of the Group's portfolio company investments are considered to be accounting subsidiaries. As the Group applies the investment entity exception available under IFRS 10, these investee companies are classified as investment entity subsidiaries.

The Companies Act 2006 requires disclosure of certain information about the Group's related undertakings. Related undertakings are subsidiaries, joint ventures, associates and other significant holdings. In this context, significant means either a shareholding greater than or equal to 20% of the nominal value of any class of shares or a book value greater than 20% of the Group's assets.

The Company's related undertakings at 31 March 2026 are listed as follows:

Description	Holding/share class	Footnote
Subsidiaries		
3i Holdings plc	100% ordinary shares	1
3i Investments plc	100% ordinary shares	1
3i plc	100% ordinary shares	1
3i International Holdings	100% ordinary shares	42
Investors in Industry Limited	100% ordinary shares	1
3i Corporation	100% ordinary shares	2
3i Deutschland Gesellschaft für Industriebeteiligungen mbH	100% ordinary shares	4
Gardens Nominees Limited	100% ordinary shares	1
Gardens Pension Trustees Limited	100% ordinary shares	1
3i Europe plc	100% ordinary shares	1
3i Nominees Limited	100% ordinary shares	1
3i Osprey GP Limited	100% ordinary shares	1
3i Nordic plc	100% ordinary shares	1
3i GP 2004 Limited	100% ordinary shares	43
The 3i Group Employee Trust	n/a	6
3i International Services plc	100% ordinary shares	1
3i EFV Nominees A Limited	100% ordinary shares	1
3i EFV Nominees B Limited	100% ordinary shares	1
3i India Private Limited	100% ordinary shares	7
3i Sports Media (Mauritius) Limited	100% ordinary shares	8
3i EFV GP Limited	100% ordinary shares	1
IIF SLP GP Limited	100% ordinary shares	3
GP CCC 2010 Limited	100% ordinary shares	3
3i GC GP Limited	100% ordinary shares	1
3i GP 2010 Limited	100% ordinary shares	1
3i Growth Capital A LP	100% partnership interest	1
3i Growth Capital G LP	100% partnership interest	1
3i Growth 2010 LP	85% partnership interest	1
Strategic Investments FM (Mauritius) Alpha Limited	70% ordinary shares	8
3i GC Nominees A Limited	100% ordinary shares	1
3i GC Nominees B Limited	100% ordinary shares	1
3i India Infrastructure Fund B LP	99% partnership interest	1
3i 2004 GmbH & Co. KG	100% partnership interest	4
3i General Partner 2004 GmbH	100% ordinary shares	4
3i PE 2013-16 A LP	100% partnership interest	1
3i PE 2013-16 C LP	100% partnership interest	1
3i GP 2013 Ltd	100% ordinary shares	1

Notes to the accounts continued

27 Subsidiaries and related undertakings continued

Description	Holding/share class	Footnote	Description	Holding/share class	Footnote
GP 2013 Ltd	100% ordinary shares	3	3i GP 2022 s.a.r.l	100% ordinary shares	9
3i PE 2016-19 A LP	100% partnership interest	1	3i North American Infrastructure Fund A LP	100% partnership interest	25
3i Managed Infrastructure Acquisitions GP (2017) LLP	100% partnership interest	1	3i NAI Holdings LP	100% partnership interest	3
3i Managed Infrastructure Acquisitions GP Limited	100% ordinary shares	1	3i North American Infrastructure GP, LLC	100% equity units	25
3i 2016 GmbH & Co. KG	100% partnership interest	4	3i ECW Coinvest GP, LLC	100% equity units	25
GP 2016 Limited	100% ordinary shares	3	3i European Mid-Market Infrastructure GP (2024) Limited	100% ordinary shares	1
3i GP 2016 Limited	100% ordinary shares	1	3i European Mid-Market Infrastructure A LP	100% ordinary shares	1
3i SCI Holdings Limited	100% ordinary shares	1	3i RR Coinvest GP, LLC	100% equity units	25
3i North American Infrastructure Partners, LLC	100% equity units	25	3i Aura GP (2022) Limited	100% ordinary shares	1
3i Abaco ApS	100% ordinary shares	22	3i Zephyr GP (2022) Limited	100% ordinary shares	1
3i Investments (Luxembourg) S.A.	100% ordinary shares	9	3i Infra GP 2022 (Scots) Limited	100% ordinary shares	3
3i 2019-22 DLP SCSp	100% partnership interest	10	3i Infra 2022 Warehouse LP	100% partnership interest	3
3i PE 2019-22 A LP	100% partnership interest	1	3i 2023 Co-investment LP	100% partnership interest	1
3i PE 2019-22 B LP	100% partnership interest	1	3i MME Coinvest GP, LLC	100% equity units	25
3i PE 2019-22 Warehouse LP	100% partnership interest	3	3i NAI Warehouse LP	100% partnership interest	25
3i 2020 Co-investment LP	100% partnership interest	3	3i NAI Warehouse GP LLC	100% equity units	25
3i GP 2019 Limited	100% ordinary shares	1	3i 2024 Sapphire LP	100% partnership interest	1
3i GP 2020 Limited	100% ordinary shares	3	3i PE 2025-28 A LP	100% partnership interest	1
3i GP 2019 s.a.r.l	100% ordinary shares	10	3i PE 2025-28 B LP	100% partnership interest	1
3i GP 2019 (Scots) Limited	100% ordinary shares	3	3i PE 2025-28 C LP	100% partnership interest	1
3i 2020 Co-investment GP s.a.r.l	100% ordinary shares	10	3i PE 2025-28 A (Lux) SCSp	99% partnership interest	10
3i France SAS	100% ordinary shares	15	3i PE 2025-28 B (Lux) SCSp	99% partnership interest	10
3i IP Acquisitions Limited	100% ordinary shares	1	3i 2020 Co-investment 3 SCSp	62% partnership interest	10
3i IP Acquisitions GP LLP	100% partnership interest	1	3i MIA II GP (2026) Limited	100% ordinary shares	1
3i IIF GP 2020 Limited	100% ordinary shares	1	Ergy 1 SAS	100% ordinary shares	41
3i IIF GP LLP	100% partnership interest	1	Ergy 2 SAS	100% ordinary shares	41
3i Benelux B.V.	100% ordinary shares	12	Ergy 3 SAS	100% ordinary shares	41
3i Mountain LP	99% partnership interest	3			
3i NAI Holdings GP Limited	100% ordinary shares	3	Associates		
3i PE 2022-25 A LP	100% partnership interest	1	3i Growth Carry A LP	25% partnership interest	3
3i PE 2022-25 B LP	100% partnership interest	1	3i Growth Carry B LP	25% partnership interest	3
3i GP 2022 Limited	100% ordinary shares	1	Strategic Investments FM (Mauritius) B Limited	36% ordinary shares	8
3i GP 2022 (Scots) Limited	100% ordinary shares	3	3i Growth Capital B LP	36% partnership interest	1
3i PE 2022-25 A (Lux) SCSp	99% partnership interest	9	3i 2020 Co-investment 1 SCSp	44% partnership interest	10
3i PE 2022-25 B (Lux) SCSp	99% partnership interest	9	3i 2020 Co-Investment 2 SCSp	49% partnership interest	10
			3i 2020 Co-Investment 4 SCSp	43% partnership interest	10

Notes to the accounts continued

27 Subsidiaries and related undertakings continued

Description	Holding/share class	Footnote
Associates		
Layout Holdco A/S	49% ordinary shares	13
Boketto Holdco Limited	47% ordinary shares	14
Shield Holdco LLC	49% equity units	2
Q Holdco Limited	38% ordinary shares	17
3i Infrastructure plc	29% ordinary shares	16
Peer Holding I B.V.	40% ordinary shares	18
AES Engineering Limited	43% ordinary shares	19
Carter Thermal Industries Limited	32% ordinary shares	20
Harper Topco Limited	24% ordinary shares	21
Orange County Fundo de Investimento EM Participacoes	40% equity units	24
Tato Holdings Limited	27% ordinary shares	26
Aurela TopCo GmbH	49% ordinary shares	5
C Medical Holdco, LLC	49% equity units	2
Crown Holdco B.V.	49% ordinary shares	36
3i India Infrastructure Holdings Ltd	21% ordinary shares	8
Racing Topco GmbH	49% ordinary shares	23
Panda Holdco LLC	49% equity units	40
Scandlines Infrastructure ApS	35% ordinary shares	27
Alinghi 1 S.A.S	49% ordinary shares	11
SaniSure Holdings GP LLC	49% equity units	2
Garden & House International GmbH	36% ordinary shares	29
WHCG GP LLC	49% equity units	28
Hydra Holdco B.V.	49% ordinary shares	34
European Bakery Group B.V.	49% ordinary shares	35
Himalaya Topco B.V.	46% ordinary shares	33
Ten23 Health GP LLC	49% equity units	28
xSuite Top Holding GmbH	49% ordinary shares	30
Balearia Topco B.V.	49% ordinary shares	31
Kite Topco ApS	49% ordinary shares	32
Pegase 1 SAS	49% ordinary shares	37
Aqua Topco Limited	49% ordinary shares	38
Marathon TopCo GmbH	49% ordinary shares	39

There are no joint ventures or other significant holdings. The 15 large portfolio companies by fair value are detailed on pages 232 and 233. The combination of the table above and that on pages 232 and 233 is deemed by the Directors to fulfil the requirements under IFRS 12 on the disclosure of material subsidiaries.

Notes to the accounts continued

27 Subsidiaries and related undertakings continued

Footnote	Address
1	1 Knightsbridge, London, SW1X 7LX, UK
2	300 Park Avenue, 23rd Fl, New York, NY 10022, USA
3	50 Lothian Road, Festival Square, Edinburgh, EH3 9WJ, UK
4	OpfernTurm, Bockenheimer Landstrasse 2-4, 60306 Frankfurt am Main, Germany
5	Seelbude 13, 36110 Schlitz, Germany
6	13 Castle Street, St Helier, JE1 1ES, Jersey
7	407, Sanjar Enclave, Opp. PVR/Milap Cinemas, Kandivali (W), 400067, Mumbai, India
8	5th Floor, Ebene Esplanade, 24 Bank Street, Cybercity, Ebene, Mauritius
9	5 place de la gare, L-1616, Luxembourg
10	9, rue de Bitbourg, L-1273, Luxembourg
11	16 place de l'Iris, 92 400 Courbevoie, France
12	Cornelis Schuytstraat 74, 1071JL Amsterdam, Netherlands
13	Mørupvej 16 Mørup, 7400 Herning, Denmark
14	New Mill, New Mill Lane, Witney, Oxfordshire, OX29 9SX, UK
15	29-31, rue de Berri, 75008 Paris, France
16	Aztec Group House, IFC 6, The Esplanade, St. Helier, JE4 0QH, Jersey
17	5 Churchill Place, 10th Floor, London, E14 5HU, UK
18	Perenmarkt 15, Zwaagdijk East, 1681PG, Netherlands
19	Bradmarsh Business Park, Mill Close, Rotherham, South Yorkshire, S60 1BZ, UK
20	90 Lea Ford Road, Birmingham, B33 9TX, UK
21	25 Eccleston Place, London, SW1W 9NF, UK
22	Nybrogade 12, 1203 Copenhagen, Denmark
23	Schanzenstr. 6-20, Gebäude 2.08, 51063 Cologne, Germany
24	Avenida Brigadeiro Faria Lima, 2055, 19 andar, 01452-001 – Sao Paulo, SP, Brazil
25	Corporation Trust Center, 1209 Orange Street, Wilmington, New Castle, Delaware, DE 19801, USA
26	Thor Specialities (UK) Limited, Wincham Avenue, Wincham, Northwich, CW9 6GB, UK
27	Havneholmen 25, 8., 1561 Copenhagen, Denmark
28	251 Little Falls Drive, Wilmington, New Castle, Delaware, DE 19808, USA
29	Bahrenfelder Chaussee 49, 22761, Hamburg, Germany
30	Hamburger Str. 12, 22926 Ahrensburg, Germany

Footnote	Address
31	Herengracht 262, 1016 BV Amsterdam, Netherlands
32	Kuglegårdsvej 17, 1434 Copenhagen, Denmark
33	Aalsvoort 101, 7241 MB Lochem, Netherlands
34	Veldsteen 19, 4815 PK Breda, Netherlands
35	Kronosstraat 2, 5048 CE Tilburg, Netherlands
36	Industriepark Vliedberg 12, 5251 RG Vlijmen, Netherlands
37	199 Bureaux de la Colline, Saint Cloud 92210, France
38	41 Lothbury, London, EC2R 7HF, UK
39	Gutenbergstraße 20, 30823 Garbsen, Germany
40	18801 North Thompson Peak Parkway Suite D-320, Scottsdale, AZ 85255, USA
41	3 rue de Pondichéry, 75015, Paris, France
42	Level 33 One Canada Square, London, E14 5AB, UK
43	2 Bothwell Street, Glasgow, G2 6LU, UK

28 Post balance sheet events

There have been no material events since the balance sheet date.

KPMG LLP's independent auditor's report to the members of 3i Group plc

1. Our opinion is unmodified

In our opinion:

- the financial statements of 3i Group plc give a true and fair view of the state of the Group and of the Parent Company's affairs as at 31 March 2026, and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006; and
- the Group and Parent Company financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

What our opinion covers

We have audited the Group and Parent Company financial statements of 3i Group plc ("the Company") for the year ended 31 March 2026 (FY2026) included in the Annual Report and Accounts, which comprise:

Group (3i Group plc and its subsidiaries)

- Consolidated statement of comprehensive income
- Consolidated statement of financial position
- Consolidated statement of changes in equity
- Consolidated cash flow statement
- Notes to the accounts, including the summary of material accounting policies

Parent Company (3i Group plc)

- Company statement of financial position
- Company statement of changes in equity
- Company cash flow statement
- Notes to the accounts, including the summary of material accounting policies

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion and matters included in this report are consistent with those discussed and included in our reporting to the Audit and Compliance Committee ("ACC").

We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with UK ethical requirements, including the FRC Ethical Standard as applied to listed public interest entities.

2. Overview of our audit

Factors driving our view of risks

Following our FY2025 audit, we have updated our risk assessment based on changes in the Group and the macroeconomic environment.

The global macro-economic and geopolitical environment continues to drive our risk assessment as it impacts both the performance of the portfolio companies, and the financial markets.

During the year, the global macroeconomic environment remained uncertain. Inflationary pressures moderated from previously elevated levels in a number of economies; however, interest rates remained relatively high in major economies, with only limited and cautious easing by certain central banks. Expectations regarding the future path of monetary policy continue to evolve in response to the macroeconomic and geopolitical developments.

Ongoing conflict in the Middle East contributed to elevated geopolitical risk during this period, especially around the year end, including disruptions to global supply chain and upward pressure on energy prices. These factors increased uncertainty around inflation and economic growth which contributed to intermittent volatility in listed and unlisted equity across global financial markets. The direct impact for 3i includes the volatility in the multiples of comparable companies and discount rates used to value portfolio companies.

The Group's largest investment, Action, has continued to grow primarily driven by new store openings, growth in like-for-like sales, and a focus on margin management. The rest of the portfolio companies delivered differing levels of performance, with some requiring additional support from 3i.

KPMG LLP’s independent auditor’s report to the members of 3i Group plc continued

The risk associated with the valuation of unquoted investments continues to be heightened and have resulted in significant judgement required from the Group in their selection of valuation inputs, particularly the key assumptions used. These key assumptions continue to be the focus of our audit and are outlined in greater detail in section 4.

Key Audit Matters (Group and Parent Company)	Vs FY2025	Items
Valuation of Unquoted Investments (Group and Parent Company)	↔	4.1
⊕ Newly identified risk	⬆ Increase in risk since FY2025	
↔ Similar risk to FY2025	⬇ Decrease in risk since FY2025	

Audit and compliance committee interaction

During the year, the ACC met 6 times, KPMG attended all ACC meetings, except those where the audit tender was discussed and are provided with an opportunity to meet with the ACC in private sessions without the Executive Directors being present. In addition, KPMG attended all Valuations Committee meetings.

For the Key Audit Matter, we have set out communications with the ACC in section 4, including matters that required particular judgement. The matters included in the Audit and Compliance Committee Chair’s report on page 130 are materially consistent with our observations of those meetings.

Our independence

We have fulfilled our ethical responsibilities and remain independent of the Group in accordance with UK ethical requirements, including the FRC Ethical Standard as applied to listed public interest entities.

We have not performed any non-audit services during the year ended 31 March 2026 or subsequently which are prohibited by the FRC Ethical Standard.

We were first appointed as auditor by the shareholders for the year ended 31 March 2021. The period of total uninterrupted engagement is for the six financial years ended 31 March 2026.

Total audit fee	£2.6m (FY2025: £2.4m)
Audit related fees (including interim review)	£0.4m (FY2025: £0.4m)
Non-audit fee as a % of total audit and audit related fee %	13% (FY2025: 14%)
Date first appointed	25 June 2020
Uninterrupted audit tenure	6 years

KPMG LLP's independent auditor's report to the members of 3i Group plc continued

Materiality (item 6 below)

The scope of our work is influenced by our view of materiality and our assessed risk of material misstatement.

We have determined overall materiality for the Group financial statements as a whole at £284m (FY2025: £195m) and for the Parent Company financial statements as a whole at £230m (FY2025: £194m).

Consistent with FY2025, we determined that Total Assets remains the benchmark for the Group as the valuation of the investment portfolio remains the key financial measure. As such, we based our Group materiality on Total Assets, of which it represents 0.88% (FY2025: 0.75%).

Materiality for the Parent Company financial statements was determined with reference to a benchmark of Parent Company Total Assets of which it represents 0.72% (FY2025: 0.76%).

Materiality levels used in our audit

Group Materiality (£m)



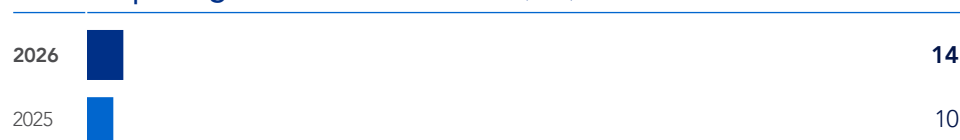
Group Performance Materiality (£m)



PLC Parent Company Materiality (£m)



AMPT Reporting Differences Threshold (£m)



Group scope (item 7 below)

We have performed risk assessment and planning procedures to determine which of the Group's components are likely to include risks of material misstatement to the Group financial statements.

We identified the group as a whole to be a single component, having considered our evaluation of the Group's operational structure, the Group's legal structure, the existence of common information systems, and our ability to perform audit procedures centrally.

Accordingly, we performed audit procedures on the single component. All procedures were performed by the Group team.

We consider the scope of our audit, as communicated to the ACC, to be an appropriate basis for our audit opinion.

The impact of climate change on our audit

In planning our audit, we have considered the potential impacts of climate change on the Group's business and its financial statements.

Climate change impacts the Group in a variety of ways including the impact of climate risk on investment valuations, potential reputational risk associated with the Group's delivery of its climate related initiatives, and greater emphasis on climate related narrative and disclosure in the annual report.

The Group's exposure to climate change is primarily through the portfolio companies, as the key valuation assumptions and estimates may be impacted by climate change risks.

We have performed a risk assessment of how the impact of climate change may affect the financial statements and our audit, in particular over the valuation of portfolio companies. Our assessment of the impact of climate change was limited to the valuation of unquoted investments.

For the biggest asset in the portfolio, Action, we read the company's sustainability report to understand the climate change risks and considered the impact on its valuation.

On the basis of the risk assessment procedures performed above, we concluded that, while climate change posed a risk to the determination of the valuation of portfolio companies due to the potential impact on the maintainability of valuation earnings or free cash flow forecasts, the risk was not significant when we considered the portfolio of investments. As a result, there was no material impact from this on our key audit matter.

We have also read the disclosure of climate related information in the front half of the annual report as set out on pages 68 to 81 and considered consistency with the financial statements and our audit knowledge. We have not been engaged to provide assurance over the accuracy of these disclosures.

KPMG LLP's independent auditor's report to the members of 3i Group plc continued

3. Going concern, viability and principal risks and uncertainties

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Parent Company or to cease their operations, and they have concluded that the Group's and the Parent Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

Going concern

We used our knowledge of the Group and Parent Company, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and Parent Company's financial resources or ability to continue operations over the going concern period. The risks that we considered most likely to adversely affect the Group's and Parent Company's available financial resources over this period were:

- Continued geopolitical tension and/or macro-economic downturn impacting the performance of portfolio companies, which may require the Group to provide further liquidity support, reduce dividend income and result in delays to the realisation of the Group's investments;
- A material downturn in performance of the Group's largest portfolio company, Action, resulting in a reduction in dividends or even requiring liquidity support; and
- A combination of the two scenarios.

We considered whether these risks could plausibly affect the liquidity in the going concern period by comparing severe, but plausible downside scenarios that could arise from these risks individually and collectively against the level of available financial resources indicated by the Group's financial forecasts. Our procedures also included an assessment of whether the going concern disclosure in Accounting Policy A to the financial statements gives a complete and accurate description of the Directors' assessment of going concern.

Accordingly, based on those procedures, we found the Directors' use of the going concern basis of accounting without any material uncertainty for the Group and Parent Company to be acceptable.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Parent Company will continue in operation.

Our conclusions

- We consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- We have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Parent Company's ability to continue as a going concern for the going concern period;
- We have nothing material to add or draw attention to in relation to the Directors' statement in Accounting Policy A to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and Parent Company's use of that basis for the going concern period, and we found the going concern disclosure in Accounting Policy A to be acceptable; and
- The related statement under the Listing Rules set out on page 170 is materially consistent with the financial statements and our audit knowledge.

Disclosures of emerging and principal risks and longer-term viability

Our responsibility

We are required to perform procedures to identify whether there is a material inconsistency between the Directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the Directors' confirmation within the Principal Risks and mitigations statement that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the Principal risks and mitigations disclosures describing these risks and how emerging risks are identified and explaining how they are being managed and mitigated; and
- the Directors' explanation in the Viability Statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the Viability statement set out on pages 139 and 140 under the Listing Rules.

KPMG LLP's independent auditor's report to the members of 3i Group plc continued

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions, and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and Parent Company's longer-term viability.

Our reporting

We have nothing material to add or draw attention to in relation to these disclosures.

We have concluded that these disclosures are materially consistent with the financial statements and our audit knowledge.

4. Key audit matters

What we mean

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on:

- the overall audit strategy;
- the allocation of resources in the audit; and
- directing the efforts of the engagement team.

We include below the Key Audit Matter together with our key audit procedures to address that matter and our results from those procedures. This matter was addressed, and our results are based on procedures undertaken, for the purpose of our audit of the financial statements as a whole. We do not provide a separate opinion on this matter.

4.1 Valuation of unquoted investments (Group and Parent Company)

Financial Statement Elements

	FY2026	FY2025
Unquoted investments – Group and parent	£20,053m	£17,500m
Investments in investment entity subsidiaries	£10,535m	£6,916m
Interests in group entities – Parent Company	£9,967m	£6,385m

Our assessment of risk vs FY2025



Our results

FY2026: Acceptable

Our assessment of the risk is similar to FY2025.

FY2025: Acceptable

Description of the Key Audit Matter

Subjective valuation

The investment portfolio comprises a number of unquoted investments. As these investments are unquoted and illiquid, the fair value is determined through the application of valuation techniques, which requires the exercise of significant judgement by the Group and Parent Company in relation to the assumptions and inputs into the valuation models.

The valuation of unquoted financial instruments are considered to have a significant risk due to fraud and error as they are driven by significant unobservable inputs, which present an opportunity for misstatement of financial statements due to significant judgement and related estimation uncertainty.

The key areas where we identified greater levels of judgement and therefore increased levels of audit focus in the Group's valuations are maintainable earnings and valuation multiples under the market approach, as well as the forecasted cash flow, discount rate and terminal value under the income approach.

We have determined that due to the subjective nature of the estimates required in the fair value measurement of unquoted investments and the associated high degree of estimation uncertainty, there is a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, and possibly many times that amount. The sensitivities related to the fair value of assets and liabilities are disclosed on pages 198 to 201.

KPMG LLP's independent auditor's report to the members of 3i Group plc continued

Our response to the risk

Control design: We assessed the design and implementation of the investment valuation processes and controls, as required by professional standards.

Benchmarking assumptions: We challenged the Group and Parent Company on key judgements affecting portfolio company valuations by comparing assumptions made to external sources such as management information received from portfolio companies. We used our understanding of the portfolio companies to assess the assumptions around maintainability of earnings, and the comparability of companies selected by management to calibrate their valuations multiple or the discount rate.

Our valuation expertise: For a sample of investments, selected based on audit materiality and the risk profile of each investment, we used our own valuations specialists to assist us in assessing the principles and appropriateness of the valuation methodology, critically challenging the key assumptions, and independently providing a reasonable range for earnings multiples and discount rates, where applicable.

Understanding of the business: For the largest asset in the portfolio, Action, we visited its Head Office in the Netherlands, and held discussions with Action's management and external audit team to understand the business strategy, key processes and controls, how accounting estimates are made, and any key audit findings.

Historical comparisons: We compared the actual performance or cash flows achieved by portfolio companies to the inputs used in the valuation model for the prior year to understand the reasons for any significant variances and determine whether they are indicative of bias and error in the Group's approach to valuations.

Assessing transparency: We considered the appropriateness, in accordance with relevant accounting standards, of the disclosures in respect of unquoted investments and the effect of changing one or more inputs to reasonably possible alternative valuation assumptions.

We performed the testing above rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described.

Communications with the 3i Group plc Audit and Compliance Committee and Valuations committee

Our discussions with and reporting to the Audit and Compliance Committee and the Valuations Committee included:

- Our approach to the audit of the fair value of the unquoted investment portfolio including details of our planned substantive procedures and the extent of our controls reliance;
- Our conclusions on the appropriateness of 3i's fair value methodology and policy;
- Our conclusions on the appropriateness of the valuation outcome for individual portfolio companies and, for the sample of investments where we were assisted by our valuation specialists, an indication of where the Group's valuation multiple and discount rate (where applicable) falls within our acceptable range;
- The adequacy of the sensitivity disclosures, particularly as they relate to valuation inputs; and
- Our assessment of whether any misstatement identified through these procedures was material.

Areas of particular auditor judgement

Auditor judgement is required to assess whether the Directors' estimate of the following key assumptions fall within an acceptable range:

- For assets valued using an earnings multiple approach:
- Determination of valuation multiples; and
- Determination of maintainable earnings (including any earnings adjustments).
- For assets valued using a discounted cash flow approach:
- Discount rate
- Projected cash flows
- Terminal value exit multiple, and
- Terminal value earnings

Our results

Based on the risk identified and our procedures performed, we consider the valuation of the unquoted investments to be acceptable (FY2025: acceptable).

Further information in the Annual Report and Accounts: The Audit and Compliance Committee Report on page 130 to 140 and the Valuation Committee report on page 141 to 145 outlines details on how the committees considered Valuation as an area of significant attention. The relevant accounting policy is disclosed on page 196, with the related financial statement disclosures included on page 198-201.

KPMG LLP's independent auditor's report to the members of 3i Group plc continued

5. Our ability to detect irregularities, and our response

Fraud – identifying and responding to risks of material misstatement due to fraud

Fraud risk assessment

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included the following:

- Meetings throughout the year with the Group General Counsel, internal audit and Head of Compliance at which we discussed the Group's policies and procedures to prevent and detect fraud. Additionally, we obtained and inspected associated supporting documentation such as:
 - Board and Audit and Compliance Committee minutes;
 - Internal audit reports;
 - Internal risk registers; and
 - Breaches register.
- Enquiries of executive directors, finance team, the Group General Counsel, the Head of Compliance, Internal Audit, and the Audit and Compliance Committee as to whether they have knowledge of any actual, suspected, or alleged fraud.
- Consideration of the Group's remuneration policies, key drivers for remuneration and bonus levels; and
- Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes audit partners and staff who have extensive experience of working with companies in the same sector as 3i operates, and this experience was relevant to the discussion about where fraud risks may arise.

Risk communications

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

Fraud risks

As required by auditing standards, and taking into account possible pressures to meet performance targets, we performed procedures to address the risk of management override of controls, in particular the risk that Group management may be in a position to make inappropriate accounting entries and the risk of bias in accounting estimates and judgements such as the valuation of the unquoted investment portfolio and investment entity subsidiaries.

On this audit we have not identified a significant risk of fraud related to revenue recognition because the Group has a relatively simple revenue model with no material estimation or judgement; the simple nature and low volume of individual revenue transactions means there is a remote risk of material misstatement from fraudulent manipulation, and opportunities for a material misstatement due to fraudulent revenue recognition are limited due to the nature of the portfolio income received.

We identified an additional fraud risk relating to the valuation of unquoted investments held on balance sheet and within investment entity subsidiaries. As these investments are unquoted and illiquid, they are valued using valuation techniques. Such techniques are subjective and involve the exercise of judgement by the Group and Parent Company over areas such as maintainability of earnings used in valuations, the determination of earnings multiples, and projected cash flows, discount factors and terminal values for discounted cash flow valuations. In addition, the valuation of unquoted investments drives the share price of the Group, which in turn drives remuneration of the Executive Directors, and is a key indicator for their performance. Due to the highly judgemental nature of these valuations, the reliance on unobservable inputs, and the linkage to Executive Directors' remuneration, we consider there to be increased risk of fraud in relation to the valuation of unquoted investment portfolio.

Link to KAMs

Further detail in respect to procedures performed over the valuation of unquoted investments is contained within the key audit matter disclosures in section 4.1 of this report.

Procedures to address fraud risks

We performed substantive audit procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included post close journals and journal entries we consider to represent high risks.
- Assessing significant accounting estimates, including valuation of unquoted investments and investment entity subsidiaries, for any indicators of management bias.

KPMG LLP's independent auditor's report to the members of 3i Group plc continued

Laws and regulations – identifying and responding to risks of material misstatement relating to compliance with laws and regulations

Laws and regulations risk assessment

Identifying and responding to risks of material misstatement related to compliance with laws and regulations.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Directors and other management (as required by auditing standards), and from inspection of the Group's regulatory and legal correspondence and discussed with the Directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Group is regulated and operates in a highly regulated environment, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements. Our assessment included inspection of key frameworks, policies and standards in place and understanding and evaluating the role of the compliance function in establishing these and monitoring compliance.

Risk communications

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

Direct laws context and link to audit

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including, financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation.

We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Most significant indirect law/regulation areas

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Group's license to operate in countries where the non-adherence to laws could prevent trading in such countries.

We identified the following areas as those most likely to have such an effect:

- Anti-bribery and corruption;
- Competition legislation;
- Regulatory capital and liquidity;
- Health and safety legislation;
- Market abuse regulations; and
- Certain aspects of company legislation recognising the financial and regulated nature of two of the Group's subsidiaries and their legal form.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

KPMG LLP's independent auditor's report to the members of 3i Group plc continued

6. Our determination of materiality

The scope of our audit was influenced by our application of materiality. We set quantitative thresholds and overlay qualitative considerations to help us determine the scope of our audit and the nature, timing and extent of our procedures, and in evaluating the effect of misstatements, both individually and in the aggregate, on the financial statements as a whole.

<p>£284m (FY2025: £195m)</p> <p>Materiality for the group financial statements as a whole</p>	<p>What we mean A quantitative reference for the purpose of planning and performing our audit.</p> <p>Basis for determining materiality and judgements applied Materiality for the Group financial statements as a whole was set at £284m (FY2025: £195m). Consistent with FY2025, we determined that Total Assets remains the main benchmark for the Group as the valuation of the investment portfolio remains the key financial measure.</p>	<p>Our Group materiality of £284m was determined by applying a percentage to the Total Assets. When using an asset related measure to determine overall materiality, KPMG's approach for listed public interest entities considers a guideline range 0.5% - 1% of the measure. In setting overall Group materiality, we applied a percentage of 0.88% (FY2025: 0.75%) to the benchmark.</p> <p>Materiality for the Parent Company financial statements as a whole was set at £230m (FY2025: £194m), determined with reference to a benchmark of Parent Company total assets, of which it represents 0.72% (FY2025: 0.76%).</p>
<p>£213m (FY2025: £146m)</p> <p>Performance materiality</p>	<p>What we mean Our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.</p> <p>Basis for determining performance materiality and judgements applied We have considered performance materiality at a level of 75% (FY2025: 75%) of materiality for 3i Group financial statements as a whole to be appropriate.</p>	<p>The Parent Company performance materiality was set at £172m (FY2025: £145m), which equates to 75% (FY2025: 75%) of materiality for the Parent Company financial statements as a whole.</p> <p>We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk.</p>
<p>£14.0m (FY2025: £9.7m)</p> <p>Audit misstatement posting threshold</p>	<p>What we mean This is the amount below which identified misstatements are considered to be clearly trivial from a quantitative point of view. We may become aware of misstatements below this threshold which could alter the nature, timing, and scope of our audit procedures, for example if we identify smaller misstatements which are indicators of fraud.</p> <p>This is also the amount above which all misstatements identified are communicated to 3i Group plc's Audit and Compliance Committee.</p>	<p>Basis for determining the audit misstatement posting threshold and judgements applied We set our audit misstatement posting threshold at 5% (FY2025: 5%) of our materiality for the Group financial statements. We also report to the Audit and Compliance Committee any other identified misstatements that warrant reporting on qualitative grounds.</p>

The overall materiality for the Group financial statements of £284m (FY2025: £195m) compares as follows to the main financial statement caption amounts:

	Total Gross investment income		Group profit for the year		Total Group Net Assets	
	FY2026	FY2025	FY2026	FY2025	FY2026	FY2025
Financial statement Caption	£5,496m	£5,062m	£5,294m	£5,038m	£30,887m	£24,611m
Group Materiality as % of caption	5.2%	3.9%	5.4%	3.9%	0.9%	0.8%

KPMG LLP's independent auditor's report to the members of 3i Group plc continued

7. The scope of our audit

Group scope

What we mean

How the Group audit team determined the procedures to be performed across the Group.

We performed risk assessment procedures to determine which of the Group's components are likely to include risk of material misstatement to the Group financial statements and which procedures to perform at these components to address those risks.

We identified the group as a whole to be a single component, having considered our evaluation of the Group's operational structure, the Group's legal structure, the existence of common information systems, and our ability to perform audit procedures centrally. Accordingly, we performed audit procedures on the single component. The Group auditor performed the audit of the Parent Company.

Impact of controls on our Group audit

In relation to the key audit matter communicated in section 4.1, we did not plan to rely on controls in our audit because we believe that either it is more effective to perform a predominantly substantive audit approach or the nature of the financial statement account balance is such that we would expect to obtain audit evidence primarily through substantive procedures.

The audit team has tested controls relating to the segregation of duties over journal posting to obtain further evidence supporting our assessment of the high-risk criteria, alongside our substantive procedures. We identified the Group's financial reporting system to be the main IT system relevant to our audit. We involved IT auditors to assist us in obtaining an understanding of the processes and controls within this financial reporting system as well as evaluating key automated controls in relation to journal entries, including the associated general IT controls. The findings identified in this process related to segregation of duties does not affect our planned audit approach.

Group audit team oversight

What we mean

The extent of the Group audit team's involvement in component audits.

As outlined above, we identified the Group as a single component. The Group engagement team performed audit procedures over this component and, as such, no component auditors were involved.

8. Other information in the annual report

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

All other information

Our responsibility

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge.

Our reporting

Based solely on that work we have not identified material misstatements or inconsistencies in the other information.

Strategic report and Directors' report

Our responsibility and reporting

Based solely on our work on the other information described above we report to you as follows:

- we have not identified material misstatements in the strategic report and the Directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

Our responsibility

We are required to form an opinion as to whether the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Our reporting

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

KPMG LLP's independent auditor's report to the members of 3i Group plc continued

Corporate governance disclosures

Our responsibility

We are required to perform procedures to identify whether there is a material inconsistency between the financial statements and our audit knowledge, and:

- the Directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;
- the section of the annual report describing the work of the Audit and Compliance Committee, including the significant issues that the Audit and Compliance Committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems.

Our reporting

Based on those procedures, we have concluded that each of these disclosures is materially consistent with the financial statements and our audit knowledge.

We are also required to review the part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the Listing Rules for our review.

Our reporting

We have nothing to report in this respect.

Other matters on which we are required to report by exception

Our responsibility

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Our reporting

We have nothing to report in these respects.

9. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 176, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The Company is required to include these financial statements in an annual financial report prepared using the single electronic reporting format specified in the TD ESEF Regulation. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with that format.

10. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Fang Fang Zhou (Senior Statutory Auditor) for and on behalf of KPMG LLP, Statutory Auditor

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 13 May 2026