



## Our purpose

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

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

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

## FY2026 Performance highlights

Another strong year for 3i driven by long-term compounding growth across our portfolio.

22%

Total return as a % of opening shareholders' funds in the 12 months to 31 March 2026

(2025: 25%)

84.5p

Dividend per share

(2025: 73.0p)

£31.8bn

Investment portfolio value as at 31 March 2026

(31 March 2025: £25.6bn)

£44.3bn

Total assets under management as at 31 March 2026

(31 March 2025: £38.7bn)

# An outstanding track record of growth since 2012

# 3,030p

NAV per share  
as at 31 March 2026

# +986%

Percentage growth in  
NAV per share  
(FY2012 – FY2026)

# £5.4bn

Total dividend distributions  
to shareholders since the  
June 2012 restructuring<sup>1</sup>

# +18%

CAGR annual dividend  
(FY2012 – FY2026)

<sup>1</sup> Includes the second FY2026 proposed dividend of 84.5 pence per share.

NAV per share FY2012 – FY2026 (pence)



Total dividend per share FY2012 – FY2026 (pence)



# Chair's statement



**FY2026 saw 3i deliver another year of consistent execution against its strategy, driving long-term growth for shareholders despite market volatility and geopolitical uncertainty.**



**David Hutchison**  
Chair



FY2026 was another year of consistent execution against our strategy, with total return again exceeding 20% and net assets surpassing £30 billion. This outcome was driven by the continued compounding growth of Action and Royal Sanders, disciplined capital allocation into our best investments, and attractive returns from exits across our portfolio, against heightened geopolitical uncertainty and a continued challenging global economy.

## Performance and market environment

In our financial year to 31 March 2026 ("FY2026"), the Group generated a total return of £5,304 million (2025: £5,049 million) or 22% (2025: 25%) on opening shareholders' funds. Net asset value ("NAV") increased to 3,030 pence per share (31 March 2025: 2,542 pence per share).

Global economic conditions during the year were largely shaped by geopolitical developments. In our principal markets, Europe experienced subdued growth while the US economy showed relative resilience. Against this backdrop, consumers remained highly value-conscious, with discretionary spending tightly managed.

In 2025, Action continued to deliver its winning formula and execute its expansion strategy impressively. It delivered another year of strong key operating metrics, which compare well against its most relevant peers, and achieved expansion into two new countries in a single year, alongside a record number of store openings across 14 countries. Action entered its fifteenth country in early 2026. Reflecting our long-term conviction, we increased our equity stake in Action meaningfully during the year, through a combination of cash and non-cash consideration, including the issuance of 3i Group plc shares, with total investment of £2.6 billion.

Action remained the principal driver of the Group's return in FY2026. Royal Sanders, another long-term holding, delivered a strong performance and continued to play a key role as a consolidator in the fragmented private label and contract manufacturing personal care market.

Across the broader portfolio, consumer and private label was our best performing sector in the year. We saw positive contributions from our healthcare, services and software and industrial sectors, with only a small number of assets delivering softer performance, largely reflecting asset-specific issues or end-market conditions. We continue to monitor rapid developments in artificial intelligence ("AI") closely, and our current direct exposure to the software sector is limited.



[Action case study see pages 26-33](#)

## Chair's statement continued

Our investment activity remained focused on further investment in several of the strongest assets within our portfolio. We continued our strong track record of delivering realisations at money multiples of over 2x our invested capital across both Private Equity and 3i Infrastructure plc ("3iN"), with the disposals of MPM, MAIT and TCR. These transactions highlight sustained demand for high-quality assets despite ongoing caution in the market.

### Dividend

Our policy is to maintain or grow the dividend year on year, subject to the strength of our balance sheet and the outlook for investments and realisations. Cash generation remains strong, with cash inflows of £1.9 billion from our portfolio companies in FY2026.

In line with our policy and in recognition of the Group's financial performance, the Board recommends a second FY2026 dividend of 48.0 pence (2025: 42.5 pence), subject to shareholder approval, which will take the total dividend to 84.5 pence (2025: 73.0 pence). Based on the recommended dividend and the expected payment in July 2026, we will have paid a total of £5.4 billion to shareholders in dividends since our restructuring was announced in June 2012, growing our total dividend by a compound annual growth rate of 18% over this period.

### Board and people

After serving as a non-executive Director for over nine years, Stephen Daintith will not be standing for re-election at the 2026 AGM and accordingly will retire from the Board at the end of that Meeting. I would like to thank him for his contribution to the Board and chairing of the Audit and Compliance Committee. I am pleased to confirm that Hemant Patel will become the next Chair of the Audit and Compliance Committee.

### Sustainability

Managing sustainability-related risks, alongside the opportunities arising from embedding sustainability considerations into the long-term development of our portfolio companies, remains integral to protecting and enhancing portfolio value.

We welcomed the validation of our near-term science-based emissions reduction targets ("science-based targets") in FY2024 and note the strong progress achieved across all of them, including the early delivery of our portfolio engagement target. The Board continues to enhance its oversight of climate-related risks to ensure these are systematically integrated into investment processes and portfolio management practices.

### Outlook

The Group's performance in FY2026 was underpinned by our two high-quality long-term hold assets delivering consistent compounding growth and a broader portfolio that has, once again, demonstrated resilience through periods of uncertainty and disruption. This performance provides a strong foundation as we enter FY2027 against an increasingly uncertain geopolitical backdrop.

We are committed to allocating capital efficiently and in the best interests of shareholders to drive sustainable long-term returns. Our capital management approach incorporates our disciplined focus on new investments and realisations, further investment in existing portfolio companies when opportunities arise, and the active management of our own capital structure.

Despite the progress in the year, the Board is conscious that the second half of the year has been challenging for shareholders, as the share price has adjusted from the significant premium to NAV that had built up, particularly over the preceding two years. Our focus is, as it has been since 2012, on building sustainable value in the portfolio as measured by growth in NAV and dividends per share, where the benefits of compounding returns accrue to shareholders over the long term.

FY2026 was another year of consistent delivery of returns in excess of our 15% return target per annum, whilst the performance of the portfolio underpins our confidence for the future.

**David Hutchison**

Chair  
13 May 2026

### Alternative Performance Measure ("APM")

3i prepares its statutory financial statements in accordance with UK-adopted international accounting standards. However, we also report a non-GAAP "Investment basis" which we believe aids users of our report to assess the Group's underlying operating performance. The Investment basis is an APM and is described on page 88. Total return, which is defined as Total comprehensive income for the year and net assets are the same under the Investment basis and IFRS and we provide a reconciliation of our Investment basis financial statements to the IFRS statements from page 89. We assess our performance using a variety of measures that are not specifically defined under IFRS and are therefore termed APMs. These include: gross investment return ("GIR") as a percentage of opening value, cash realisations, cash investment, operating cash profit, net (debt)/cash and gearing. These APMs are referred to throughout the report and their purpose, calculation and reconciliation to IFRS can be found on page 93.

## The shape of our business

3i is an investment company specialising in Private Equity and Infrastructure, investing in mid-market companies headquartered in Europe and North America. We focus on building a portfolio that compounds value over the long term, delivering consistent returns for shareholders across market cycles.

3i Group investment portfolio as at 31 March 2026



# The shape of our business continued

## Long-term hold portfolio companies

### Action

Action is one of the largest non-food discount retailers in Europe. At the end of P3 2026 (29 March 2026), Action had 3,335 stores. Action offers its customers an ever-changing variety of over 6,000 good quality products at the lowest price. Following our initial investment in 2011, we have actively managed Action through European expansion from one country to 15 countries under our ownership. The business achieved net sales of €16 billion in 2025. At 31 March 2026, our investment in Action formed 75% of total portfolio value. The business has returned £5.8 billion of cash proceeds over our holding period.

£23.7bn

Valuation at 31 March 2026

£1.2bn

Cash proceeds received in FY2026

### Royal Sanders

Royal Sanders is a leading European private label and contract manufacturing producer of personal care products. Following our investment in 2018, we have supported Royal Sanders in expanding its position as a best-in-class operator in its sector, consolidating a fragmented industry with nine bolt-on acquisitions under our ownership.

£1.2bn

Valuation at 31 March 2026

## Private Equity

Our Private Equity business is funded principally from our proprietary capital, with additional funding from co-investors for selected assets. Its principal focus is to generate attractive capital returns.

[Private Equity](#) see pages 25-42

£29.7bn

Portfolio value (including long-term hold portfolio companies) at 31 March 2026

£1.8bn

Total cash proceeds received (including long-term hold portfolio companies) in FY2026

## Infrastructure

Our Infrastructure business manages assets on behalf of third-party investors and 3i's proprietary capital, with the objective of generating attractive capital returns and earning fund management fees and portfolio income for the Group.

[Infrastructure](#) see pages 43-47

£6.9bn

Assets under management ("AUM") at 31 March 2026

£104m

Total cash income in FY2026

### Sectors

- Consumer & Private label
- Healthcare
- Industrial
- Services & Software

### Sectors

- Communications
- Energy
- Transport & Logistics
- Utilities
- Social Infrastructure



## Chief Executive's statement



**In FY2026, we generated a total return on shareholders' funds of £5,304 million, or 22%, closing the year with a NAV per share of 3,030 pence. Over the last 14 years, we have grown NAV per share by 986%, demonstrating our success in compounding value through volatile market cycles and generating attractive long-term returns for our shareholders.**



**Simon Borrows**  
Chief Executive



Against a backdrop of heightened geopolitical tensions and a lower growth environment, particularly in Europe, we delivered another strong performance in FY2026, underpinned by the continued compounding growth of our long-term hold assets, Action and Royal Sanders.

Action's strong track record and compelling growth journey continued in 2025. The business once again delivered year-on-year top line growth and increased profitability, while accelerating its international store rollout, opening a record number of new stores and, for the first time, entering two new countries in a single year.

Expansion momentum continued into early 2026 with entry into its fifteenth country and the business has significant further international expansion potential. We continue to have strong conviction in Action, reflected in the allocation of significant additional 3i capital to increase our stake during the year.

Royal Sanders is also experiencing robust momentum, achieving another year of top-line growth and continuing to execute its value-accretive buy-and-build strategy.

Across our remaining portfolio, we are seeing a number of standout performers in our consumer and private label sector, while our other sectors remain resilient. Our realisation activity continues to demonstrate our ability to crystallise strong outcomes for shareholders in cautious markets, with three exits from Private Equity and 3iN at money multiples materially above our 2x target.

## Chief Executive's statement continued

We have held many of our portfolio companies over a number of years through disruption and uncertainty, including the pandemic and Russia's invasion of Ukraine. Throughout these periods, our portfolios have demonstrated resilience, and the experience we have gained through these times, and the active management approach we have taken, position us well to assess and respond quickly to any potential impacts from recent geopolitical developments. Across our portfolio, we have limited direct exposure to the Middle East through either portfolio company operations or revenue generation. However, we continue to monitor both direct and indirect impacts, particularly in the event of an extended period of disruption.

Action remained the significant driver of the Group's financial performance in FY2026. In 2025, Action delivered another year of impressive earnings growth despite a more cautious consumer backdrop in France, its largest market. Store expansion continued at pace, with the business achieving several key rollout milestones. International store rollout is central to Action's long-term growth strategy, and it has significant white space potential remaining across Europe. Following an in-depth market study, the business has announced a strategic decision to enter the US in late 2027 or early 2028.

### Private Equity performance

In the year to 31 March 2026, our Private Equity portfolio, including Action, generated a GIR of £5,303 million, or 23% on opening value (2025: £5,113 million or 26%). In the last 12 months ("LTM") to 31 December 2025, 96% of our portfolio companies by value grew earnings.

### Long-term hold portfolio companies

#### Action

Action generated a GIR of £4,510 million, or 25%, on its opening value, as it delivered another year of strong performance.

Action's winning formula and customer proposition of offering good-quality products at the lowest prices continues to prove highly compelling to its customers, reflected in a record-breaking year in 2025 for customer visits, with an average of 21.6 million each week.

#### Action 2025 financial performance

In the 52 weeks to 28 December 2025, Action generated net sales of €16,000 million (2024: €13,781 million), representing growth of 16% year-on-year. Like-for-like ("LFL") sales growth was 4.9% (2024: 10.3%), driven primarily by growth in transaction volumes.

Action saw LFL sales growth across all of its markets in 2025, with particularly strong performance in its Central and Eastern and Southern European markets. In the Netherlands, Action's most mature market, it delivered an above-average LFL performance, proving the strength and relevance of its formula in an established market. However, the overall LFL performance for the year was moderated by relatively weaker trading in France, Action's largest market. Excluding France, LFL sales growth for Action was 7.2% in 2025. In France, LFL sales growth was 1.3% reflecting a number of headwinds, including underlying consumer caution and increased competition and promotional intensity across the retail sector.

Action's operating EBITDA over the same period was €2,367 million (2024: €2,076 million), 14% ahead of 2024. The operating EBITDA margin for the year was 14.8%. After adding back the one-off payment of €26 million made to staff during the year to celebrate Action's 3,000th store, the EBITDA margin was 15.0%.

### Action store expansion and distribution network

Action once again delivered record store expansion in 2025, adding 384 net new stores and surpassing 3,000 locations. As at 28 December 2025, the business operated 3,302 stores across 14 European countries. The year also marked Action's entry into Switzerland and Romania, its first expansion into two new markets within a single year. Performance in both geographies has been encouraging and reinforces our confidence in the continued scalability of the format across Europe. Since entering Italy in 2021 and Spain in 2022, Action has opened more than 320 stores in the two countries combined. In March 2026, Action opened its first store in Croatia, its fifteenth country. In the first three periods of 2026 (P3 2026 ending 29 March 2026), Action added a further 33 net new stores, meaning the business had 3,335 stores across 15 countries at that date.

Action's estimate of additional white space potential in existing and identified in-scope European countries is c.4,650 stores as at the end of 2025, including the addition of Croatia and Slovenia as new countries in 2026 and Bulgaria in 2027.

Action continued to strengthen its supply chain infrastructure during the year, opening three new distribution centres ("DCs") in Wallersdorf (Germany), Dunikowo (Poland) and Novara (Italy). As a result, the total DC network now stands at 18 across Europe, with plans to open a further three DCs in 2026 in France, Italy and Spain, to facilitate its further store growth.

## Chief Executive's statement continued

### 3i Group transaction activity with Action

During the year, we continued to increase our stake in Action, completing a number of separate transactions. In September 2025 and January 2026, we acquired approximately 5.1% of Action's equity from GIC in exchange for the issuance of new ordinary shares in 3i Group plc, representing an equivalent consideration of £1.7 billion.

In October 2025, following a further successful refinancing and capital restructuring at Action which returned £944 million of gross proceeds to 3i, we redeployed £755 million to acquire an additional 2.2% stake from existing LPs. In addition, we took the opportunity to acquire additional stakes in Action investing a further £72 million during the year.

As a result of all of these transactions, we increased our equity stake in Action from 57.9% to 65.4%.

In addition to the refinancing, Action also repriced €3.1 billion of its existing term-loan debt, extending the maturity of a portion of the debt and generating an annual interest cost saving of €14 million.

Action continues to generate strong cashflow, achieving an 83% cash conversion of EBITDA in 2025. The business made a dividend distribution to all shareholders in December 2025, returning £246 million to 3i. In total, 3i received £1.2 billion in cash from Action in FY2026. Action had a cash balance of €751 million as of 29 March 2026 and a net debt to run-rate EBITDA ratio of 2.8x. In May 2026, Action approved a further dividend distribution to all shareholders, expected to return c. £255 million to 3i.

### IN FOCUS ACTION



> Action case study see pages 26-33



**Our largest investment, Action, is an example of our strategy of compounding value over the long term.**



**Simon Borrows**  
Chief Executive

Net sales 2025

**€16.0bn**

+16% vs LY

Operating EBITDA 2025

**€2,367m**

+14% vs LY

Net new stores 2025

**+384**

+352 in 2024

Action's geographic footprint (countries)

**15**

Number of Action distribution centres

**18**

## Chief Executive's statement continued

### 3i Group valuation of Action

At 31 March 2026, we valued our 65.4% stake in Action at £23,743 million. Our approach to the valuation of Action remains consistent. The valuation reflects the continued strong growth in Action's LTM run-rate EBITDA, its low leverage and an unchanged LTM run-rate EBITDA valuation multiple of 18.5x, net of the liquidity discount. Further detail on the Action run-rate EBITDA methodology can be found on page 29. We continue to benchmark our long-term, through-the-cycle view on Action's multiple against a broad peer group of discounters, with a higher weighting towards the top-quartile subset of North American value-for-money retailers, noting that Action's operating KPIs continue to compare strongly against its peer group.

In addition, the transactions we completed in Action during the year have involved third-party investors, including a number of existing LPs in the 2020 Co-Investment Programme, both selling and buying stakes in Action, providing validation of our valuation methodology and our assessment of Action's fair value. Each of these transactions were executed at the previous published valuation at that date.

### Action performance in the first three periods of 2026

In the first three periods of 2026, Action delivered net sales of €4,010 million and operating EBITDA of €498 million, 14% and 7% ahead of the same period last year. LFL sales growth was 3.6%, impacted by poor weather conditions in Northern Europe in Q1. The operating EBITDA margin was 12.4%. Action's trading is typically weighted to the second half of its financial year, with most new store openings taking place in the final quarter.

### Royal Sanders

Royal Sanders continued to strengthen its position as a leading European personal care platform in 2025, delivering another year of robust growth, supported by above market performance from its key customers. A core pillar of our investment thesis in Royal Sanders remains its role as a consolidator in the personal care market, with nine acquisitions completed under our ownership, including the acquisition of Vendoleo in December 2025. These acquisitions have been highly value-accretive and have consistently exceeded expectations, with a strong pipeline of further potential opportunities identified for the coming years. We made a further investment of £56 million during the year, reflecting our continued confidence in the long-term potential of the business.

### Private Equity portfolio companies

#### Consumer and private label portfolio companies

**Audley Travel** delivered a strong result in 2025, supported by demand for premium tailor-made travel, despite a more cautious backdrop in some long-haul markets. The business benefited from operational improvements and will soon launch new technology initiatives aimed at enhancing both the customer journey and the overall service experience. Despite a largely flat online lighting market, **Luqom's** positive momentum continued in 2025, benefiting from a differentiated lighting product range and clear operational progress, which has enabled it to strengthen its market position. **European Bakery Group** ("EBG") demonstrated its resilience in an environment of rising input costs and evolving customer demand. It strengthened its footprint with the acquisition of a significant production site in Germany in March 2026, adding extra capacity, as well as new customer contracts. We recognised a dividend of £8 million from the business at the end of FY2026.

## Chief Executive's statement continued

### Healthcare portfolio companies

**Cirtec Medical** delivered a broadly stable performance in 2025, while managing a significant product transition to a customer's next-generation device, which we reflected in a modestly lower valuation at 31 March 2026. The business continues to build good momentum across new customer programmes and is well positioned in what remains a high-growth end market.

With the bioprocessing market returning to growth and demand strengthening across key end markets, **SaniSure** ended 2025 with impressive momentum, following strong operational execution and commercial traction with major biopharmaceutical partners. This progress is reflected in a high-quality, full pipeline across its product offering.

The **ten23 health** development lab in Basel and the fill-finish lines in Visp continued to perform well in 2025, supported by strong demand for pre-filled syringes, cartridges and other specialised injectable formats. Further production capacity is expected to come online across its second site in Visp in 2027. We invested a further £37 million in the year. The remaining vascular business of **Q Holding**, Q Medical Devices, saw sustained demand in the year, driven by customer launches.

### Industrial portfolio companies

**Tato's** trading was broadly flat in 2025, with early momentum in the first quarter of the year easing as weaker volumes and more competitive markets impacted performance from the second quarter. Across its global footprint, solid growth in China, Mexico and India was offset by a weaker US outcome and flat trading in Europe. **AES** delivered a steady year with solid operational performance and continued strategic progress, with significant investment in factory capacity, robotics and new technology that will further improve its product and service offerings over the longer term. Both Tato and AES remain highly cash generative, and we received a total of £27 million of dividends in FY2026.

### Services and Software portfolio companies

**Evernex** saw strong commercial momentum, underpinned by good performance in its core third-party maintenance services. The business also continued its buy-and-build strategy, completing the acquisitions of Sunrise Technologies in Morocco and Comptest in Poland. **OMS Prüfservice** outperformed the wider German testing market in 2025, with robust demand in its core testing segments, and returned £32 million of cash funding to 3i in just one year since our initial investment.

**xSuite's** move to a subscription model progressed well in 2025, with approximately two thirds of revenue now from recurring sales. Its core product, accounts payable invoice automation, is deeply rooted in customers' finance systems, which currently makes it less exposed to the AI-driven pressure affecting the wider software market. We have nevertheless reflected the broader market de-rating in our valuation of this asset. The recruitment market has continued to be muted. As a result, **Wilson** continues to experience challenging trading conditions.

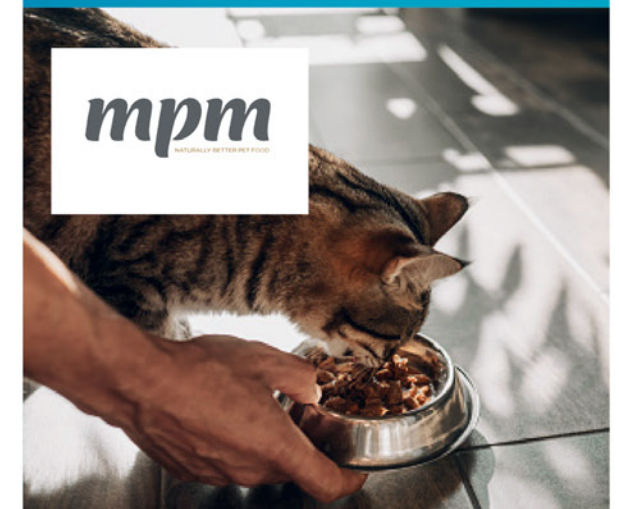
### IN FOCUS MPM

Total proceeds to 3i  
**£395m**

Sterling money multiple  
**3.2x**

IRR  
**28%**

[MPM case study](#) see page 38



## Chief Executive's statement continued

### Private Equity realisations

We completed two significant Private Equity realisations in FY2026, generating total proceeds of £542 million.

In September 2025, we completed the sale of **MPM**, generating proceeds of £395 million. Since our investment in December 2020, MPM more than doubled sales and EBITDA, materially expanded its international footprint and strengthened its omnichannel platform, with strong growth across pet specialty, food, drug, mass retail and online channels. The business also invested in brand development, product innovation and operational capability, further enhancing its position as a premium product. The transaction delivered an 18% uplift to the 31 March 2025 valuation, a 3.2x money multiple and a 28% IRR.

In November 2025, we completed the sale of **MAIT**, generating proceeds of £147 million. Since our investment in 2021, MAIT has delivered strong organic growth and completed 14 acquisitions, strengthening its position as a leading IT solutions provider to the manufacturing mid market. EBITDA more than doubled over the period, with a significant increase in recurring revenues. The transaction delivered a 34% uplift to the 31 March 2025 valuation, a 2.8x money multiple and a 28% IRR.

[Investment and realisation activity](#) from page 36

### Infrastructure performance

In the year to 31 March 2026, our Infrastructure portfolio generated a GIR of £106 million, or 7% on the opening portfolio value (2025: £52 million, 3%) reflecting a 5% increase in 3iN's share price to 333 pence at 31 March 2026 (31 March 2025: 318 pence) and a good level of dividend income.

In the year to 31 March 2026, 3iN generated a total return on opening NAV of 8.5%, continuing its consistent track record of returns in line or above its 8–10% target range. This performance reflects the work of 3i's highly experienced infrastructure investment team and a strong infrastructure portfolio. The primary driver of 3iN's return was the announced realisation of **TCR** in the year. This realisation is expected to generate proceeds of €1.6 billion for 3iN and 3i managed funds. Of these total proceeds, 3iN will receive €1,140 million, representing a c.50% uplift on its 31 March 2025 value. TCR has been an excellent investment for 3iN, more than doubling the number of airports in which it operates and completing six bolt-on acquisitions to drive growth and expand into new markets. Upon completion, a portion of the TCR proceeds are expected to be recycled into 3iN's new investment of **Lefdal Mine Datacenter**, a high quality data centre campus on the west coast of Norway.

#### IN FOCUS MAIT

Total proceeds to 3i

£147m

Sterling money multiple

2.8x

IRR

28%

[MAIT case study](#) see page 37



## Chief Executive's statement continued

3iN's result was achieved notwithstanding a material write-down of **DNS:NET**, which has been adversely affected by the deterioration in the financing environment for fibre roll-out in Germany.

Our proprietary capital investment in **Smarte Group** (formerly Smarte Carte) saw resilient trading in 2025, as good performance across its international carts, lockers and ancillary airport service segments offset weaker US carts performance. Across the North American Infrastructure Fund, we received cash proceeds of £17 million, primarily from Regional Rail following its refinancing in March 2026.

### Scandlines performance

Scandlines delivered a resilient result in FY2026, and our investment generated a GIR of £55 million, or 10% of opening portfolio value (2025: £46 million, 9%). Leisure performed well, offsetting softer freight volumes as demand continues to be affected by the weakened economic situation in Germany and Scandinavia. Scandlines remains highly cash generative with strong cash conversion and we received dividends of £21 million in FY2026.

### Sustainability

The climate agenda remains central to our sustainability activities, and we have made strong progress across all three of our science-based targets. We have achieved our FY2028 portfolio engagement target early. This target required us to use our influence to encourage our portfolio companies to set their own science-based targets. To date, ten portfolio companies across our portfolios (including 3iN portfolio companies), representing 52% of 3i's invested capital, have set approved science-based targets, with seven already demonstrating meaningful reductions in emissions.

We have also continued to strengthen our assessment of climate-related risks and opportunities within our investment and portfolio management processes, with particular emphasis this year on physical climate risks. This work, alongside our science-based targets, supports portfolio companies in implementing appropriate mitigation measures to address the wide range of operational, commercial and reputational risks associated with climate change. Beyond climate, we have maintained our focus on supporting portfolio companies in effectively identifying and managing their most material sustainability-related issues.

### Charitable donations

We continue to support charities which relieve poverty, address homelessness, promote education and youth development and support elderly and disabled people. We donated £1.2 million across these initiatives as part of our ordinary charitable activities. Our portfolio companies also supported a variety of charities relevant to them and their operations, with donations totalling £6.7 million.

### IN FOCUS TCR

Expected realised proceeds for 3iN and 3i managed funds

€1.6bn

Money multiple<sup>1</sup>

3.6x

Gross realised IRR<sup>1</sup>

20%

<sup>1</sup> Return on 3iN's stake

[TCR case study see page 45](#)



## Chief Executive's statement continued

### Balance sheet and foreign exchange movement

We ended FY2026 with net debt of £547 million and 2% gearing, after returning £765 million of cash dividends to shareholders in the year. During the year, we refinanced our existing £900 million revolving credit facility ("RCF") with a new five-year £1.2 billion facility at improved pricing. As a result, our liquidity at 31 March 2026, including our undrawn RCF, was £1,864 million. We remain disciplined on costs and generated an operating cash profit of £276 million in the year.

As a result of the two share issuance transactions in the year, we increased the number of 3i Group plc shares in issue by 51 million.

Due to sterling weakening against the euro and strengthening against the US dollar in the year, we recorded a total foreign exchange translation gain of £786 million (March 2025: £259 million loss), including a loss on foreign exchange hedging of £14 million (March 2025: £82 million gain).

On 14 May 2026, the Company announced that it will commence a share buyback programme of its ordinary shares of 73 19/22p each for up to a maximum aggregate consideration of £750 million, to be completed by no later than 31 December 2026.

### 3i share price volatility

For the first time since the pandemic, our share price declined materially in the second half of FY2026, after several years of very strong share price growth. In our view, this performance does not reflect the strong returns delivered during the year or the Company's long-term potential. We acknowledge that share price progression in public markets is not always linear, and our confidence in the long-term compounding potential of Action and the opportunities within the wider portfolio is undiminished. We believe we are well positioned to continue to deliver strong returns for our shareholders over time.

### Outlook

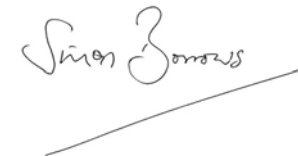
I said last year that the market environment would remain complex with heightened geopolitical uncertainty. This turned out to be a good general description of the complex backdrop we operated in for FY2026 and continues to set the tone for the year to come, as the duration and indirect impacts from the Middle East situation remain uncertain.

FY2026 was another good year for 3i with strong contributions from each of Action, the broader Private Equity portfolio and Infrastructure. The market environment remains complex with heightened geopolitical risk from the unresolved Middle East situation in particular. As a result, we expect to see an increase in inflation over the coming months. Action continues to differentiate itself from its competitors with its continued focus on quality at the lowest price, which has made it a consumer favourite across Europe. Its growth story is underpinned by the combination of a powerful, multi-year, store roll-out programme into significant white space potential and compounding in LFL sales growth, with some of the best store economics we have seen in a retail concept.

Across the rest of the portfolio we are also seeing some good momentum and, while we are cautious about the potential for an active M&A market, we will continue to focus on new investments where the balance of risk and return is in our favour.

The announcement of our buyback programme reinforces our consistent focus on optimising value creation. In addition, our focus on active asset management across the portfolio has served us well over many years and gives us confidence in our ability to continue to compound returns for 3i shareholders both this year and over the long term.

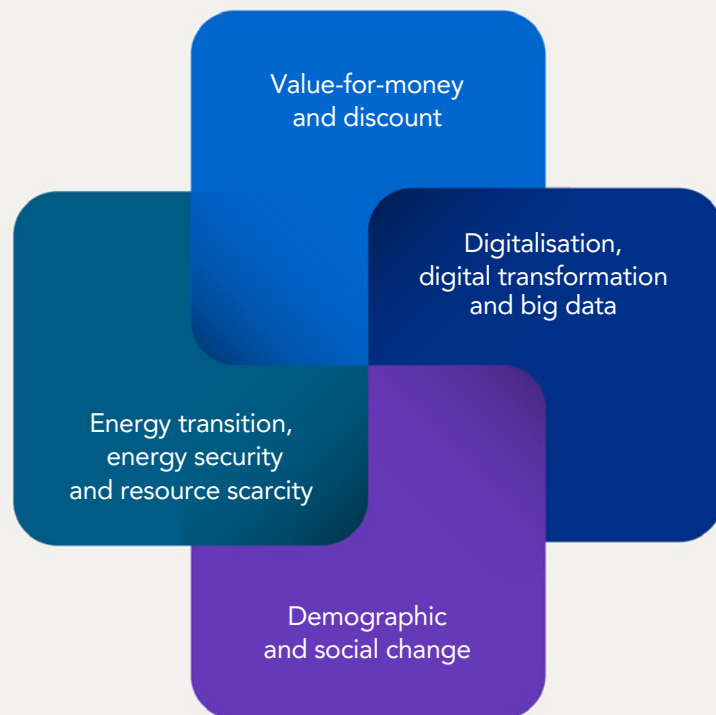
I would like to close by thanking the team at 3i and the teams in our portfolio companies for another year of strong performance.



**Simon Borrows**  
Chief Executive  
13 May 2026

## Our thematic approach

We adopt a thematic approach to origination and portfolio construction, backing businesses that benefit from structural trends which can support long-term sustainable growth.



## Value-for-money and discount

Over many years, we have seen a marked shift in customer preference towards value-oriented propositions, driven by a combination of economic, geopolitical and behavioural factors.

Ongoing macroeconomic pressures, including inflation, higher interest rates and subdued real wage growth, alongside heightened geopolitical uncertainty and supply chain disruption, have made consumers more value-conscious. At the same time, the continued expansion of discount retailers, able to offer quality essentials at competitive prices, has supported the rise of the 'smart shopper'. Together, these dynamics have underpinned a structural shift towards value-focused models.

In an environment of persistent uncertainty, consumers remain selective, prioritising quality and affordability, often at the expense of traditional brand loyalty.

We believe these behaviours, further embedded during the recent cost of living crisis and subsequent macroeconomic volatility, are likely to endure. This is consistent with consumer patterns observed during and immediately following the 2007-2008 financial crisis, when similar dynamics proved resilient over time.



## Our thematic approach continued

### Digitalisation, digital transformation and big data

Digital transformation uses data to drive innovation and efficiency, enhance decision-making, and support sustainable, long-term growth.

Technological advancement continues to reshape operating models across sectors. Digitalisation is now embedded in everyday life, extending across all aspects of economic and social interaction. Recent geopolitical developments and evolving regulatory frameworks, alongside increased focus on supply chain resilience and data sovereignty, have further increased the strategic importance of digital capabilities. At the same time, digital technologies remain closely linked to climate objectives, and are a precondition for many decarbonisation pathways.

The rapid advancement of AI is accelerating these trends, unlocking opportunities that were previously unavailable. However, the benefits of this transformation are not evenly distributed. Certain sectors remain exposed to disruption, while parts of society risk exclusion, underscoring the importance of resilient and inclusive digital strategies.



### Demographic and social change

Ageing populations are projected to cause significant social change in our investment markets.

Rising life expectancy and declining birth rates across many of our core geographies are leading to older, and in some cases contracting, populations, alongside increasing generational imbalances. These structural, long-term dynamics are causing pressures on healthcare and pension systems, changes in labour markets and, in certain regions, on migration patterns. Together, these factors are reshaping consumer behaviour and preferences, while also prompting policy responses and increased research to address the challenges associated with greater longevity and the growing prevalence of age-related chronic conditions.



### Energy transition, energy security and resource scarcity

The response to climate change and broader environmental challenges remains a defining theme of our time.

The transition towards a low-carbon economy is progressing, albeit unevenly across regions, influenced by shifting policy priorities, energy security considerations and evolving geopolitical dynamics, including recent developments in the Middle East. These factors continue to reinforce the focus on energy resilience, while continuing to drive demand for affordable, reliable and cleaner energy, alongside related infrastructure and services. At the same time, increasing resource scarcity and environmental pressures are prompting governments, businesses and consumers to accelerate the adoption of more sustainable consumption models. These approaches, which emphasise circularity and the more efficient use of shared resources, also offer the potential for meaningful cost efficiencies over the long term.



1 infinis and Future Biogas are 3iN assets

## Our business model

We aim to compound value over time by investing in mid-market companies to create a diverse portfolio. Our proprietary capital allows us the flexibility to hold assets over a medium to long-term investment horizon, if required to maximise shareholder value.



## Our investment approach

### Careful portfolio construction

We approach portfolio construction with great care, with a focus on resilience across market cycles, and target sectors and regions where we have deep expertise, strong networks, and a proven track record. Our strategy remains flexible, adapting to market shifts, regulatory changes, and broader societal and environmental trends. We screen investment opportunities against our Responsible Investment policy and embed an assessment of sustainability risks and opportunities across our investment and portfolio management processes. Our Private Equity and Infrastructure teams invest in sectors that are supported by long-term structural growth trends.

**Invest responsibly** see pages 52-61

### Active asset management

We engage with portfolio companies' management teams to manage risks and invest in initiatives that support long-term growth. We generally have majority stakes in our core portfolio companies and are represented on their boards. We therefore have the influence to drive long-term, sustainable growth in our portfolio.

For each investment within our Private Equity and Infrastructure portfolios, exit strategies are reviewed at regular intervals throughout our holding period. Potential exit routes may include a trade sale, IPO, or acquisition by another investment firm. The timing of any exit is determined by the company's performance against its original investment plan, its growth trajectory, and prevailing market conditions. For long-term holdings, the exit horizon may be extended to maximise value creation for our shareholders.

### Our sectors

#### Private equity



Consumer & Private Label



Healthcare



Industrial



Services & Software

#### Infrastructure



Communications



Energy



Social Infrastructure



Transport & Logistics



Utilities

# Our business model continued

## Our growth enablers

### Global network

We have had local teams on the ground in the UK, continental Europe and the US for many decades, which have built strong networks within their local business communities, and have enabled our origination, value creation and decision making.

### Our people

The recruitment, development and retention of a capable team is fundamental to our success.

# 223

People globally

# 25

Nationalities

### Our strong values and institutional culture

We promote a strong culture of integrity among our employees and embed that culture in our policies and processes.

### Our brand and reputation

As an investment company with a history of over 80-years, our brand strength and long-term approach underpin our reputation as a responsible investor and business.



[+ Read more success stories Online](#)

## How we create value

### Invest

We look to make four to seven new Private Equity investments each year, depending on market conditions, and support the development of our Infrastructure business.

### Grow

We create value from the portfolio through active asset management and organic and acquisition growth

#### Medium-term hold

Typically, we aim to hold our investments for four to six years. Each investment hold is individually assessed, based on its return objective and opportunities against its investment plan.

#### Long-term hold

We may decide to hold a portfolio company over a longer time period, to capitalise on its compounding growth and cash generation via refinancing and dividends.

### Realise

We aim to generate at least a 2.0x return on disposal, taking into account all proceeds received during the holding period, including dividends and other distributions.

## Who benefits

### Shareholders

Our model is capable of delivering mid-teen returns to shareholders through the investment cycle

### Portfolio companies

We work in close partnership with our portfolio companies to provide expertise and support, enabling them to grow sustainably and to contribute positively to the communities in which they operate

### 3i and portfolio company employees

The people across 3i and our portfolio companies are our most important resource.

[> Our stakeholders see pages 118-121](#)

# Strategic objectives

## Key performance indicators<sup>1,2,3</sup>



Grow investment portfolio earnings



Realise investments with good cash-to-cash returns



Maintain an operating cash profit

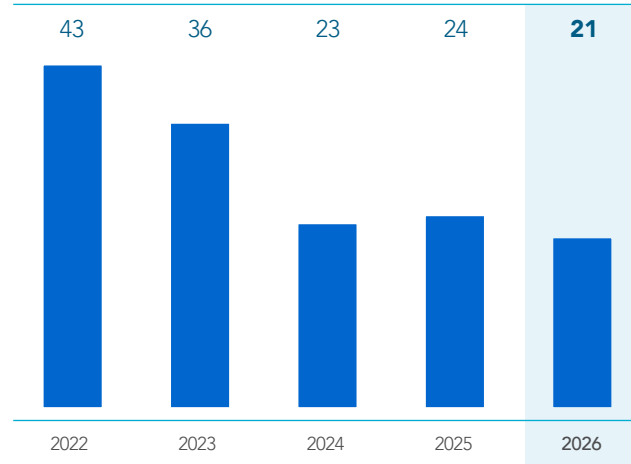


Use our strong balance sheet



Increase shareholder distributions

### Gross investment return ("GIR") as % of opening portfolio value (%)



The performance of the proprietary investment portfolio expressed as a percentage of the opening portfolio value.

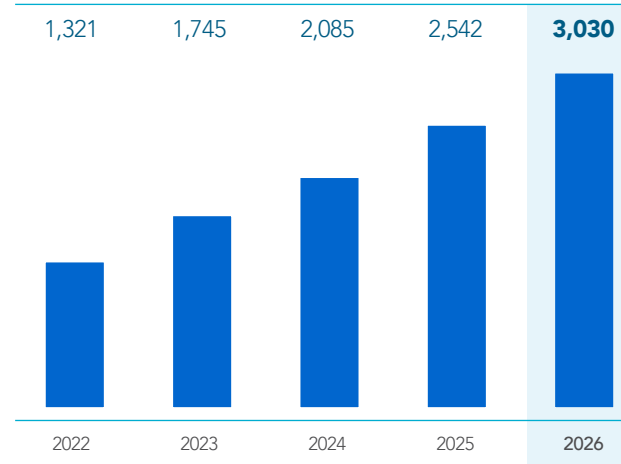
Link to strategic objectives



#### FY2026 progress and FY2027 outlook

- Group GIR of 21%, driven by £4,166 million of unrealised value growth, a foreign exchange gain of £809 million and £400 million of portfolio income
- Private Equity GIR of £5,303 million, or 23%, predominantly driven by Action's GIR of £4,510 million
- Infrastructure GIR of £106 million, or 7%, reflecting an increase in 3iN's share price, dividend income and performance across our Infrastructure funds
- Scandlines GIR of £55 million, or 10%, reflecting resilient performance in the year and cash distributions
- Our portfolios have shown good resilience at the start of FY2027

### NAV per share (pence)



The measure of the fair value per share of our investments and other assets after the net cost of operating the business and dividends paid in the year.

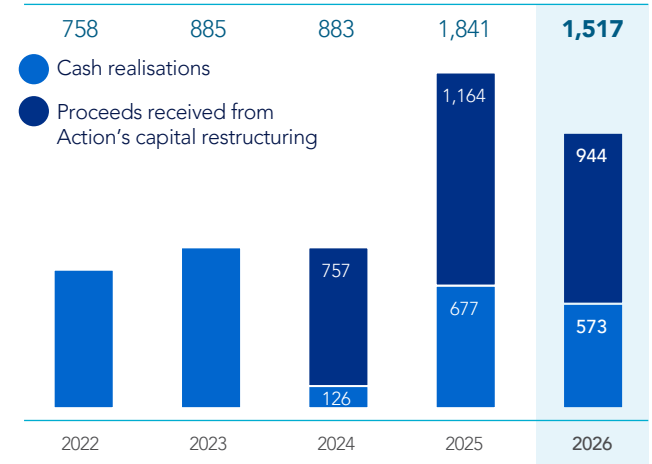
Link to strategic objectives



#### FY2026 progress and FY2027 outlook

- 19% increase in NAV per share to 3,030 pence (31 March 2025: 2,542 pence), after payment of 79 pence dividend per share in the year

### Cash realisations<sup>4</sup> (£m)



Cash realisations support our returns to shareholders, as well as our ability to invest in new opportunities.

Link to strategic objectives



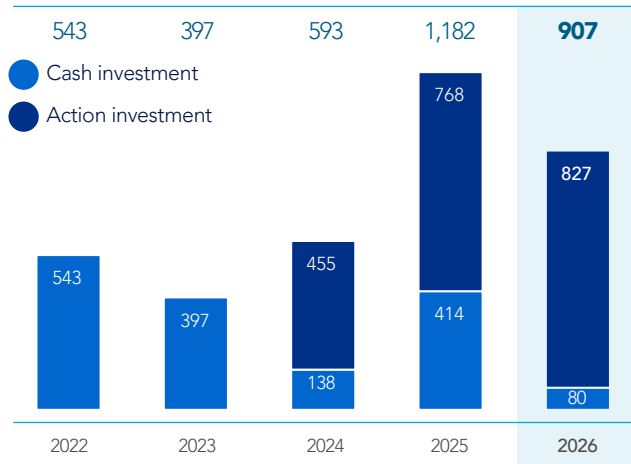
#### FY2026 progress and FY2027 outlook

- Cash proceeds of £1,517 million including £944 million of proceeds received from Action's capital restructuring and £529 million from the realisations of MPM and MAIT
- Realisations and refinancings in FY2027 are subject to supportive market conditions and to portfolio company performance remaining resilient

# Strategic objectives continued

## Key performance indicators continued

### Cash investment<sup>5</sup> (£m)



Identifying and investing in new and further investments is a key driver of the Group's ability to deliver attractive returns.

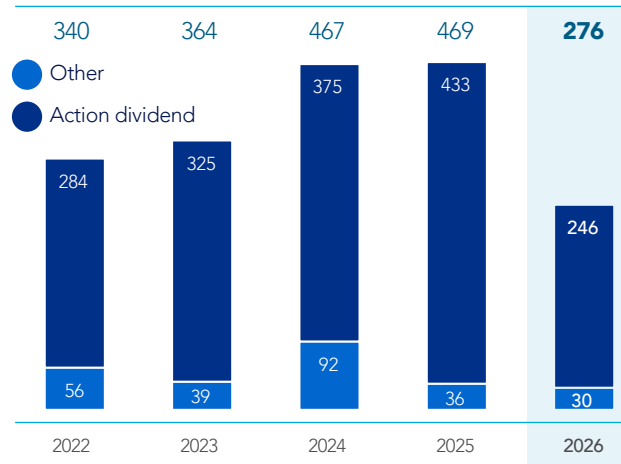
Link to strategic objectives



#### FY2026 progress and FY2027 outlook

- Invested £907 million, including the £827 million investment in Action and £56 million investment in Royal Sanders.
- Completed four bolt-on acquisitions for the Private Equity portfolio and three bolt-on acquisitions in US infrastructure
- Good pipeline of new investment opportunities and bolt-on acquisitions

### Operating cash profit<sup>6</sup> (£m)



By covering the cash operating cost of running our business with cash income, we reduce the potential dilution of capital returns.

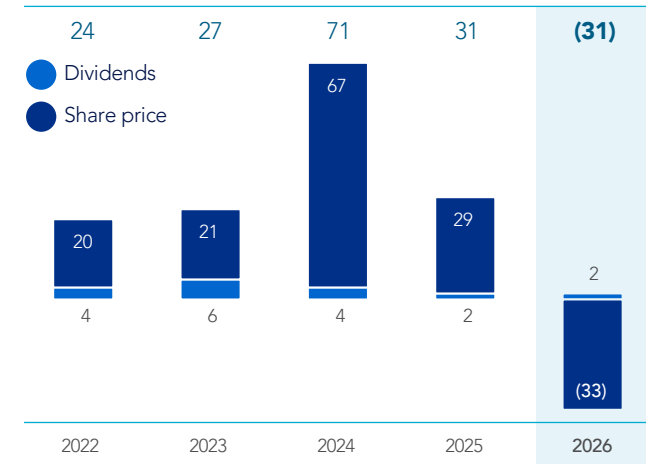
Link to strategic objectives



#### FY2026 progress and FY2027 outlook

- Generated total cash income of £421 million (2025: 598 million) of which £296 million (2025: £470 million) is from Private Equity, £104 million (2025: £106 million) from Infrastructure and £21 million from Scandlines (2025: £22 million). Private Equity includes £246 million of dividends from Action (2025: £433 million). The Action dividend is lower in the year due to timing, with an additional Action dividend expected to be received in May 2026 compared to March in the previous year
- Cash operating expenses of £145 million (2025: £129 million)
- Good cash income expected to continue from Action, Infrastructure and Scandlines

### Total shareholder return ("TSR") (%)



The return to our shareholders through the movement of the share price and dividends paid during the year.

Link to strategic objectives



#### FY2026 progress and FY2027 outlook

- TSR of (31)% driven by a 33% decrease in the share price between 31 March 2025 and 31 March 2026, partially offset by dividend payments of 79.0 pence in the year
- The share price decline does not reflect the strong returns delivered during the year
- Strong balance sheet supports a total FY2026 dividend of 84.5 pence per share

1 A number of our KPIs are calculated using financial information which is not defined under IFRS and therefore they are classified as APMs. Further details on these APMs are included in our Financial review on page 93.

2 Further information on how these KPIs are factored into decisions concerning the Executive Directors' remuneration is included in the Directors' remuneration report on page 146 to 169.

3 Key risks which could potentially impact the respective KPIs can be found on pages 100 to 104, which summarise the Group's current principal risks.

4 Realised proceeds may differ from cash proceeds due to the timing of cash receipts.

5 Excludes the £1.7 billion further investment in Action for non-cash consideration of an equivalent value in the form of 3i Group shares.

6 Cash operating expenses includes lease payments.