



Business review

What's in this section

Private Equity	19
Infrastructure	35
Scandlines	38

Private Equity

At a glance

Gross investment return

£5,113m
or 26%

(2024: £4,059m or 25%)

Cash investment

£1,177m

(2024: £556m)

Realised proceeds

£1,827m

(2024: £866m)

Portfolio dividend income

£450m

(2024: £439m)

Portfolio growing earnings

97%¹

(2024: 93%)

Portfolio value

£23,558m

(2024: £19,629m)

We invest our proprietary capital in mid-market businesses headquartered in Europe and North America. Once invested, we work closely with our portfolio companies to deliver ambitious growth plans and aim to compound value from our best investments over the longer term.

Against a complex and uncertain macro-economic and geopolitical environment across Europe and the US, our Private Equity portfolio delivered a GIR of £5,113 million, or 26%, on the opening portfolio value (2024: £4,059 million or 25%) in the year to 31 March 2025. This return included a £273 million foreign exchange translation loss, net of a gain from foreign exchange hedging.

Action had another very strong year and was the principal driver of the return, generating GIR of £4,551 million or 32% of its opening value. We also received significant realised proceeds from Action, with a portion of these proceeds reinvested to acquire an additional stake in the business. Our other long-term hold Private Equity asset, Royal Sanders, delivered another year of strong organic and acquisitive growth.

Across the remaining portfolio, a number of assets within the consumer and private label sectors performed well and we saw an encouraging trajectory for several of our healthcare assets. The majority of our industrial assets continue to pay cash dividends and performed well, whilst our services and software assets were largely resilient against a difficult IT market backdrop. We saw underperformance from a limited number of assets exposed to weaker end markets.

We maintained disciplined pricing, completing three new investments, invested further capital across several existing portfolio companies and enhanced our existing portfolio through 12 strategic bolt-on acquisitions. In addition to proceeds received from Action, we also generated significant realised proceeds from the exit of two portfolio companies at money multiples of 2x or greater.

Overall, the Private Equity portfolio value increased to £23,558 million at 31 March 2025 (31 March 2024: £19,629 million).

Table 1: Gross investment return for the year to 31 March

Investment basis	2025 £m	2024 £m
Realised profits over value on the disposal of investments	50	–
Unrealised profits on the revaluation of investments	4,803	3,874
Dividends	450	439
Interest income from investment portfolio	69	80
Fees receivable	14	7
Foreign exchange on investments	(340)	(437)
Movement in fair value of derivatives	67	96
Gross investment return	5,113	4,059
Gross investment return as a % of opening portfolio value	26%	25%

¹ LTM adjusted earnings to 31 December 2024. Includes 30 portfolio companies.

Private Equity continued

Building great businesses with long-term sustainable growth potential

Action, the fastest growing non-food discount retailer in Europe and our largest portfolio company, had stores in 12 countries, employed 79,681 people and generated annual revenue of €13.8 billion in 2024. Action continues to invest in its systems and organisation to support its volume-driven growth and future ambitions.

Customer-centric approach

'Always the lowest price' is central to Action's customer value proposition. On average 18.7 million customers visit Action stores each week, driven by Action's range of essential and surprise assortment of good quality products, at the lowest prices.

In 2024, Action continued to reduce its prices, with 2,000 price reductions across its assortment. Two thirds of its products retailed at a price point of less than €2, and the business has largely maintained or increased its price position against its competitors across its markets.

Action also has a comprehensive programme of store relocation, enlargement and refurbishment to maintain and enhance its customers' shopping experience.

Good quality products

Action has a simple, efficient, and scalable operating model. It offers 6,000 products across 14 categories, with two thirds of the assortment changing frequently.

Action's continuous investment in quality has resulted in a number of award-winning private label products in 2024 and early 2025.



Case study: Consumer & Private Label

ACTION

For more information
company.action.com

352

Stores added
during 2024

10,641

New jobs created
during 2024

18.7m

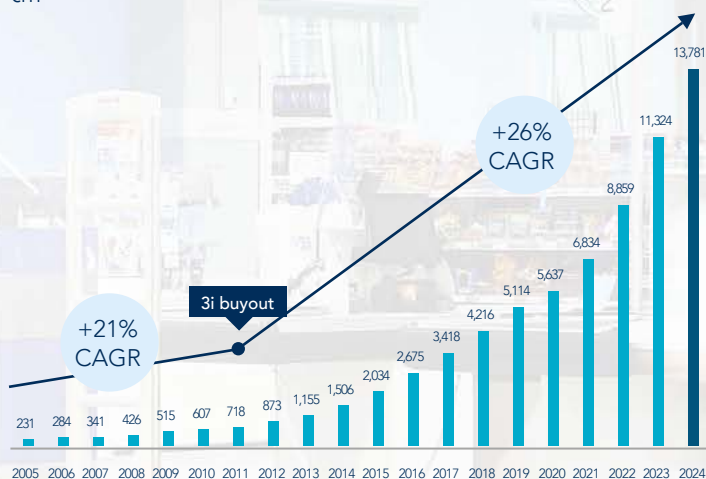
Average number of customers that visited Action stores every week
during 2024

Private Equity continued

ACTION

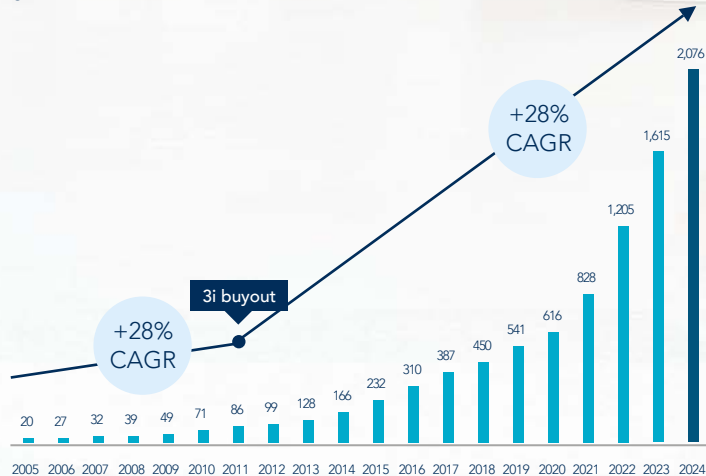
Net sales¹

€m



Operating EBITDA¹

€m



Source: Company information

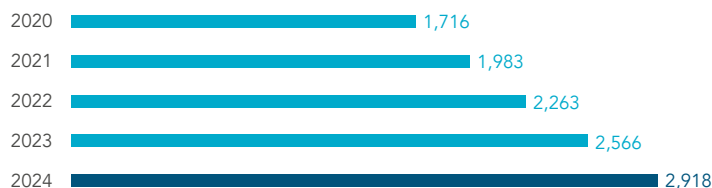
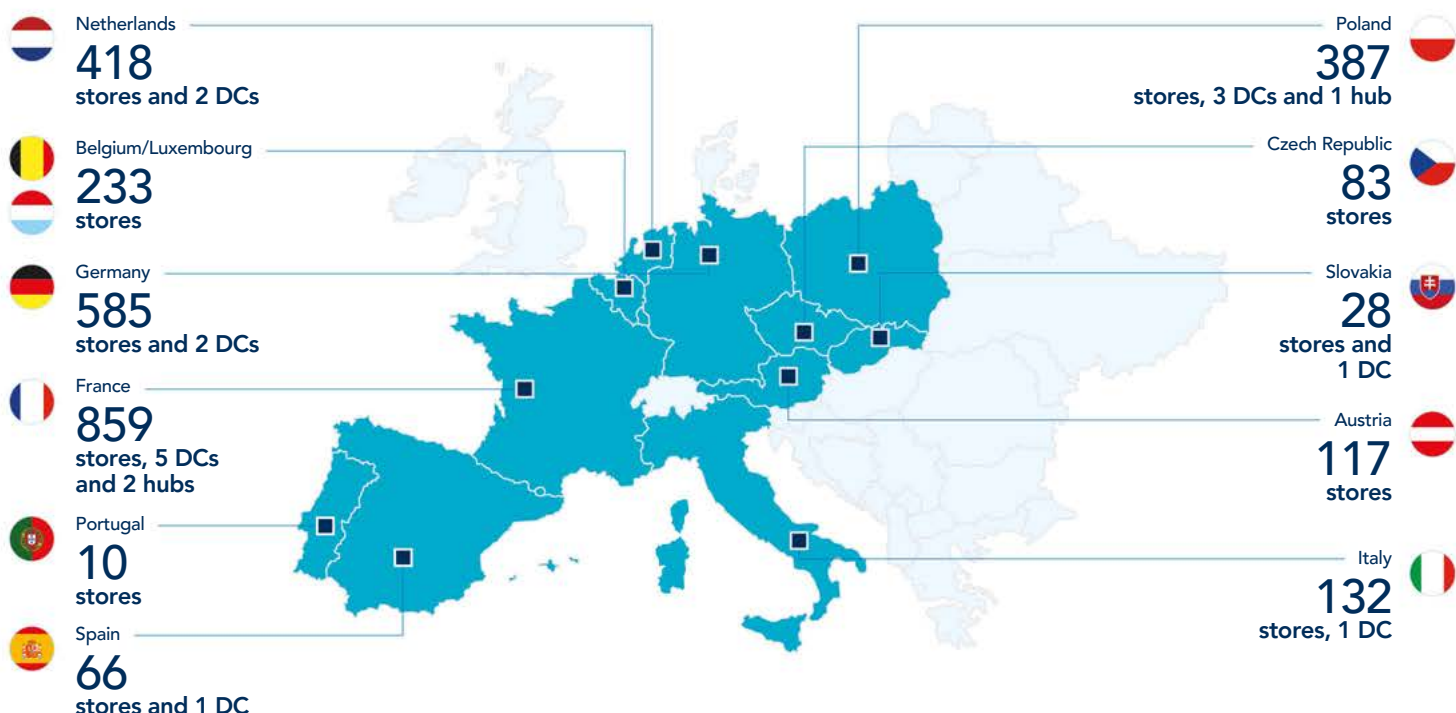
¹ Including impact of 53rd week in 2015 and 2020.

Private Equity continued

International store roll-out

At 29 December 2024, Action had a total of 2,918 stores across 12 countries, after adding 352 stores during the year. In April 2025, Action opened its first store in Switzerland and plans to open stores in Romania later in the year. Action has significant further growth opportunities, with the latest estimate of potential new stores totalling approximately 4,850 across both existing and new markets in Europe.

Number of stores

Geographical spread of stores, distribution centres and hubs¹ at 29 December 2024

Investment in future growth

Action continued to invest in its distribution network in 2024, with the addition of two new distribution centres in Italy and Spain. At the end of 2024, Action had 15 distribution centres and three hubs across Europe, with three new distribution centres planned in 2025.

In 2024, Action successfully implemented a new ERP system and started the 'Fit-For-Growth' programme to define a scalable, simple and efficient future international organisation.

People

Action is a large employer, with 79,681 employees across its stores, distribution centres and offices at the end of 2024. The business created 10,641 jobs in 2024 and continues to invest in the ongoing development and engagement of its employees, with over 3,507 internal promotions and over 292,000 training hours delivered across its workforce in 2024.

Digital

On a weekly basis, an average of 13.6 million customers use the Action app and visit the Action website, providing a multi-channel touchpoint for customers to conduct their research online and then continue their journey with in-store purchases. Action has a comprehensive technology roadmap for the next five years which will act as a key enabler of its growth plans.

Partnership

In 2024, Action's support for its charity partners and other donations totalled €2.6 million. Action continues to work with its long-term international partners, SOS Children's Villages and the Johan Cruyff Foundation. The Action Scholarship Fund provided financial support to 179 Action families in 2024.

Sustainability

Action made further progress in the implementation of its sustainability programme in 2024. Further information is available in the Sustainability section of this report on pages 50 and 51.

¹ Action opened its first store in Switzerland in April 2025 and therefore has stores in 13 countries.



Action financial metrics

Last 12 periods to P12 2024 (2023)

First three periods to P3 2025 (2024)

Net sales

2023	€11,324m	2024	€3,004m
2024	€13,781m	2025	€3,521m

Operating EBITDA

2023	€1,615m	2024	€397m
2024	€2,076m	2025	€464m

Operating EBITDA margin

2023	14.3%	2024	13.2%
2024	15.1%	2025	13.2%

LFL sales growth

2023	16.7%	2024	9.8%
2024	10.3%	2025	6.2%

Private Equity continued



Case study: Consumer & Private Label



Year invested
2018

Location
Netherlands



For more information
www.royalsanders.com

Royal Sanders, our other long-term hold asset, is a leading European private label and contract manufacturing producer of personal care products. The business has seven production facilities across Europe and focuses on 10 major consumer product categories.

Since our investment in 2018, we have supported Royal Sanders' successful international expansion strategy, organically and by accessing new markets, with eight bolt-on acquisitions which have contributed strongly to its growth. As a best-in-class operator in its sector, the business is also highly cash generative, returning a total of £231 million in distributions to 3i over the seven-year period.

Royal Sanders bolt-on activity in FY2025

Royal Sanders completed its acquisitions of Karium and Treaclemoon in the year. Both companies are based in the UK and have a strong strategic fit with Royal Sanders' existing brands business, enabling it to expand its footprint in the personal care market.

Karium is a platform of established brands in the hair care, body care and skin care categories. It serves a broad range of major retailers across the grocery, value and food, drug and mass merchandiser channels.

Treaclemoon is a value-for-money personal care brand with a market presence of over 15 years. Its products are sold through major UK retailers as well as through international distributors.



Private Equity continued

Investment and realisation activity

We maintained a selective and disciplined investment approach, allocating £881 million to our existing portfolio companies and £318 million across three new investments.

In July 2024, **Action** raised €2.1 billion through a refinancing event and completed a capital restructuring with a pro-rata share redemption. As a result, 3i received total proceeds of £1,164 million. Alongside several existing LPs in the 2020 Co-Investor Programme, 3i took the opportunity to acquire an additional stake in Action. Including a small subsequent purchase of an existing LP stake later in the year, 3i reinvested £768 million, increasing its gross equity stake from 54.8% to 57.9%.

In July 2024, we invested £98 million to acquire **Constellation**, a hybrid cloud and cybersecurity managed services provider based in France. In addition to Endexar, which was acquired on closing, Constellation has completed three bolt-on acquisitions since our investment and remains well positioned to be a key consolidator in a fragmented French IT services market. In January 2025, we invested £121 million for the acquisition of **WaterWipes**, a global, premium, limited ingredient, natural wet wipe brand focused on the baby category, with new product innovation in the adult category. Finally, in February 2025, we completed the £99 million investment in **OMS Prüfservice**, the largest specialised service provider in testing of electrical systems and equipment for B2B customers in the DACH region.

We invested a further £54 million in **ten23 health**, as we continue to develop the CDMO platform and a further £39 million in **Royal Sanders**. We also provided £6 million of capital to support **Wilson** through challenging trading conditions. **EBG** returned £22 million of funding within 12 months of our investment to support its acquisition of coolback in 2023.

Our buy-and-build strategy remains fundamental to the successful delivery of the investment case for many of our portfolio companies. In FY2025, we completed 12 bolt-on acquisitions across six portfolio companies, with only one requiring additional 3i investment. Further details of selected bolt-on acquisitions can be found on pages 24 and 27.

We completed two realisations in FY2025, generating total proceeds of £659 million. In July 2024 we completed the sale of **nexeye** for proceeds of £382 million, achieving a modest profit over its 31 March 2024 valuation. When combined with distributions received during our investment period, this resulted in a sterling money multiple of 2.0x. We also completed the realisation of **WP** in October 2024, delivering total proceeds of £280 million which, including interest income of £3 million, represented an 18% premium to its 31 March 2024 valuation. Including the £45 million received earlier in our ownership, this resulted in a sterling money multiple of 2.2x. Further details for both of these portfolio companies can be found on page 30.

In total, in the year to 31 March 2025, our Private Equity team invested £1,177 million (2024: £556 million) and generated total proceeds of £1,827 million (2024: £866 million).



Case study: Consumer
& Private Label



Year invested
2025

Location
Ireland

Investment
£121m



For more information
www.waterwipes.com



WaterWipes is a global, premium, natural wet wipe brand focused on the baby and child category, with new product innovation in the adult category.

It has c.300 employees and is based in Drogheda, Ireland. Its products are sold in over 50 countries, with double-digit growth across both offline and online channels.

Made from natural ingredients, WaterWipes' superior-quality wet wipes are globally accredited by skin health and allergy institutions and endorsed by healthcare professionals. This has earned the brand market-leading levels of customer loyalty and advocacy, driving consistent growth for over a decade.

WaterWipes is the clear premium-segment leader in the c.£12 billion personal care wet wipes market, which is forecast to grow strongly driven by increased hygiene awareness post-Covid and demand for convenience. 3i will support the company's growth, including its expansion in the US, Europe and new markets.

Private Equity continued



Case study: Services & Software

**constellation**

Year invested
2024

Location
France

Investment
£98m

➤ For more information
www.constellation.fr

Constellation, founded in 2016 and headquartered in Saint-Cloud, France, is an IT managed services provider specialised in hybrid cloud and cyber security, with c.780 employees and a national footprint of 13 agencies.

It supports c.600 mid-sized customers by managing their core IT infrastructure and overseeing cyber security through its Security Operations Centre.

The company has consistently delivered double-digit organic growth, driven by a strong value proposition and superior service quality that helps retain and attract new customers.

Constellation has completed 23 acquisitions since 2016. Endexar, a provider of SAP managed services, was acquired on closing and since then, three further bolt-ons have completed: ILKI, a cloud architecture specialist; and Feelserv and Armonie, both hybrid cloud managed service providers.

The business is well positioned to be a key consolidator in a fragmented IT services French market, and our investment will enable it to further accelerate its growth, both organically and through add-ons.



Case study: Services & Software

OMS
PRÜFSERVICE

Year invested
2025

Location
Germany

Investment
£99m

➤ For more information
www.oms-pruefservice.de



Private Equity continued

OMS Prüfservice ("OMS"), is the largest specialised service provider in testing electrical systems and equipment for B2B customers in the DACH region.

The business has over 900 employees and operates in 43 locations across Germany, Austria and Switzerland.

The company tests the electrical safety of portable and fixed equipment in offices and manufacturing facilities, as well as e-mobility infrastructure and photovoltaic systems. Its fully tailored proprietary software platform, INSPEKTRA, enables it to digitalise and automate its testing processes, maximising efficiency and optimising its services to an individual customer level.

OMS is well positioned for future growth, due to its geographic footprint, the increasing digitalisation of workplaces and increased outsourcing, due to the demand for skilled technicians. 3i is investing to drive further growth in OMS's core business, while exploring new opportunities.



Case study: Services & Software bolt-on acquisitions

mait

Year invested

2021

Location

Germany



For more information
www.mait.de



MAIT is a leading provider of innovative and pioneering digital solutions in the DACH region, focusing on software in product lifecycle management, enterprise resource planning as well as managed services and cloud solutions.

Since our investment in 2021, we have supported MAIT in making 13 acquisitions¹ that complement its offering in product lifecycle management and enterprise resource planning solutions, including three bolt-on acquisitions in the year, in CAD 'N ORG and ISAP in April 2024, and TFH Technical Services in November 2024.

CAD 'N ORG is a provider of software and consulting services, offering complementary software modules, such as a data validation tool which ensures appropriate data quality.

ISAP is a provider of consulting services, established for over 30 years, supporting medium sized manufacturing companies with tailor-made digitalisation strategies.

TFH technical services is a Dutch consulting provider specialising in the implementation and use of lifecycle management software solutions.

¹ Includes asset deals.

Private Equity continued

Investments

	Portfolio company	Business description	Date	Proprietary capital investment £m
New investment	Constellation	IT managed services provider	July 2024	98
	WaterWipes	Global, premium, natural wet wipe brand	January 2025	121
	OMS Prüfservice	Specialised service provider for electrical equipment testing	February 2025	99
	Total new investment			318
Reinvestment	Action	General merchandise discount retailer	Various	768
	Total reinvestment			768
Other further investment	ten23 health	Biologics focused CDMO	Various	54
	Royal Sanders	Private label and contract manufacturing producer of personal care products	October 2024	39
	Other	Various	Various	4
	Total other further investment			97
Further investment to finance portfolio bolt-on acquisitions	xSuite	tangro: Specialist in inbound document management software	June 2024	5
	Total further investment to finance portfolio bolt-on acquisitions			5
Further investment to support portfolio companies	Wilson	Global provider of recruitment process outsourcing and other talent solutions	Various	6
	Other	Various	Various	5
	Total further investment to support portfolio companies			11
FY2025 Private Equity gross investment				1,199
Return of investment	European Bakery Group	Industrial bakery group specialised in bake-off bread and snack products	July 2024	(22)
	Total return of investment			(22)
FY2025 Private Equity net investment				1,177

Private Equity continued

Investments continued

	Portfolio company	Name of acquisition	Business description of bolt-on investment	Date
Private Equity portfolio bolt-on acquisitions funded from the portfolio company balance sheets	MAIT	CAD 'N ORG	Provider of software and consulting services	April 2024
	MAIT	ISAP	Provider of consulting services	April 2024
	Royal Sanders	Karium	Platform of established brands across the hair care, body care and skin care categories	June 2024
	AES	Condition Monitoring Services	Reliability service provider	August 2024
	Constellation	ILKI	Cloud architecture specialist	October 2024
	AES	PSS Marine Seal	Manufacturer of advanced sealing solutions tailored for the marine industry	October 2024
	Evernex	Ultra Support	UK-based third-party maintenance provider	November 2024
	MAIT	TFH Technical Services	Consulting provider specialising in the implementation and use of product lifecycle management software solutions	November 2024
	Constellation	Feelserv	Hybrid cloud managed services	January 2025
	Constellation	Armonie	Hybrid cloud managed services	February 2025
	Royal Sanders	Treaclemoon	Value-for-money personal care brand	February 2025

Realisations

Investment	Country	Calendar year first invested	3i realised proceeds £m	Profit in the year ¹ £m	Profit over opening value ² %	Money multiple ³	IRR
Full realisations							
nexeye	Netherlands	2017	382	10	3%	2.0x	10%
WP	Netherlands	2015	277	42	18%	2.2x	9%
Total realisations			659	52			
Refinancing							
Action	Netherlands	2011	1,164	–	– %	n/a	n/a
Other realisations							
Other	n/a	n/a	4	(2)	n/a	n/a	n/a
Total Private Equity realisations			1,827	50			

¹ Cash proceeds realised in the period less opening value.

² Profit in the year over opening value.

³ Cash proceeds over cash invested. Money multiples are quoted on a GBP basis.

Private Equity continued



Case study: Industrial

Realisation in October 2024



Net proceeds received¹
£280m

Sterling money multiple
 (Total cash return over cost)
2.2x



For more information
www.WP.com



WP is a leading provider of innovative plastic packaging solutions, with over 4,000 employees and 23 facilities in 15 countries.

The company supplies the world's leading A-brands and private label players.

We invested £147 million in WP, supporting its international growth strategy through expansion into new product categories and strengthened its position in its existing segments. WP also completed four bolt-on acquisitions during our period of ownership, significantly reinforcing its presence in Latin America and Europe, and delivered consistent growth, almost doubling its EBITDA.

In October 2024, we sold our investment in WP at an 18% profit over 31 March 2024 value, generating proceeds of £280 million¹ which, combined with the £45 million of proceeds received during the period of our ownership, resulted in a sterling money multiple of 2.2x.

¹ Including interest income of £3 million. An additional £8 million of deferred consideration was received post year-end in April 2025.



Case study: Consumer & Private Label

Realisation in July 2024



Net proceeds received
£382m

Sterling money multiple
 (Total cash return over cost)
2.0x



For more information
www.nexeye.com

nexeye is a European value for-money optical retail platform, operating under the Hans Anders, eyes+more and Direkt Optik labels.

We invested £205 million in the business throughout our ownership.

It is headquartered in Gorinchem, the Netherlands, with c.3,500 employees and c.720 stores in the Netherlands, Belgium, Germany, Austria and Sweden.

During our investment, nexeye transformed from a local optical discounter to the value-for-money leader in the North-West European optical retail market. In 2019, it acquired eyes+more, which added Germany as a key growth market. Since the acquisition, nexeye more than doubled eyes+more's store footprint in Germany.

nexeye invested in new stores, refurbished the existing network, strengthened the management team and transformed its digital infrastructure to a best-in-class setup. Under 3i ownership, nexeye shifted its business model towards digitally generated appointments, accelerated its digital marketing and CRM capabilities and drove store productivity through digital planning. As a result, sales and EBITDA doubled under our ownership.

In July 2024, we completed the sale of nexeye, returning proceeds of £382 million, which, combined with distributions received during our ownership, resulted in a sterling money multiple of 2.0x.



Private Equity continued

Long-term hold portfolio companies:

Action and Royal Sanders

As detailed in the Chief Executive's statement and in the [Action](#) case study, Action delivered another year of very strong performance and we reflected this in our valuation of Action at 31 March 2025.

At 31 March 2025, Action was valued using its LTM run-rate EBITDA to the end of P3 2025 of £2,328 million, which includes the usual adjustment to reflect stores opened in the last 12 months.

Action run-rate adjustment

Action achieves significant growth in its first years of opening stores. Since 2013, we have included a run-rate adjustment in the calculation of Action's valuation earnings. This adjustment is to ensure we reflect the full-year profitability for each new store opened in the year. Action's performance and growth since the inclusion of this adjustment continue to validate this rationale. We apply our valuation multiple to an LTM earnings number adjusted as set out above, to ensure the growth embedded in new stores opened in the year is captured.

Action continues to outperform the peers we use to benchmark its performance across its most important KPIs, supporting our valuation multiple of 18.5x net of the liquidity discount (31 March 2024: 18.5x).

Action ended P3 2025 with cash of €347 million and a net debt to run-rate earnings ratio of 2.7x, after paying two dividend distributions in FY2025, of which 3i received £433 million.

At 31 March 2025, the valuation of our 57.9% stake in Action was £17,831 million (31 March 2024: 54.8%, £14,158 million) and we recognised unrealised profits from Action of £4,324 million (March 2024: £3,609 million) as shown in Table 2.

[Royal Sanders](#), a leading European private label and contract manufacturing producer of personal care products, was the largest contributor to our Private Equity performance growth in FY2025, excluding Action. The company delivered strong organic growth across its customers in 2024. Royal Sanders has been a driving force in consolidating a highly fragmented industry, successfully executing eight bolt-on acquisitions since our investment, including the acquisitions of Karium and Treaclemoon in FY2025. The bolt-on acquisitions have outperformed their initial investment cases and the business has a strong pipeline of other targets.

An overview of the key drivers of the value movement for our long-term hold assets and a number of our other portfolio companies, can be seen in Chart 1.






Consumer and private label portfolio companies

[EBG](#) saw solid trading across all three of its platforms (Dutch Bakery, coolback, Panelto) in 2024, demonstrating its resilience amongst an unfavourable input pricing environment and pressure on wage inflation.

[MPM](#) saw good top-line growth in 2024, driven primarily by increased volumes across its key markets. The US, its largest market, continues to see strong sales development and there is significant headroom to scale it further, including through the online channel. While US tariffs have the potential to introduce some volatility across the whole premium wet cat food category, management has a robust strategy to navigate the situation. [Audley Travel](#)'s reputable brand and customer loyalty continued to support its strong performance in 2024. Whilst the business has good coverage on bookings into 2025, we remain cautious on the outlook for its US market, following the heightened uncertainty in US policy and impact on US travel sentiment.

[Mepal](#) saw good commercial performance in 2024, with volume growth across its retail partners and its e-commerce offering. [Luqom](#) continues to make an encouraging recovery and gained market share in 2024. The business saw top-line growth across all of its regions with particularly impressive performance from Southern and Eastern Europe, supported by nine new local webshops. [BoConcept](#) continues to operate in a challenging consumer market. Performance in 2024 was softer, as a result of lower footfall in stores and net store closures. Recent order intake has been more positive. In February 2025, we passed our holding in [YDEON](#) to Tikehau Capital for no proceeds.

Chart 1: Largest value growth increases and decreases (>£20m)¹

Portfolio company	Value growth (excl FX)	Value at 31 March 2025	Driver of value increase	Portfolio company	Value decline (excl FX)	Value at 31 March 2025	Driver of value decline
Action	£4,324m	£17,831m		Wilson	£88m	£39m	
Royal Sanders	£256m	£865m					
Audley Travel	£84m	£276m					
Tato	£47m	£382m					
Cirtec Medical	£41m	£614m					
EBG	£37m	£278m					
Q Holding ²	£25m	£172m					
xSuite	£21m	£122m					

¹ One portfolio company has been excluded due to commercial sensitivity.

² Net of a negative movement in multiple.

● Performance ● Multiple

Private Equity continued

Healthcare portfolio companies

Our healthcare portfolio saw good commercial momentum in 2024. **Cirtec Medical** delivered strong performance across the majority of its core sites in 2024, driven by elevated demand from its key customers. The business won a number of attractive programmes in 2024, which have the potential to be significant revenue contributors in the near to medium term. **SaniSure** saw demand patterns normalise for the majority of its business lines through the second half of 2024, as the bioprocessing market stabilised following a period of prolonged destocking after the pandemic. Over the last two years, the business has made significant investment in long-term initiatives and operational excellence that is already delivering good momentum.

ten23 health continued to make good progress. Its Basel site continues to develop well, with a number of new programmes signed from new and existing customers. Its existing Visp site is expected to achieve 100% utilisation in 2025, following a facility remediation at the end of 2024, which will facilitate the fulfilment of its strong order book. **Q Medical Devices (Q Holding)** performed well in 2024, with good demand from most of its customers across its business units.

Industrial portfolio companies

Our industrial portfolio delivered good overall performance in the year. **Tato** saw good volume growth and improved margin performance in 2024, despite operating in a market that is showing relatively muted demand and a tougher regulatory and competitor dynamic. Tato's cash conversion remained strong and we received £13 million of dividends in FY2025. **AES** produced another good result in 2024, as end-market conditions improved and the business continued to make gains on larger competitors in its sector. The business also completed two bolt-on acquisitions in FY2025, strengthening its offering in North America. Cash generation remained strong, and we recorded dividends of £4 million from the business in FY2025.

Dynatect delivered stable performance in the year, despite delays in the ramp-up of a key contract.

Services and software portfolio companies

The global third-party IT equipment maintenance market was weaker in 2024, largely as a result of a dip in acquired new equipment in 2020-21, which is then typically serviced three to four years post-acquisition. Operating in this market, **Evernex** saw positive performance in 2024 and the business completed the acquisition of Ultra Support, a pure third-party maintenance player for data centres, servers and networking equipment in the UK. **MAIT's** buy-and-build strategy continued in 2024, with the business completing a further three bolt-on acquisitions at accretive multiples.

The business maintained a good level of overall performance, despite weaker market demand across IT solutions. **xBuite** had a good 2024, characterised by annualised software bookings growth, and we have reflected its progress towards a SaaS model via its valuation multiple. Its recent acquisition of tangro is already delivering a positive contribution.

The recruitment market has experienced a very challenging two years. More recent geopolitical uncertainty has pushed out expectations of a near-term market recovery. Operating in this environment has proved challenging. As a result, **Wilson** has seen significant pressure on its top line and overall profitability. Whilst it continues to generate new wins, it has undertaken a number of operational initiatives and efficiencies to ensure the business is well positioned to ramp up quickly when the wider market rebounds. We have reflected the challenges Wilson has experienced through our valuation, resulting in a total unrealised value reduction of £88 million for FY2025. During the year, **arriava** and **Redweek** legally separated, and we retained our stake in Redweek. **arriava** is no longer part of the 3i portfolio.

Overall, 97% of the portfolio by value grew LTM adjusted earnings in the year (31 March 2024: 93%). Chart 2 on page 33 shows the earnings growth of our top 20 Private Equity investments.

Excluding Action, the Private Equity portfolio valued on an earnings basis generated £642 million (2024: £689 million) of value growth from performance increases, offsetting £138 million of performance decreases (2024: £368 million).

Table 2: Unrealised profits on the revaluation of Private Equity investments¹ in the year to 31 March

	2025 £m	2024 £m
Earnings based valuations		
Action performance	4,324	3,609
Performance increases (excluding Action)	642	689
Performance decreases (excluding Action)	(138)	(368)
Multiple increases	30	68
Multiple decreases	(30)	(107)
Other bases		
Discounted cash flow	(19)	(13)
Other movements on unquoted investments ²	–	46
Quoted portfolio	(6)	(50)
Total	4,803	3,874

¹ Further information on our valuation methodology, including definitions and rationale, is included in the Portfolio valuation – an explanation section.

² Includes value movements for ten23 valued on the Sum of the parts basis.

Private Equity continued

Leverage

Our Private Equity portfolio is funded with all-senior debt structures, with long-dated maturity profiles. As at 31 March 2025, 91% of portfolio company debt was repayable from 2028 to 2032.

Average leverage across the portfolio was 2.9x (31 March 2024: 2.7x). Excluding Action, leverage across the portfolio was 3.5x (31 March 2024: 3.9x).

Chart 3 shows the ratio of net debt to adjusted earnings by portfolio value.

Multiple movements

When selecting multiples to value our portfolio companies, we take a long-term, through-the-cycle approach and consider a number of factors including recent performance, outlook and bolt-on activity, comparable recent market transactions and exit plans, and the performance of quoted comparable companies. At each reporting date, our valuation multiples are considered as part of a robust valuation process, which includes independent challenge throughout, including from our external auditor, culminating in the quarterly Valuations Committee of the Board.

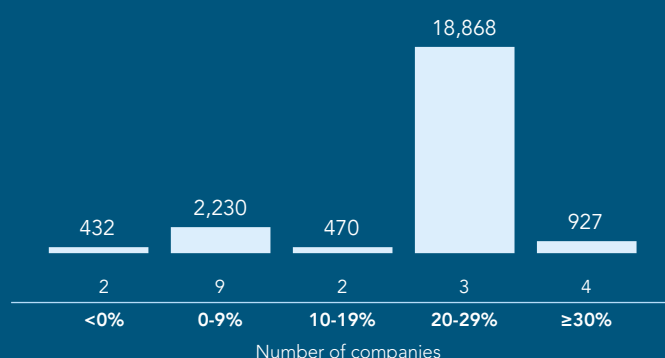
Global markets saw a strong rally in 2024, as inflation stabilised and central banks began easing interest rates. However, the start of 2025 has been marked by increased volatility, driven by geopolitical uncertainty and shifting trade policies.

Against this backdrop, we have remained cautious in considering the valuation multiples we use for our portfolio companies. We increased the multiple for two of our portfolio companies in the year to reflect their performance against their respective investment cases and adjusted four multiples downwards, largely to reflect trading and the dynamics of their respective end-markets. In total, we recognised a net nil unrealised value movement from multiple movements in the year (March 2024: £39 million loss). At 31 March 2025, our current weighted average post-discount multiple (excluding Action) was 13.4x (31 March 2024: 13.0x).

We have made no changes to our approach to the valuation of Action. Action's performance and KPIs continue to compare favourably to its peer group's, which consists of North American and European value-for-money retailers. This supports our post-discount valuation multiple of 18.5x, which is unchanged from the prior year. We take comfort from the fact that Action's continued growth meant that its valuation at 31 March 2024 translated to only 14.7x (post-discount) the run-rate EBITDA achieved one year later. Based on the valuation at 31 March 2025, a 1.0x movement in Action's post-discount multiple would increase or decrease the valuation of 3i's investment by £1,129 million.

Chart 2: Portfolio earnings growth of the top 20 Private Equity¹ investments

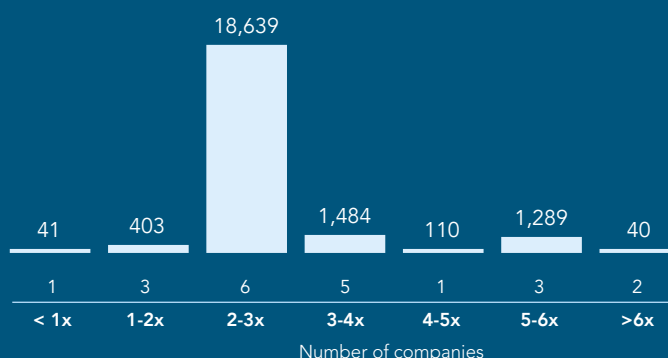
3i value at 31 March 2025 (£m)



¹ Includes top 20 Private Equity companies by value excluding ten23 health. This represents 97% of the Private Equity portfolio by value (31 March 2024: 96%). Last 12 months' adjusted earnings to 31 December 2024 and Action based on LTM run-rate earnings to the end of P3 2025.

Chart 3: Ratio of net debt to adjusted earnings¹

3i value at 31 March 2025 (£m)



¹ This represents 93% of the Private Equity portfolio by value (31 March 2024: 91%). Quoted holdings, ten23 health and companies with net cash are excluded from the calculation. Net debt and adjusted earnings at 31 December 2024 and Action based on LTM run-rate earnings to the end of P3 2025.

Private Equity continued

Quoted portfolio

Basic-Fit is the only quoted investment in our Private Equity portfolio. In 2024, Basic-Fit's memberships increased by 12% year-on-year and it added 173 clubs to its network.

Our remaining 5.7% stake in Basic-Fit was valued at £60 million at 31 March 2025 (31 March 2024: £67 million), following an 8.8% decrease in its share price to €18.86 (31 March 2024: €20.68).

Sum of the parts

At 31 March 2025, **ten23 health** was valued on a sum of the parts basis, using a discounted cash flow ("DCF") methodology for its operating lines. We continued to invest in the platform during the year and the business is making good progress across each of its operating lines.

Assets under management

The assets under management of the Private Equity portfolio, including third-party capital, increased to £31.9 billion (31 March 2024: £27.5 billion), primarily due to unrealised value movements in the year.

Table 3: Private Equity assets by sector as at 31 March 2025

Sector	Number of companies	3i carrying value 2025 £m
Action (Consumer)	1	17,831
Consumer & Private Label	12	2,498
Healthcare	4	1,361
Industrial	5	915
Services & Software	14	953
Total	36	23,558

Infrastructure

At a glance

Gross investment return

£52m
or 3%

(2024: £99m or 7%)

AUM

£6.3bn

(2024: £6.7bn)

Cash income

£106m

(2024: £113m)

We manage funds investing principally in mid-market economic infrastructure in Europe and North America. Infrastructure is a defensive asset class that provides a good source of income and fund management fees for the Group as well as long-term capital gains.

Our Infrastructure portfolio generated a GIR of £52 million, or 3% on the opening portfolio value (2024: £99 million, 7%). This performance was principally driven by a good level of dividend and interest income alongside value growth from our infrastructure funds, which more than offset the subdued share price performance of our quoted stake in 3iN.

3iN's underlying portfolio continues to deliver good performance, and 3iN completed a significant realisation in the year, achieving an impressive money multiple of 3.6x, reaffirming the strong market demand for high-quality infrastructure assets. In addition, 3iN successfully executed two significant refinancings which returned cash proceeds and completed two strategic further investments and a syndication within its portfolio companies.

Our North American Infrastructure Fund ("NAIF") continued to advance its buy-and-build strategy, with two portfolio companies completing three acquisitions, further enhancing their growth trajectory and operational scale.

Table 4: Gross investment return for the year to 31 March

Investment basis	2025 £m	2024 £m
Realised profits / (losses) over value on the disposal of investments	1	(4)
Unrealised profits on the revaluation of investments	17	72
Dividends	37	35
Interest income from investment portfolio	12	11
Fees payable	(4)	(6)
Foreign exchange on investments	(11)	(9)
Gross investment return	52	99
Gross investment return as a % of opening portfolio value	3%	7%

Infrastructure continued

Fund management

3iN

3iN generated a total return on opening NAV of 10.1% for the year to 31 March 2025, ahead of its total return target of 8% to 10% per annum, and delivered its dividend target of 12.65 pence per share, a 6.3% increase on last year.

This result was driven by good performance and momentum across the majority of 3iN's portfolio companies, as the portfolio continues to benefit from long-term growth drivers.

TCR saw further strong performance in 2024, with higher rental volumes across its ground support equipment. The business increased its global footprint with 22 more airports and has significant white space ahead of it. In February 2025, TCR closed a refinancing, returning a £60 million distribution to 3iN.

Tampnet's North Sea and Gulf of Mexico fibre operations performed well. It continues to win new contracts, including the first fibre-backed contract in the Mexican deepwater. Utilisation rates were good across **ESVAGT**'s fleet of service operation vessels and the business is well positioned in its sector and markets to capitalise on the positive trajectory in the offshore wind market in Europe and more recently in South Korea. **Oystercatcher**, the holding company for the stake in Advorio Singapore, successfully completed a debt raise in the year, enabling a distribution to 3iN of £108 million.

DNS:NET is seeing improved performance in its fibre rollout, albeit we remain cautious on the outlook for the sector. In January 2025, 3iN completed an investment of £24 million in the business to continue to fund the fibre roll-out. **Infinis** delivered a strong result as it saw higher than expected levels of exported power from its captured landfill methane business. Other notable contributors include **Future Biogas** and **FLAG** (formerly Global Cloud Xchange).

The portfolio has a small number of portfolio companies experiencing softer trading. **SRL** experienced a downturn in activity in 2024, as a result of reduced UK local authority capital expenditure. Whilst the market remains challenging, the overall outlook into the second half of 2025 is improving. **Ionisos** also performed below our expectations, due to volume weakness in the German construction industry.

In January 2025, 3iN completed the realisation of its 33% stake in **Valorem** for net proceeds of €310 million, generating a 21% gross annual IRR and a 3.6x gross money multiple. 3iN also completed two transactions with **Future Biogas**; in August 2024, Future Biogas acquired majority control in a portfolio of six anaerobic digestion facilities for £68 million, of which £30 million was funded by 3iN. In September 2024, 3iN syndicated 23% of its stake in Future Biogas for proceeds of £30 million, at a 15% uplift to 31 March 2024 value.

As investment manager to 3iN, in FY2025, we recognised a management and support services fee of £51 million (2024: £51 million) and a NAV-based performance fee of £29 million (2024: £41 million). This performance fee comprised a third of the potential performance fee for each of FY2025, FY2024 and FY2023, after the performance hurdle was met in each year.

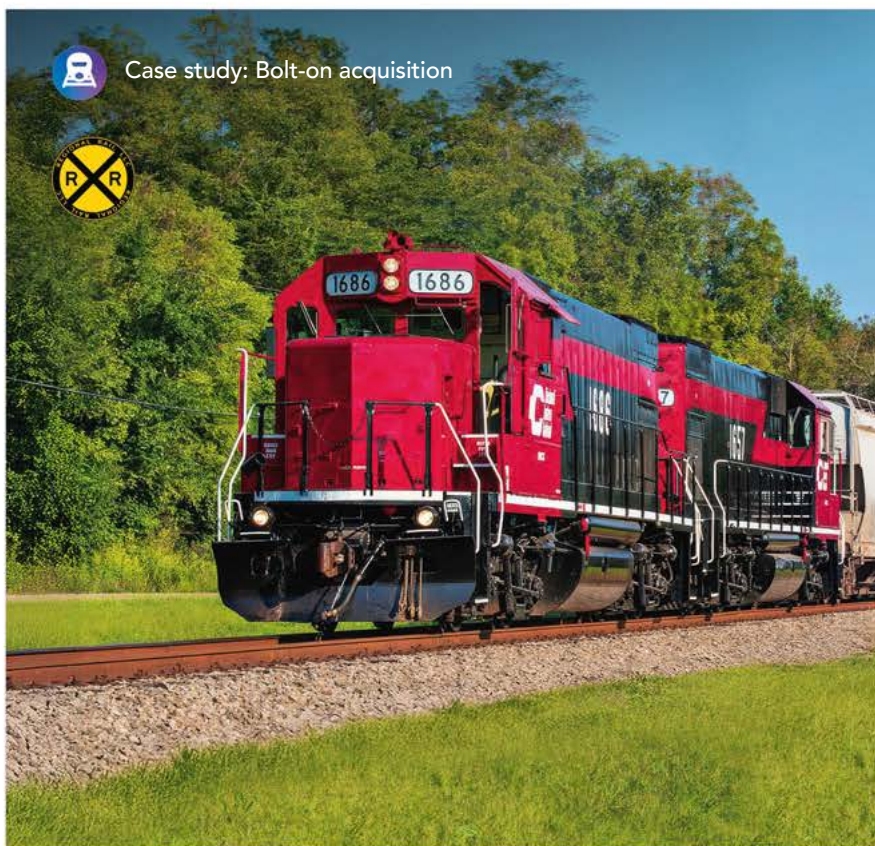
Regional Rail acquired Cincinnati Eastern Railroad in July 2024, adding 70 miles of track in Ohio.

The railroad provides freight hauling and storage services to customers across a variety of end markets, including aggregates, food & agriculture, and paper products, and is poised to benefit from continued industrial development in the region.

The acquisition further expands Regional Rail's Midwest US presence and diversifies its customer and commodity exposures. Regional Rail has grown from three railroads in the Northeast US to 16 operations across North America.



For more information
www.regional-rail.com



Case study: Bolt-on acquisition

Infrastructure continued

North American Infrastructure Fund ("NAIF")

The NAIF delivered resilient performance and saw a good level of bolt-on activity in FY2025.

Regional Rail generated growth organically, by transporting increased product volumes, and through continued bolt-on activity. The acquisition of Cincinnati Eastern Railroad during the year added 70 miles of track in Ohio. Regional Rail also completed the buyout of a minority stake in its Canadian rail operations. **EC Waste** performed well across its transfer station and landfill segments. **Amwaste** saw mixed trading in the year. The business completed two bolt-on acquisitions including C&C Sanitation and Waste Away Environmental, furthering both collection and post-collection services in Southeast United States. In February 2025, the NAIF completed the sale of its minority stake in **Shared Tower**.

Assets under management

Infrastructure AUM decreased to £6.3 billion (31 March 2024: £6.7 billion), reflecting the sale of our European Operational Projects Fund capability in May 2024, and the decrease in the share price of 3iN. This was partially offset by good performance across NAIF and 3i Managed Infrastructure Acquisitions Fund ("3i MIA"). We generated fee income of £61 million from our Infrastructure fund management activities in the period (2024: £68 million).

3i's proprietary capital infrastructure portfolio

The Group's proprietary capital infrastructure portfolio consists of its 29% quoted stake in 3iN, its investment in Smarte Carte and direct stakes in other managed funds.

Quoted stake in 3iN

At 31 March 2025, our 29% stake in 3iN was valued at £856 million (31 March 2024: £879 million), as its share price decreased by 3% year on year to 318 pence (31 March 2024: 327 pence). As a result, we recognised an unrealised value loss of £23 million (2024: unrealised profit of £38 million). This was offset by £33 million of dividend income in FY2025 (2024: £31 million).

North American Infrastructure proprietary capital

Smarte Carte delivered strong performance in 2024, supported by steady US domestic and international passenger traffic. Its carts business outperformed the prior year, driven by the successful execution of a new long-term contract at London's Heathrow Airport and continued benefits from improved pricing economics that Smarte Carte shares with its airport partners. Additionally, Smarte Carte made significant progress in expanding its international footprint and advancing various business development initiatives. This includes the successful rollout of 450 new United States Postal Service lockers and securing several ancillary service wins across its international locations.

At 31 March 2025, Smarte Carte was valued at £308 million on a DCF basis (31 March 2024: £306 million). We also received cash interest income of £6 million in the year from the business.

Table 5: Assets under management as at 31 March 2025

Fund/strategy	Close date	Fund size	3i commitment/share	Remaining 3i commitment	% invested ² at 31 March 2025	AUM ³ £m	Fee income earned in 2025 £m
3iN ¹	Mar-07	n/a	£856m	n/a	n/a	2,933	51
3i MIA	Jun-17	£698m	£35m	£5m	87%	1,733	4
3i managed accounts	various	n/a	n/a	n/a	n/a	776	4
North American Infrastructure Fund	Dec-23 ⁴	US\$744m	US\$300m	US\$73m	77%	561	2
Smarte Carte	Nov-17	n/a	n/a	n/a	n/a	308	–
Total						6,311	61

1 AUM based on the share price at 31 March 2025.

2 % invested is the capital deployed into investments against the total Fund commitment.

3 We retained a proprietary stake in Alba EOPF (formerly 3i EOPF), following the sale of our operational projects infrastructure fund capability in May 2024. It has been excluded from the table above.

4 First close completed in March 2022. Final close completed in December 2023.

Table 6: Infrastructure portfolio movement for the year to 31 March 2025

Investment	Valuation	Opening value at 1 April 2024 £m	Investment £m	Disposals at opening book value £m	Unrealised profit/(loss) £m	Other movements ¹ £m	Closing value at 31 March 2025 £m
3iN	Quoted	879	–	–	(23)	–	856
Smarte Carte	DCF	306	–	–	5	(3)	308
North American Infrastructure Fund ²	DCF	199	3	(9)	18	(4)	207
3i MIA	Fund	71	–	–	17	–	88
Alba EOPF	Fund	33	1	–	–	(1)	33
Total		1,488	4	(9)	17	(8)	1,492

1 Other movements include foreign exchange.

2 Includes Regional Rail, EC Waste, Amwaste. Shared Tower was divested in the year.

Scandlines

At a glance

Gross investment return

**£46m
or 9%**

(2024: £10m or 2%)

Dividend income

£22m

(2024: £25m)

We first invested in Scandlines in 2007, increasing our stake in 2013, before realising our holding in 2018, returning £835 million of proceeds at a money multiple of 7.7x. We subsequently reinvested £529 million in a 35% stake in Scandlines in 2018. Since our reinvestment, Scandlines has returned total cash proceeds of £232 million, 44% of our reinvestment, and is held on a longer-term basis to generate capital and income returns.

Performance

Scandlines performed resiliently in FY2025, generating a GIR of £46 million, or 9% of opening portfolio value (2024: £10 million, 2%).

Leisure revenues performed strongly, achieving record levels over the peak summer period. Freight volumes were softer due to a weak macro-economic environment in Germany and Scandinavia, whilst reduced consumer purchasing power in Sweden negatively impacted one-day shopping volumes.

The business continues to be cash generative, resulting in the receipt of £22 million of dividend income in FY2025 (2024: £25 million).

Scandlines is making good progress with its sustainability agenda. For further details, see page 47.

We continue to value Scandlines on a DCF basis, with a value of £529 million at 31 March 2025 (31 March 2024: £519 million).

Foreign exchange

We hedge the balance sheet value of our investment in Scandlines. We recognised a £10 million loss on foreign exchange translation (2024: loss of £15 million), offset by a £15 million fair value gain (2024: gain of £20 million) from derivatives in our hedging programme.

Table 7: Gross investment return for the year to 31 March

Investment basis	2025 £m	2024 £m
Unrealised profits/ (losses) on the revaluation of investments	19	(20)
Dividends	22	25
Foreign exchange on investments	(10)	(15)
Movement in fair value of derivatives	15	20
Gross investment return	46	10
Gross investment return as a % of opening portfolio value	9%	2%