Chief Executive's statement

3i continues to deliver very strong performance

"Our portfolio has been carefully assembled and its resilience and consistent financial performance in recent years reflect the benefits of thematic investing, disciplined pricing and active asset management. We have started FY2024 with good momentum and are confident that we have the right people, portfolio and processes to continue to compound value from our portfolio and deliver consistent returns through the cycle."

Simon Borrows
Chief Executive

Despite adverse global economic conditions, 3i delivered a very strong result in FY2023, underpinned by another year of excellent growth from Action and resilient performance across the majority of the rest of our portfolio. In challenging markets, we maintained our investment and pricing discipline, deploying capital across new investments and value accretive bolt-on acquisitions. We also continued to generate significant cash proceeds via realisations at healthy premiums to opening value and strong portfolio income.

In FY2023, we continued to execute our well-established strategy, making good progress against our key performance indicators ("KPIs"), and generated a total return on shareholders' funds of £4,585 million, or 36% (2022: £4,014 million, or 44%), ending the year with a NAV per share of 1,745 pence (31 March 2022: 1,321 pence). The majority of our portfolio companies have been navigating effectively through the high inflation, elevated interest rates, supply chain disruption, rising commodity prices and overall weaker consumer sentiment that have characterised FY2023. Whilst Action's performance was the most significant contribution to the Group's FY2023 return, we also saw particularly good or resilient trading from other portfolio companies operating in the value-for-money and private label, healthcare, industrial technology, business technology and services and infrastructure sectors. We are not, however, immune to the prevailing macroeconomic headwinds, and we saw softer trading in a small number of our portfolio companies. We therefore recognised a meaningful unrealised value loss in two of our companies with discretionary consumer end markets, to reflect weaker trading and the derating of valuation peers.

Private Equity transaction activity across the market slowed considerably in 2022 compared to 2021, as debt markets became less supportive and pricing expectations remained difficult to align. We were nevertheless able to complete four new investments in Private Equity and two in Infrastructure, in sectors and markets supported by long-term growth trends.

Bolt-on acquisitions across both of our portfolios remain an integral part of our long-term value creation strategy, enabling growth in the portfolio without taking on costly leverage. Accordingly, in FY2023, we completed a total of 11 bolt-on acquisitions for our Private Equity portfolio companies and three for our North American Infrastructure portfolio.

We also generated significant realised proceeds in FY2023, capitalising on demand for assets with a proven track record of through-the-cycle growth and the ability to execute and integrate bolt-on acquisitions. In total, across the Group, we generated over £1.3 billion of cash in the year from realisations and portfolio income.

Including the impact from foreign exchange hedging, 71% of the Group's net assets are denominated in euros or US dollars and we generated a £623 million gain (2022: £9 million gain) on foreign exchange translation as a result of sterling weakness. This includes a £122 million gain from our new medium-term foreign exchange hedging programme that we implemented for the Group in October and November 2022, and the existing hedging programme for Scandlines. For further details see page 71.

Private Equity performance

In the year to 31 March 2023, our Private Equity portfolio, including Action, generated a Gross Investment Return ("GIR") of £4,966 million or 40% on opening value (2022: £4,172 million, or 47%). Action generated a GIR of £4,344 million, or 61%, on its opening value. The softer performance across some of our discretionary consumer portfolio companies detracted from the resilient performance of the remainder of the ex-Action portfolio, with 90% of our portfolio companies by value growing earnings in the last 12 months ("LTM") to the end of 31 December 2022. In addition, our Private Equity portfolio is prudently funded, with a long-dated maturity profile and the interest rate risk substantially hedged.

Action

Action, the fastest growing non-food discounter in Europe and our largest portfolio company, delivered another year of very impressive performance. For its financial year ending 1 January 2023, Action generated net sales of €8,859 million, 30% ahead of 2021, and like-for-like ("LFL") sales growth of 18.1% driven by higher footfall and a higher number of transactions. The removal of the remaining limited Covid-19 restrictions in the first quarter of 2022 also contributed to this performance. Sales grew across all of Action's 14 product categories, with particularly good sales of daily essential products.

In the 12 months to 1 January 2023, Action delivered operating EBITDA of €1,205 million, 46% ahead of 2021 and an all-time high EBITDA margin of 13.6%. Action's buying power, flexibility in its category assortment and ability to absorb some of the inflationary pressure enabled it to manage both cost and pricing effectively, whilst maintaining and, in many instances, increasing its pricing advantage compared to its competitors.

Action's simple, efficient and scalable operating model allows the business to expand seamlessly across existing and new geographies. The business added 280 new stores in 2022, setting another store opening record. Stores across all countries are performing well with some of the more recent markets, such as Poland and the Czech Republic, showing particularly strong growth. Action has also moved out of the pilot phase in Italy and Spain given these markets exceeded initial expectations and Action is now fully committed to a full scale expansion in these two sizable new countries. On 2 March 2023, Action opened its first store in Slovakia, its 11th country. At the end of Action's P3 2023 (which ended on 2 April 2023), Action had 2,297 stores across 11 countries, with considerable white space to roll out in both existing and new geographies.

Action largely mitigated external supply chain challenges in 2022. It did so by leveraging its heavy investment in network capacity and through improved planning capabilities and collaboration with logistics partners. This resulted in increased product availability in stores to meet high customer demand. In addition, Action continues to develop its mix of suppliers, with an increasing share of directly sourced products and further geographical diversification. In 2022, the business also continued to enhance its supply chain infrastructure, opening a new hub in Le Havre and ramped up capacity in the distribution centres ("DCs") in Verrières, Bieruń and Bratislava. Action plans to open two new DCs in 2023, which will increase its existing DC network capacity of c.2,700 stores by another c.400 stores.

Action's Sustainability Programme is a fundamental pillar of its strategy and growth trajectory, and the business has made significant progress in its delivery. In 2022, Action completed a circularity assessment of all 14 product categories looking at design and use, which has enabled the business to define circular improvements in the buying process going forward. The business also increased its use of sustainably sourced cotton to 90% and sustainably sourced timber to 92% and reduced its Scope 1 and 2 CO_2 emissions by 40% from a 2021 baseline, which is an important step towards achieving its pledge to reduce the emissions from its own operations by 60% by 2030, from a baseline year of 2021.

Action continues to generate very strong cash flow, with cash conversion of 78% in 2022, as a result of its one-year cash payback for new stores and low capital intensity. The business paid an interim dividend to shareholders in December 2022, of which 3i received £159 million, and a second dividend in March 2023 of which 3i received £166 million. After paying the dividends, Action had a cash balance of €365 million as at 2 April 2023 and a net debt to run-rate earnings ratio of 1.8x.

In March 2023, we completed a transaction to provide liquidity for existing external investors in Action, who are invested via our 3i 2020 Co-investment Programme ("Programme"). As part of this transaction, we purchased a small additional stake in Action, investing £30 million through the Programme based on the December 2022 net asset value, increasing our equity stake from 52.7% to 52.9%. At the same time, we crystallised a portion of the carried interest liability relating to Action, which is expected to result in a payment by 3i of c.£200 million in carried interest to the participants in the relevant carry plans in May 2023.

The valuation of our 52.9% stake in Action at 31 March 2023 of £11,188 million (2022: £7,165 million) reflects the robust growth in Action's LTM run-rate EBITDA to €1,439 million (P3 2023), its low leverage and its current LTM run-rate EBITDA valuation multiple of 18.5x net of the liquidity discount. We take a long-term, through-the-cycle view on the multiple we use to value Action and take comfort from the fact that its continued excellent growth meant that its valuation at 31 March 2022 translated to only 13.0x the run-rate EBITDA achieved one year later. In addition, its most important operating KPIs compare very favourably with those of its peer group, which consists of North American and European value-for-money retailers.

2022 was a record year in terms of store openings for Action, as the business added 280 stores

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Read more about Action

In the first three periods to 2 April 2023, Action performed strongly, with LFL sales growth of 24.3% and 34 new stores added. Since 31 March 2023, we successfully allocated and signed an amendment and extension of Action's senior debt facilities on attractive terms. This included upsizing and extending the final maturities of a substantial portion of Action's senior term debt and revolving credit facility ("RCF"). Action's total senior debt facilities after the closing of the transaction will be €3,625 million including a €500 million undrawn multi-currency RCF.

Healthcare portfolio companies

Our healthcare portfolio continues to demonstrate its resilient and secular growth characteristics, driving good performance in FY2023. SaniSure followed up a very strong 2021 with further outperformance in 2022, as a result of operational efficiencies and elevated demand for its products. Whilst industry demand has moderated since the start 2023, we remain very confident of SaniSure's fundamental growth prospects. The business and its growth potential will continue to be enhanced by its active buy-and-build strategy, including the recent acquisition of Q Holding's Twinsburg site, which has added to its capability and diversified its client portfolio.

Cirtec Medical delivered another year of top-line growth, offsetting short-term supply chain headwinds which have now largely been resolved. The business continued to add high value, differentiated capabilities and end-market diversification, with its strategic acquisition of Precision Components from Q Holding.

We continued to support the development of ten23 health, our pharmaceutical products contract development and manufacturing organisation ("CDMO"), with a further investment of £36 million in the year.

Consumer portfolio companies (excluding Action)

Our value-for-money and private label businesses continued to perform well in FY2023, but a number of our discretionary consumer businesses have been disproportionately impacted by weaker consumer sentiment.

Despite significant raw material and energy price inflation in 2022, Royal Sanders sustained its strong growth through increased volumes with key customers and outperformance of the four bolt-on acquisitions completed since our initial investment in 2018. In April 2023, Royal Sanders completed the acquisition of Lenhart, its fifth since we first invested, further strengthening its position in the DACH region, and reinforcing its role as a key consolidator in a highly fragmented market. A combination of effective operational performance and positive contributions from recent bolt-on acquisitions has supported Dutch Bakery's good result in 2022.

nexeye delivered good top-line growth and margin performance in its financial year ending January 2023, driven by a comparatively attractive price point for its customers. It added 23 stores in the year and accelerated online appointments across its German business. Trading at the start of 2023 has recovered, following softer trading in Q3 2022 as consumer uncertainty impacted overall market demand.

Over the last 12 months, we have seen a significant recovery in bookings for Audley Travel and arrivia, two of our travel assets. Audley Travel's key destinations gradually reopened in 2022, leading to a strong recovery in bookings, driven by pent-up demand and supported by Audley's differentiated brand proposition. arrivia has seen good performance in its membership business, as well as a strong pick up in cruise and travel bookings.

Following a solid first quarter of 2022, both Luqom and YDEON experienced a significant drop in order intake across their online platforms for the remainder of the calendar year, as a result of weaker consumer confidence and inflationary concerns. Across this same period, e-commerce peers of both portfolio companies de-rated materially, reflecting the challenging external trading conditions. These were key considerations in support of the combined £357 million unrealised value decrease we recognised across these two portfolio companies in FY2023. We believe the longer-term growth fundamentals of each business remain and, through initiatives such as Luqom's further international expansion and YDEON's addition of lower cost products to its range, both businesses are positioning themselves for recovery.

BoConcept has to an extent mitigated lower footfall and order intake through its international diversification, franchise model and effective margin management.

Business and Technology Services portfolio companies

WilsonHCG delivered strong organic growth in 2022, and in January 2023 it completed the bolt-on acquisition of Personify, enabling it to accelerate its growth in the life sciences and healthcare end markets. The business is well positioned to navigate any prolonged slowdown in the North American hiring market, whilst new customer wins continue to diversify its customer base. MAIT traded resiliently in the year, as the IT services market continues to demonstrate a strong growth outlook. Following the bolt-on acquisition in June 2022 of Nittmann & Pekoll, an Austrian ERP specialist, the business has now completed five bolt-on acquisitions since we first invested in 2021, all of which are integrating well.

Evernex continued its buy-and-build activity, with the strategic acquisitions of XS International and Integra, enabling the business to expand its footprint in the US, Nordic, and Benelux markets. Short-term trading has been impacted by a post-pandemic increase in new IT equipment investment, affecting the renewal of maintenance contracts, although this was largely offset by a number of new contract wins in the year.

Industrial Technology portfolio companies

AES performed very well financially, strategically and operationally throughout 2022 and into the first quarter of 2023, driven by strong demand in its global pump and rotating equipment end market. The business has continued to invest and scale up, driving further reliability in its offering and helping to generate new customer wins.

Having traded strongly in the first half of 2022, Tato saw trading soften through the second half of 2022 with weaker end market demand and supply challenges for key input chemicals resulting in price inflation and margin pressure. Tato successfully leveraged its scale and global footprint to maintain good customer supply, and margin performance has improved since the turn of the year.

Following three years of significant operational and market disruption, Formel D has made encouraging steps in its earnings recovery. Whilst trading was soft through the first half of 2022 driven by prolonged Covid-19 shutdowns in China and intermittent supply chain issues as a result of Russia's invasion of Ukraine, the second half of 2022 and start of 2023 have been more encouraging with an easing of supply chain issues and margin improvement from contract renegotiations.

Private Equity investment

Unfavourable debt markets and economic uncertainty suppressed buyout market activity in 2022 compared to a more buoyant market in 2021. Our approach to new investment has remained consistent and we maintain our selective and disciplined approach, leveraging our offices and international network to identify attractive and sensibly priced new investments and value accretive bolt-on acquisitions for our portfolio companies.

In FY2023 we completed four new Private Equity investments totalling £221 million. Our digitalisation, automation and big data investment theme underpins three of these new investments: the £94 million investment in xSuite, an accounts payable invoice automation software provider; the £37 million investment in dé VakantieDiscounter ("VakantieDiscounter"), a technology-enabled online travel agency in the Benelux focused on affordable holidays; and the £30 million investment in Digital Barriers, a provider of unique video compression technology.

Our extensive consumer sector expertise will enable us to support the global expansion thesis for our £60 million investment in Konges Sløjd, which offers apparel and other products for babies and children.

Across the Private Equity portfolio, we completed 11 bolt-on acquisitions in the year. We supported Luqom's acquisition of Brumberg, a B2B lighting brand, arrivia's acquisition of RedWeek, an online timeshare rental marketplace, and WilsonHCG's acquisition of Personify, a provider of RPO to specialised end markets, with total further investment of £63 million. Our portfolio companies also completed eight self-funded bolt-on investments in the year, including the acquisitions by SaniSure and Cirtec Medical of two components of Q Holding's medical business, as well as bolt-on acquisitions by Dutch Bakery, MAIT, Evernex and AES.

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Read more about our Private Equity investment activity

Private Equity realisations

Despite challenging market conditions, we generated total capital realisation proceeds of £857 million in the year, demonstrating the appeal of our portfolio companies, many of which have shown resilience at all stages of the economic cycle.

Our sale of Havea in October 2022 endorsed our long-standing buy-and-build approach. During our five-year holding period, the business delivered double-digit organic growth and completed and integrated five acquisitions which, combined with a significant strategic transformation, transitioned Havea from a family-owned business to a European leader in consumer healthcare and wellbeing. This disposal generated proceeds for 3i of £471 million, representing a 50% uplift on the value of the investment at 31 March 2022, a sterling money multiple of 3.1x and an IRR of 24%.

During the year, we received total proceeds of £332 million from three partial disposals by Q Holding. In Q1 FY2023 we completed the disposal of Q Holding's QSR division receiving total proceeds of £199 million and in Q4 FY2023 we received £133 million relating primarily to the disposal of Q Holding's Twinsburg site and Precision Components business. The valuation of Q Holding at 31 March 2023 of £117 million (31 March 2022: £398 million) includes our remaining value of Q Holding's device assembly business Catheter Technologies. This means that over the last two years, through a combination of realised proceeds and residual value, we have recognised an uplift for Q Holding of over 100% on the opening value at 31 March 2021, which takes our money multiple, including proceeds received to date and remaining residual value, to 2.8x.

In January 2023 we completed the sale of Christ, our last investment in Eurofund V ("EFV"), for gross proceeds to 3i of £47 million, representing a 45% uplift on the 31 March 2022 opening value. When added to the proceeds generated by the sale of Amor (another German player in the jewellery space which we considered as part of the same investment thesis and sold in 2016 crystallising a money multiple of 2.3x), the multiple generated by this sale is 1.0x. Following the disposal of Christ, EFV reached a final gross money multiple of 3.0x, a top quartile performance.

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Read more about our Private Equity realisation activity

Infrastructure performance

In the year to 31 March 2023, our Infrastructure portfolio generated a GIR of £86 million or 6% on opening value (2022: £241 million, or 21%).

3i Infrastructure plc's ("3iN") carefully selected portfolio continues to benefit from its exposure to identified long-term growth trends. As a result, 3iN generated a total return on opening NAV of 14.7%, which was materially ahead of its 8-10% return objective, and delivered its dividend target of 11.15 pence, a 6.7% increase on last year. In February 2023, 3iN completed a £100 million placing of new shares at a price of 330 pence per share. The funds were used to part pay drawings on 3iN's RCF and partly used to fund its acquisition of Future Biogas. 3i did not participate in this placing and its holding in 3iN was therefore diluted from 30% to 29%. At 31 March 2023, our 29% stake (31 March 2022: 30%) in 3iN was valued at £841 million (31 March 2022: £934 million), as a result of a 10% year-on-year decline in its share price to 313 pence. However, this was partially offset by dividend income from 3iN of £29 million in the year. We see considerable unrealised value in 3iN's existing portfolio, with the platform investments generating substantial bolt-on investment opportunities, which can be funded from cash generated by those companies, together with portfolio company debt facilities. The additional equity raised by 3iN during the year gives further headroom to take advantage of this growth potential.

Demand for Infrastructure assets is strong and the team has continued to deploy capital while retaining its pricing discipline. As 3iN's investment manager, we oversaw 3iN's completion of its new investments in Global Cloud Xchange ("GCX") and Future Biogas in the year, as well as the purchase of an additional stake in TCR, a portion of which was subsequently syndicated to external investors. The team also completed the sale by 3iN of its European projects portfolio to the 3i European Operational Projects Fund ("3i EOPF") for £106 million.

Following robust US domestic travel demand and continued volume recovery from international travellers, our proprietary capital investment in Smarte Carte delivered strong performance across all lines of its business. Over the last 12 months, the business has continued to differentiate its offering with further ancillary services and also completed a refinancing at attractive terms.

Our North American Infrastructure platform delivered solid performance in FY2023. Regional Rail closed two bolt-on acquisitions, including three short-line railroads in the Midwest region of the US and several short-line railroads in Canada, whilst the existing freight rail platform delivered good volumes. EC Waste continued to benefit from strong landfill revenues.

As a result of our fund management activities and dividends from the portfolio we generated strong cash income of £107 million (2022: £91 million) from our Infrastructure business in the year.

Scandlines performance

Scandlines performed well in the year, generating a GIR of 10% (2022: 26%). The business delivered a second consecutive year of record growth in freight volumes in 2022, whilst leisure volumes saw good recovery driven by a strong summer peak season, offsetting the impact of Covid-19 at the start of 2022. Following continued good cash generation, we received total dividends of £38 million from Scandlines in FY2023.

Progress on our sustainability agenda

We made significant progress on our sustainability agenda in FY2023. We embedded dedicated ESG resource in our Private Equity and Infrastructure investment teams, as well as in our central Group function. This has accelerated the implementation of a range of sustainability initiatives at the Group level and across the portfolio, enhanced the quality of our engagement with portfolio companies on ESG themes, and improved our assessment of sustainability factors in our investment and value creation processes.

Our work on sustainability is driven by our ESG Committee, whose principal activities in FY2023 focused on portfolio data collection and management, climate training, and climate scenario analysis. Importantly, on 5 April 2023 we wrote to the Science Based Targets initiative ("SBTi") to indicate our commitment to set near-term science-based targets for 3i. We are now working to formulate our targets, with the intention to submit them to SBTi for validation in FY2024. Our science-based targets will cover our direct Scope 1 and 2 emissions, as well as our Scope 3 emissions associated with our portfolio and will be formulated in line with the guidance published by SBTi for the private equity sector.

Please refer to our Task Force on Climate-related Financial Disclosures ("TCFD") detail on pages 60 to 66 for more information on how we assess and manage climate-related risks and opportunities.

During the year, we continued to support our nine charity partners which work across a variety of areas, including helping homeless people, enabling disabled students to go to university, helping elderly people regain some independence and battle loneliness, and providing veterans with mental health support and helping them back into work. We donated £1 million across these initiatives. In addition, we donated £500,000 to the Turkey Mozaik Foundation in support of victims of the earthquake in Turkey and Syria.

Conservative balance sheet and management of foreign exchange movements

Our conservative balance sheet strategy is fundamental to our proprietary capital model enabling us to invest with speed and flexibility without the need to accelerate any realisations. We also continue to place great weight on cost discipline and once again covered our cash operating costs with cash income. Our activity during the year is set out in the Financial review including the details of the medium-term partial foreign exchange hedging programme we put in place at a time when we had the advantage of sterling weakness in October and November of 2022.

Active asset management

As investors in private equity and infrastructure companies, we pursue a highly involved form of asset management. This approach is only practical given the concentrated nature of the 3i portfolio. We start at the outset of our purchase with an investment case which we author in conjunction with company management with the simple goal of growing the business to at least double its profits over a five to six-year time-scale. As part of this plan, we define key milestones and KPIs which we track on a monthly basis in order to ensure the execution of the plan remains on track.

Management are closely aligned to the plan outcome and to 3i through their participation in equity and equity-linked plans as co-owners of the business. These long-term equity plans (five years or more) are much more meaningful than shorter-term annual variable pay, and in successful investments will deliver significant capital sums to the management teams. The nature of this incentive ensures real alignment with 3i's long-term approach to compounding capital.

The management team is supported in the execution of the investment case by a board primarily made up of experienced 3i executives or others hired by 3i who bring particular sector or specialist skills to the situation. The board and 3i investment team have regular monthly involvement with the company and are assisted by other members of the local investment team, being regularly involved at different levels throughout the organisation of the investee company. Active and involved governance is one of the key ingredients of our success.

3i also provides specialist legal, corporate finance, banking, ESG and digital resource to assist investee management teams in sharing best practice, particularly in relation to specific projects in funding and M&A as well as their overall ESG and digital agendas.

We believe this form of active management is key to the high returns we have achieved across both Private Equity and Infrastructure over the last 10 years. Management are allowed to drive a long-term rather than annual or quarterly agenda, and are encouraged to make the necessary investments to meet or exceed ambitious long-term growth plans. Action is a very good example of this approach.

The 3i Investment Committee and the senior partners in the Private Equity team review in detail progress against the investment case every March and September. It is in these reviews that the Investment Committee challenges the investment teams on the progress against the investment case and may agree to changes which could either prolong 3i's ownership by marking the asset as having potential for our "long-term portfolio"or even shorten the life of the plan to capitalise on current opportunities in the M&A market.

This highly-intensive approach to asset management was adopted at 3i in 2012, and has been refined over the last decade. It has been key to our strong investment performance since that time and together with our long-term, permanent capital approach gives us real competitive advantage against other forms of stewardship, be they more hands off-private or shorter-term focused public ownership models.

The benefits of compounding

3i's portfolio has been carefully assembled and its resilience over recent years is a reflection of the benefits of thematic investing, disciplined pricing and active asset management. Sustained returns over a number of years demonstrate the value of compounding, and no portfolio company better illustrates this than Action, which has become one of the fastest-growing retailers in the world, and 3i's largest and most resilient portfolio investment. Action has achieved 12 years of consistent, significant growth under 3i's ownership. The bedrock of this performance has been Action's very low prices and customer-centric approach. The company has performed well through all phases of the economic cycle and its low price leadership through this current period of very high shop price inflation has been particularly strong with high LFL sales across all 14 product categories and all countries.

Action has been welcomed in all 11 countries it now operates in and the company has recently been voted "favourite retail brand" in France by a large panel of consumers. France is now Action's largest market with some 730 stores, having opened its first store in that market in 2012. There are very few retailers that are close comparators to Action and very few of them can move seamlessly into new geographic markets as Action does.

Action has considerable growth potential across mainland Europe and elsewhere. It has opened over 2,000 stores across Europe under 3i's ownership and has the potential to open multiples of this number in the future. This organic expansion puts Action on track to join a very rare group of retailers where growth extends over decades, rather than years. Action is already a very large, well-spread and resilient business and will become even broader and larger as it grows its presence in new geographic markets. Action's business model produces high returns on equity and significant cash flows based on high store sales densities and one-year average historical paybacks on new store capital expenditure. So Action's store expansion is self-funding, allowing the group to increase its operating leverage through size and scale and deliver significant dividends to 3i and other shareholders as it grows.

3i invests permanent rather than time-limited fund capital. This allows us to capture the significant compounding benefits from Action's growth and consistent financial performance. We are now focused on developing a select number of other portfolio companies to fulfil their potential to also become long-term compounders for the Group. These other portfolio companies are likely to grow in prominence in our results over the coming years.

Outlook

Whilst we expect macroeconomic conditions to remain challenging in the near term, we have started FY2024 with good momentum and are confident that we have the right people, portfolio and processes to continue to deliver consistent returns for our shareholders through the cycle.

I would like to close by thanking the team at 3i and the teams in our portfolio companies for another very good performance in far from straightforward circumstances.

Simon Borrows
Chief Executive
10 May 2023