Our portfolio

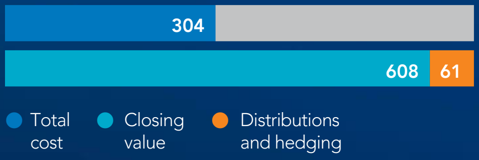
SRL
Page 30

Our portfolio

TCR is the largest independent lessor of airport GSE and operates at over 200 airports worldwide. TCR has defined the market for leased GSE, providing high-quality assets under full-service leasing, as well as maintenance and fleet management to its clients (predominantly independent ground handling companies, airlines and airports).

Read more online

Performance (£m)



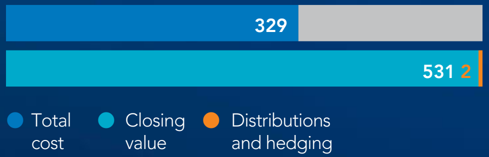
Our portfolio continued

ESVAGT

ESVAGT is the pioneer and market leader in the provision of purpose-built, high-performance service operation vessels ('SOVs') to offshore wind farms, with nine in operation and four further vessels under construction. SOVs provide efficient maintenance platforms to wind turbines and other offshore wind equipment, under long-term contracts. ESVAGT is also a leading provider of emergency rescue and response vessels ('ERRVs') to the offshore oil industry, in and around the North Sea and the Barents Sea.

Read more online

Performance (£m)



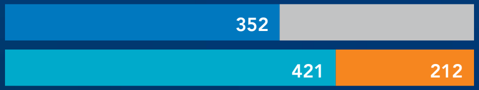
Our portfolio continued

infinis

Infinis is the largest generator of low-carbon electricity from captured methane in the UK, with a portfolio of renewable baseload and low-carbon flexible generation across more than 150 sites and a total installed capacity of more than 500MW. The business is rapidly transforming through an active solar and battery development pipeline.

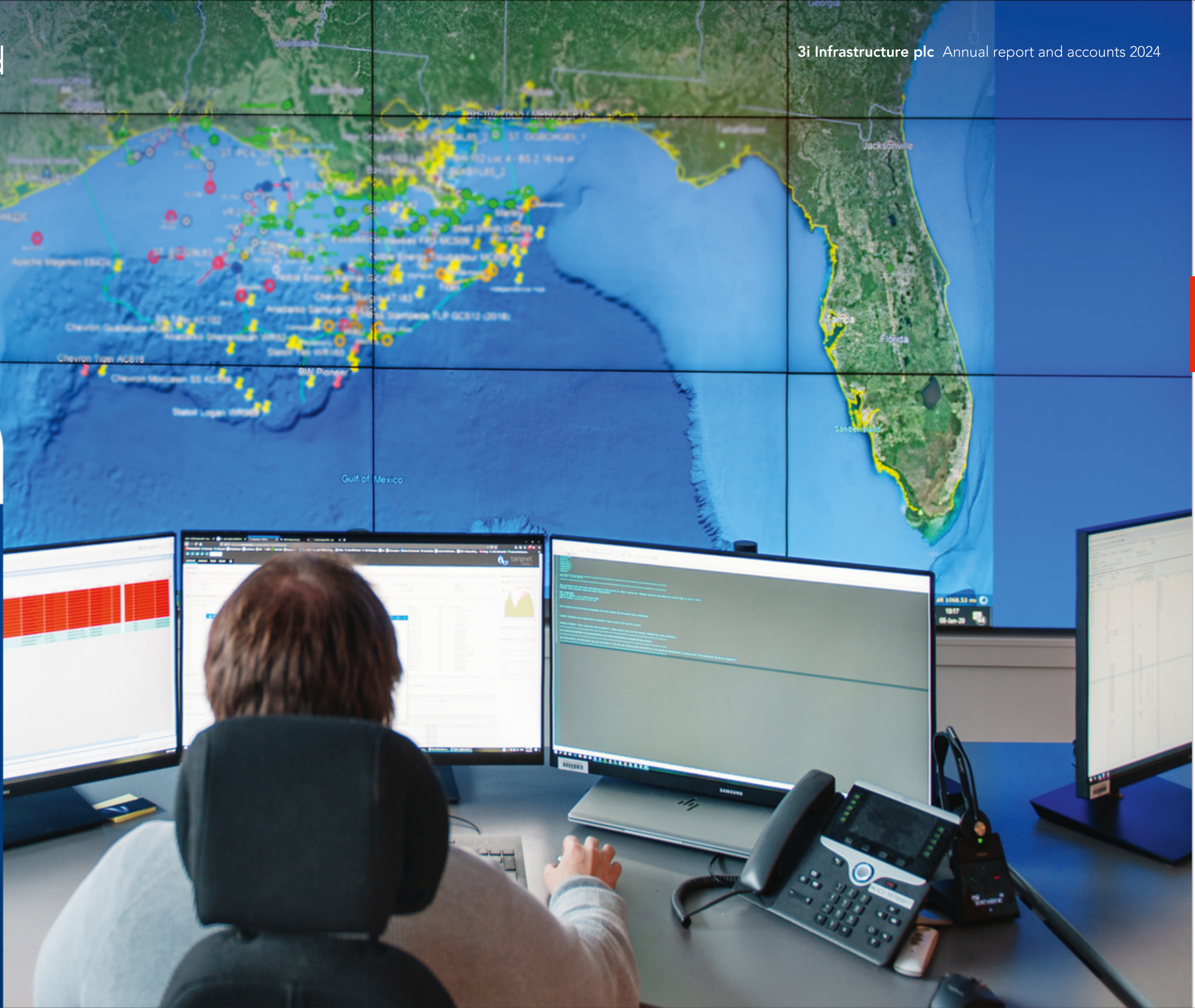
Read more online

Performance (£m)



Total cost · Closing value · Distributions and hedging

Our portfolio continued

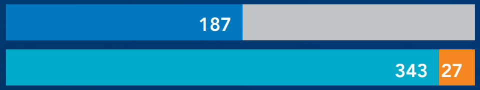


tampnet

Tampnet owns and operates the world's largest offshore, high-capacity communication network, which is located in the North Sea and the Gulf of Mexico. It provides customers with mission-critical reliable communications, including high-speed, low-latency and resilient data connectivity offshore through an established and comprehensive network of fibre-optic cables, 4G base stations, and microwave links.

Read more online

Performance (£m)



Our portfolio continued
Creating value through offshore connectivity – Tampnet

In conversation with 3i Managing Partner Scott Moseley and Tampnet CEO, Elie Hanna.

Q Tell us about Tampnet?

EH Tampnet is the largest offshore communications provider in the world. We provide high-speed, low-latency connectivity solutions to energy customers in the oil and gas, offshore wind, maritime, and carbon capture and storage industries.

> Tampnet is just getting started.
>
> **Scott Moseley**
> Managing Partner and Co-Head of European Infrastructure

Q Why did 3iN invest and how has Tampnet developed?

SM We were really excited when we had the opportunity to invest in 2019. It was clear Tampnet was highly innovative, but we saw the opportunity to increase its positions in the North Sea and the Gulf of Mexico. Tampnet has now acquired a 1,200km network in the Gulf of Mexico, increasing the size of its physical infrastructure, which now services over 300 customers on its networks in those basins.

Q What benefits has 3iN brought?

EH 3iN is a great partner. We have open, robust discussions and there's trust which I really feel and value, working on business plans, strategy, and usually getting complementary angles to discussions with operations and management. It's really been a pleasure.

Q What's next for Tampnet?

SM Tampnet is just getting started. Since FY18 we've more than doubled earnings. The digitalisation and connectivity opportunities that the team has identified mean that sort of growth trajectory is only going to accelerate and Tampnet is absolutely best placed to deliver that.

EH We still have lots of growth in our core fibre business. We also like to diversify, so we are very much growing in offshore wind, carbon capture and maritime industries.

Watch video online

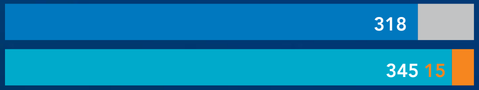
Our portfolio continued

GCX

GCX owns one of the most comprehensive fibre-optic subsea cable networks globally. Its 50,000km of cables constitute one of the few networks with significant available capacity to serve the rapidly growing demand for data traffic on the Europe-Asia and inter-Asia routes.

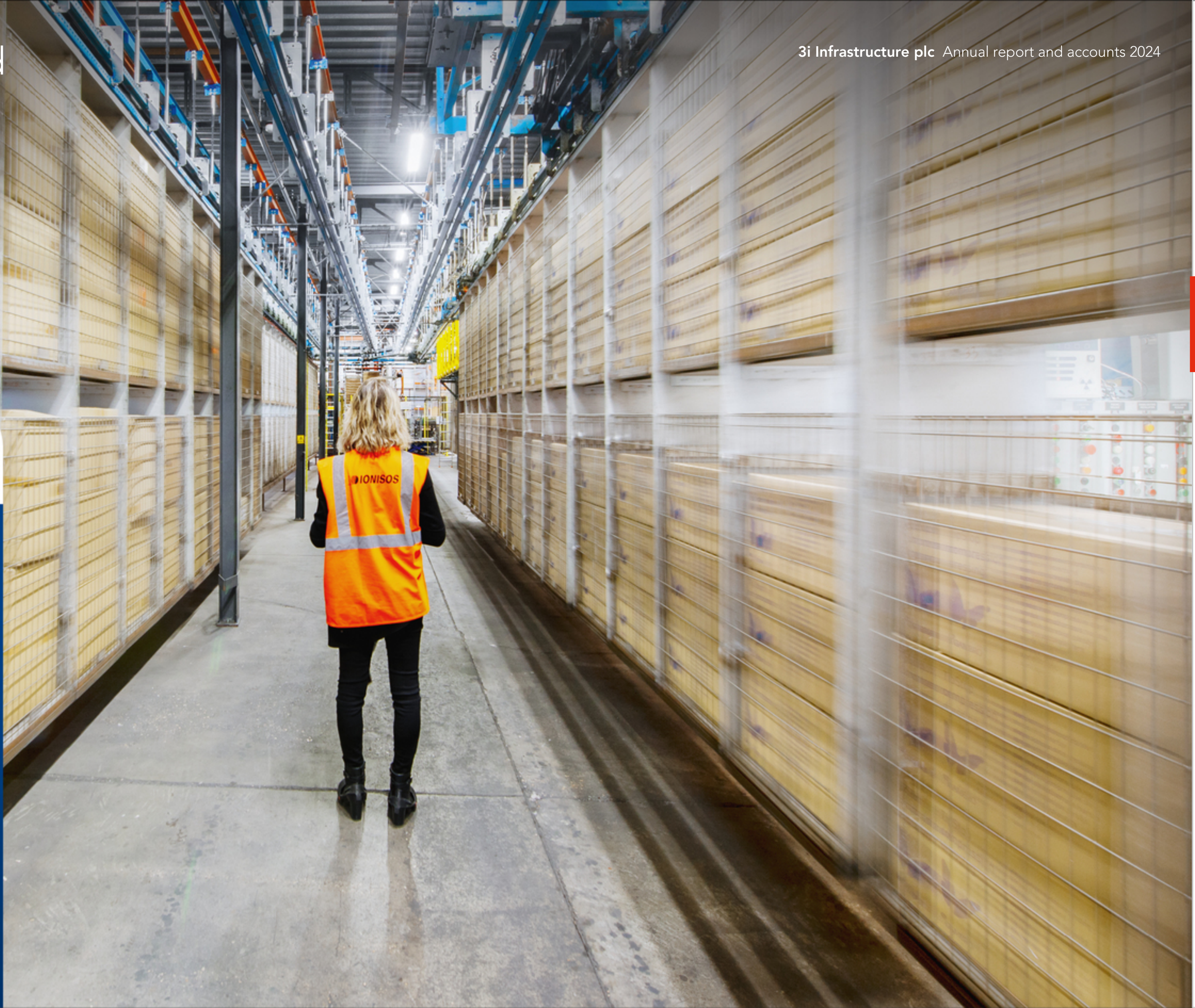
Read more online

Performance (£m)



Total cost · Closing value · Distributions and hedging

Our portfolio continued

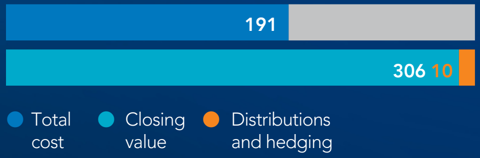


IONISOS

Ionisos is the third-largest cold sterilisation provider globally. It has developed a highly diversified customer base and delivers a critical service for the medical and pharmaceutical industries for which cold sterilisation is an essential step in the manufacturing process. It is typically applied to single-use products that would be damaged by the heat and/or humidity of hot sterilisation methods.

Read more online

Performance (£m)



Our portfolio continued

Joulz

Joulz is a provider of essential energy infrastructure equipment and services to industrial and commercial customers in the Netherlands. It owns and leases medium-voltage electricity infrastructure alongside a metering business which owns and leases electricity and gas meters. Since we acquired it, Joulz has, through acquisitions, extended its offering to EV charging points and solar power installations.

Read more online

Performance (£m)

Total cost · Closing value · Distributions and hedging

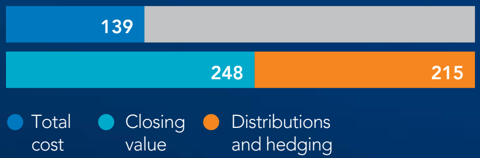
Our portfolio continued

Oystercatcher

Oystercatcher is the holding company through which the Company holds a 45% interest in Advario Singapore Limited ('Advario Singapore'). Advario Singapore is a 1.3 million cubic metre facility focused on blending and storing refined petroleum products for a range of blue-chip customers. With a premier location on Jurong Island, it has pipeline connectivity to neighbouring businesses in the Jurong Island petrochemicals complex. Since 2023, it has been investing to support those customers transitioning into sustainable fuels.

Read more online

Performance (£m)



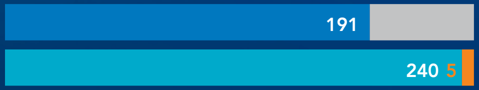
Our portfolio continued

SRL traffic systems

SRL is the largest temporary traffic equipment rental company in the UK. Its market-leading reputation is underpinned by its network of 30 depots nationwide, providing a 24/7, 365 days a year service on which customers rely for quick deployment and reactive maintenance work.

Read more online

Performance (£m)



Our portfolio continued

VALOREM
opérateur en énergies vertes

Valorem is a leading independent European renewable energy developer and power-producing company. It is one of the largest independent onshore wind developers in France, having developed over 1.5GW of capacity over the last 15 years. Since 3iN's investment, the business has focused on developing its owned asset base, and diversified into solar and hydro and internationally into Finland and other attractive European markets.

Read more online

Performance (£m)

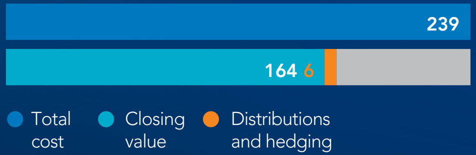
Our portfolio continued

DNSNET
Anschluss Zukunft.

DNS:NET is an independent telecommunications provider based in Berlin, where it has an existing FTTC network. In 2019 it moved its focus to rolling out a FTTH network in the vicinity of Berlin, Brandenburg and Saxony-Anhalt. These are all areas with limited high-speed broadband connectivity at present. It is the largest alternative broadband service provider in its home region and a well-known local brand.

Read more online

Performance (£m)



Our portfolio continued

Future Biogas is one of the largest AD plant developers and operators in the UK. Future Biogas's plants convert feedstock into clean and renewable energy through AD which produces biogas. Biogas can either be used to generate green electricity, or upgraded into biomethane and injected into the UK's national gas network. The residual digestate can be used as a fertiliser for future feedstock.

Read more online

Performance (£m)

Portfolio review

The portfolio is generating strong growth momentum supported by long-term tailwinds. We are confident that it will continue to generate attractive further investment opportunities and is well positioned to deliver our target returns.

The Company's portfolio was valued at £3,842 million at 31 March 2024 (2023: £3,641 million) and delivered a total portfolio return in the year of £460 million, including income and allocated foreign exchange hedging (2023: £501 million).

Table 1 summarises the valuations and movements in the portfolio, as well as the return for each investment, for the year.

Table 1: Portfolio summary (31 March 2024, £m)

Portfolio assets	Directors' valuation 31 March 2023	Investment in the year	Divestment in the year	Accrued income movement	Value movement	Foreign exchange translation	**Directors' valuation 31 March 2024**	Allocated foreign exchange hedging	Underlying portfolio income in the year	**Portfolio total return in the year[1]**
TCR	537	22[2]	(25)[4]	(5)	92	(13)	**608**	13	23	**115**
ESVAGT	485	48[2]	–	2	7	(11)	**531**	12	49	**57**
Infinis	407	–	(3)[4]	(3)	20	–	**421**	–	18	**38**
GCX	323	29[2]	–	(6)	6	(7)	**345**	8	31	**38**
Tampnet	292	6[2]	–	–	54	(9)	**343**	10	13	**68**
Ionisos	298	14[2,3]	–	–	2	(8)	**306**	10	9	**13**
Joulz	287	7[2]	(1)[4]	–	22	(9)	**306**	9	7	**29**
Oystercatcher	254	–	(12)[4]	–	15	(9)	**248**	9	3	**18**
SRL	219	20[2]	–	–	1	–	**240**	–	21	**22**
Valorem	188	–	–	–	47	(5)	**230**	6	4	**52**
DNS:NET	179	44[3]	–	–	(55)	(4)	**164**	6	11	**(42)**
Future Biogas	28	66[2,3]	–	2	4	–	**100**	–	3	**7**
Attero	144	–	(183)	(1)	44	(4)	**–**	4	1	**45**
Total portfolio reported in the Financial statements	3,641	256	(224)	(11)	259	(79)	**3,842**	87	193	**460**

1 This comprises the aggregate of value movement, foreign exchange translation, allocated foreign exchange hedging and underlying portfolio income in the year.
2 Capitalised interest totalling £152 million across the portfolio.
3 These amounts include follow-on investments in Ionisos (£5 million), DNS:NET (£34 million) and Future Biogas (£65 million).
4 Shareholder loan repayment (non-income cash).

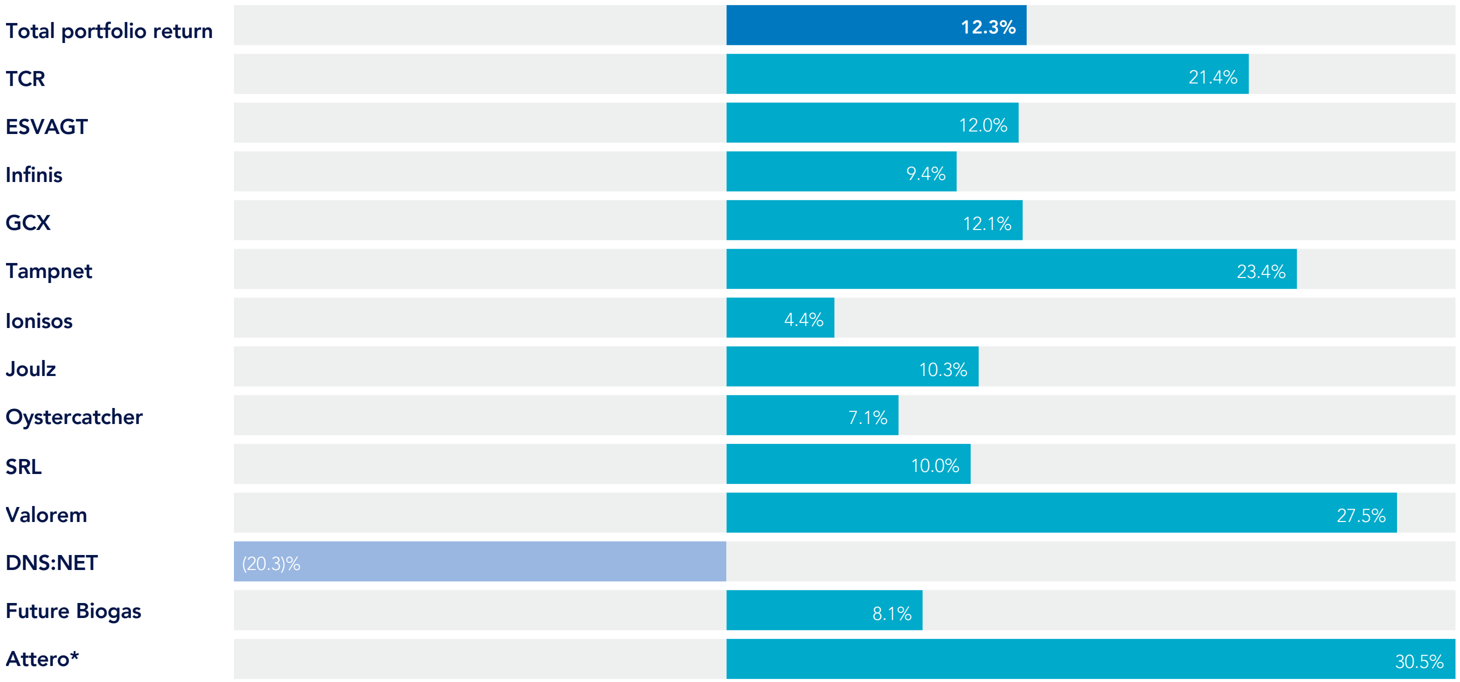
Portfolio review continued

The total portfolio return in the year of £460 million was 12.3% (2023: £501 million, 15.1%) of the aggregate of the opening value of the portfolio and follow-on investments (excluding capitalised interest), which totalled £3,745 million.

Performance was strong across the portfolio, driven by outperformance from a number of portfolio companies, but particularly TCR, Tampnet and Valorem and the return generated from the sale of Attero. Whilst progress has been made during the year at DNS:NET, its fibre network rollout remains challenging.

Chart 1 shows the portfolio return in the year for each asset as a percentage of the aggregate of the opening value of the asset and investments in the asset in the year (excluding capitalised interest). Note that this measure does not time-weight for investments and syndications in the year and includes foreign exchange movements net of hedging.

Chart 1: Portfolio return by asset (year to 31 March 2024)



* Divested in November 2023 and return not annualised.

Portfolio review continued

Movements in portfolio value

The movements in portfolio value were driven principally by the delivery of planned cash flows and other asset outperformance as well as follow-on investments made during the year. A reconciliation of the movement in portfolio value is shown in Chart 2 below. The portfolio summary shown in Table 1 on page 34 details the analysis of these movements by asset. Changes to portfolio valuations arise due to several factors, as shown in Table 2 on page 39.

The portfolio generated a value gain of £259 million (2023: £320 million) in the year, alongside income of £193 million (2023: £156 million).

Portfolio activity

Our renewable energy generating companies; Infinis, Valorem and Future Biogas, performed well in the year despite softer spot and forecast energy prices. All have made substantial progress in developing their pipelines of new projects towards and into operation. This is reflected in an overall increase in installed capacity from 979MW to 1,147MW over the year, as shown in the Sustainability section.

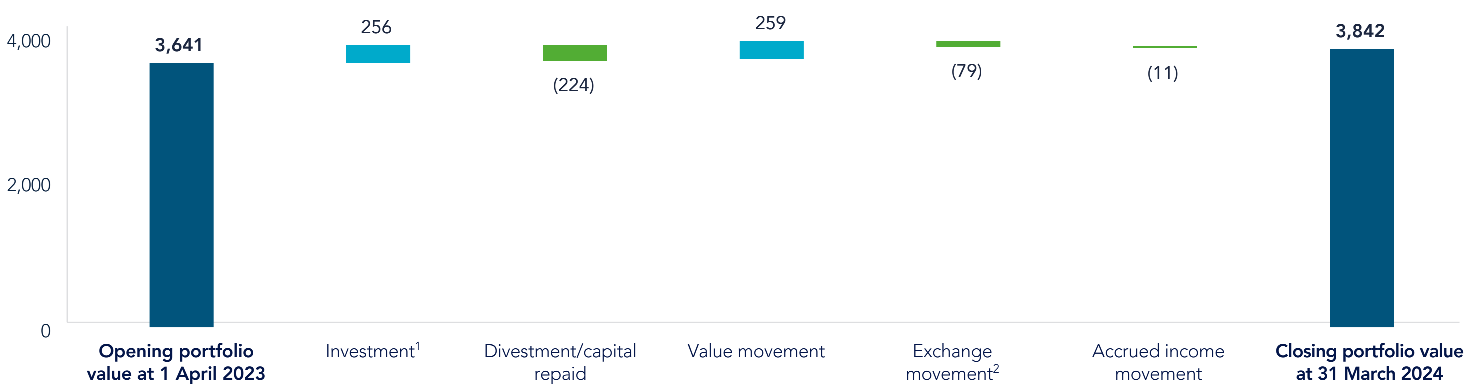
Infinis had a strong financial performance despite lower UK power prices. It generated a value gain of £20 million as its captured landfill methane business outperformed expectations, compensating for lower margins from its power response assets. Furthermore, Infinis is making significant progress in developing its 1.4GW solar energy generation and battery storage pipeline, with 103MW of solar capacity already operational.

Valorem had a very good year with revenues from electricity generation ahead of expectations due to favourable wind conditions contributing to a value gain of £47 million. The company's closed capacity now totals 853MW of wind, solar and hydro projects, a 10% increase from the previous year.

Valorem completed the sale of a minority stake in part of its French operational portfolio on attractive terms, demonstrating the strong appetite for its projects and raising capital to finance development of future projects. This was supplemented by issuance of euro private placement debt for the first time.

In France, the market fundamentals for renewable developers remains strong, as evidenced by the increase in recent auction tariff levels due to demand for projects exceeding supply. The construction of Valorem's new projects in Finland and Greece are progressing according to or ahead of plan. The company has expanded its development pipeline from 5.7GW to 6.6GW, including securing partnerships for co-developments in Poland and Sweden.

Chart 2: Reconciliation of the movement in portfolio value (year to 31 March 2024, £m)



1 Includes capitalised interest.
2 Excludes movement in the foreign exchange hedging programme (see Chart 8 in the Financial review).

Portfolio review continued

Future Biogas performed in line with expectations due to good services revenues and index-linked contracts. The company has a promising pipeline of organic growth and M&A opportunities.

During the year, Future Biogas signed a new 15-year gas supply agreement with AstraZeneca ('AZ') for unsubsidised green gas. To deliver this green gas, it is constructing the UK's first unsubsidised AD plant. In September 2023, 3iN invested £35 million to fund the plant's construction, which will supply 100GWh of biomethane to AZ's UK sites.

In November 2023, 3iN invested a further £30 million to fund the acquisition of two AD plants that Future Biogas was already managing. These strategic investments continue to transition Future Biogas from a manager of third-party biogas plants to a leading developer, asset owner and operator. The company is actively exploring viable sites for constructing new AD plants, and the interest from high-quality corporate partners is encouraging.

TCR materially outperformed expectations, resulting in a substantial increase in value by £92 million. This performance was driven by several factors, including significant contract wins, extensions and higher fleet utilisation rates. The company is benefitting from the combination of the post-Covid aviation recovery, high interest rate environment making on-balance sheet options less attractive for customers, and the green agenda in Europe driving strong demand for new electric ground service equipment.

In February 2024, TCR completed the bolt-on acquisition of KES, KLM Royal Dutch Airline's ground equipment services subsidiary at Schiphol airport, adding incremental contracted EBITDA with a flagship European carrier and positioning TCR to support Schiphol's decarbonisation ambitions. TCR's footprint now spans more than 200 airports, positioning it well to grow organically with its existing clients as well as increasing market penetration of its full-service rental offering. To support its next phase of expansion, TCR successfully secured additional debt from existing and new lenders on attractive terms.

ESVAGT performed well in the year, benefitting from strong contract rates and high utilisation levels. As the clear market leader in European offshore wind SOV provision, ESVAGT currently operates nine vessels. A further four SOVs are under construction, specifically designed to serve long-term charter agreements, and construction progress is on track. Despite inflationary pressure causing delays and cancellations in wind farm development, regulators and governments have become more supportive of incentivising growth in offshore wind.

Inflation, while negatively impacting the construction cost of the near-term pipeline, has a positive effect on ESVAGT due to its index-linked contracts, which enhance the value of its operational SOV fleet. The offshore wind market remains on a positive trajectory and this is reflected in the pipeline for additional new SOVs in the North Sea and the rapidly expanding US wind market. Over the next 12 months, we anticipate several tenders to take place.

ESVAGT's ERRV segment also maintained positive momentum, driven by favourable supply/demand dynamics, and an increased emphasis on security of supply in Europe.

Joulz performed in line with expectations. It is benefitting from its inflation-linked long-term contracts and the completion of new installations. Joulz has seen significant interest in integrated energy transition solutions from customers seeking to decarbonise their operations and overcome constraints due to electricity grid congestion.

Our communications infrastructure investments, Tampnet, GCX and DNS:NET, are taking advantage of the acceleration in digitalisation trends.

Tampnet performed extremely well in the year, generating a value gain of £54 million. It exceeded revenue and EBITDA targets, driven by increased offshore activity and stronger demand for bandwidth upgrades.

Tampnet is continuing to expand its network infrastructure by pursuing new fibre projects in both the North Sea and the Gulf of Mexico. Notably, Tampnet secured significant new contracts in these regions.

Digitalisation of the offshore energy sector is gaining momentum and Tampnet's digitisation proposition, which combines low-latency connectivity with services such as private networks, is generating considerable interest.

Portfolio review continued

Tampnet's private networks offer a secure, closed 4G/5G system deployed on offshore platforms, providing robust connectivity and enhanced security compared to traditional Wi-Fi solutions.

Furthermore, Tampnet is actively engaged in carbon capture and offshore wind projects within its existing network in the North Sea. The business was awarded its first offshore carbon sequestration connection in March 2024. The potential for further comparable initiatives is substantial and Tampnet is strategically positioned to contribute to their success.

GCX has shown strong year-on-year growth in lease revenues and has recently signed several large bulk capacity deals on its Middle East and intra-Asia subsea routes. Financial performance was held back by a high level of cable cuts which have now been repaired. The sales pipeline is healthy and demand for subsea data capacity continues to grow, driven by increasing adoption of AI applications and substantial investments in capacity and route diversification by the hyperscalers.

Looking ahead, GCX is evaluating several attractive growth opportunities, for example, acquiring new subsea capacity and developing new edge data centres near its cable landing stations that will drive additional data on its subsea network.

DNS:NET received investment of £34 million during the year from 3iN to continue the development of its FTTH network in areas around Berlin and in the State of Brandenburg. A new CEO joined DNS:NET in July 2023. He has overseen the preparation of an updated business plan that was agreed with shareholders in December 2023. We are making good progress in building a strengthened and experienced management team.

FTTH network rollouts in Germany remain challenging. Passing homes has been the industry's primary focus to date. Connecting and activating customers to the network on a timely basis is an industry-wide challenge. The negative value movement in the year was driven by more conservative business plan assumptions for DNS:NET's FTTH rollout. Throughout the year, DNS:NET has focused on connecting backbone fibre infrastructure and home connections for its owned network, as well as on securing the handover of leased networks built by authorities in the neighbouring State of Saxony-Anhalt, making good progress in the number of its connected and activated customers as a result.

The company is now preparing for the next stages in its network delivery in a way that narrows the time lag between passing homes and connecting and activating customers on that FTTH network to improve performance.

We have increased the discount rate to reflect uncertainties over available debt pricing for fibre businesses in future years and the delay against the original rollout timetable.

Ionisos performed below expectations due to reduced bio-processing and labware volumes, which have returned to pre-Covid levels, and weaker demand in markets connected to the construction industry which represents a small share of treatment capacity. However, the majority of product categories sterilised by Ionisos continue to exhibit strong volume growth. Ionisos is making progress in its growth initiatives. The expansion of its new greenfield EO plant in Kleve, Germany is progressing and the development of the new X-ray greenfield facility in north east France is proceeding according to schedule and within budget.

Oystercatcher performed well in the year. Advario Singapore, which is 45% owned by Oystercatcher, benefitted from high utilisation levels for its storage capacity, high customer activity levels and higher rates being secured at contract renewal. Whilst the oil products market remains in backwardation, a tight storage market in Singapore and the wider region provided a helpful backdrop to renewal discussions. Advario Singapore remains the leading gasoline blending facility in Singapore and the wider region.

The company has continued to pursue opportunities linked to sustainable fuels, in line with its sustainability strategy. Building on its success to date with Neste, which is blending sustainable aviation fuel ('SAF') at Advario Singapore, the terminal had actively looked to expand its role in activities to supply sustainable transport fuels.

SRL performed slightly behind expectations during the financial year. There has been a reduction in general market activity levels due to delays in capital expenditure programmes within the public sector in advance of the UK general election, and in the telecom sector as the fibre rollout has slowed.

Despite this challenging market environment, SRL has shown resilience and continued to grow its revenue and EBITDA. It has also been successful in extending contract durations with customers, providing better revenue visibility.

Portfolio review continued

Summary of portfolio valuation methodology

Investment valuations are calculated at the half-year and at the financial year end by the Investment Manager and then reviewed by the Board. Investments are reported at the Directors' estimate of fair value at the relevant reporting date.

The valuation principles used are based on International Private Equity and Venture Capital ('IPEV') valuation guidelines, generally using a discounted cash flow ('DCF') methodology (except where a market quote is available), which the Investment Manager considers to be the most appropriate valuation methodology for unquoted infrastructure equity investments.

Where the DCF methodology is used, the resulting valuation is checked against other valuation benchmarks relevant to the particular investment, including, for example:

- earnings multiples;
- recent transactions; and
- quoted market comparables.

In determining a DCF valuation, we consider and reflect changes to the two principal inputs: being forecast cash flows from the investment; and discount rates.

We consider both the macroeconomic environment and investment-specific value drivers when deriving a balanced base case of cash flows and selecting an appropriate discount rate.

The inflation rate in the UK and Europe gradually declined during the year but remains above the long-term average, which has put pressure on supply chain and employee costs.

Our inflation assumptions use market forecasts for 2024 and 2025, followed by our long-term assumption of 2% CPI across all jurisdictions, or 2.5% for UK RPI.

The portfolio is positively correlated to inflation, but the ability to pass cost inflation to customers differs across portfolio companies. As a result, we take an individualised approach to modelling the impact of inflation.

Longer-term power prices affect the valuation of our energy generating portfolio companies. The majority of our power price exposure is hedged in the short to medium term.

Future power price projections are taken from independent forecasters, and changes in these assumptions will affect the future value of these investments. Taxes on renewable electricity generators vary in their applicability and we have considered their impact on each company individually, based on their circumstances.

Table 2: Components of value movement (year to 31 March 2024, £m)

Value movement component	Value movement in the year	Description
Planned growth	162	Net value movement resulting from the passage of time, consistent with the discount rate and cash flow assumptions at the beginning of the year less distributions received and capitalised interest in the year.
Other asset performance	166	Net value movement arising from actual performance in the year and changes to future cash flow projections, including financing assumptions and changes to regulatory assumptions.
Discount rate movement	(29)	Value movement relating to changes in the discount rates applied to the portfolio cash flows.
Macroeconomic assumptions	(40)	Value movement relating to changes to macroeconomic out-turn or assumptions, eg. power prices, inflation, interest rates and taxation rates. This includes changes to regulatory returns that are directly linked to macroeconomic variables.
Total value movement before exchange	259	
Foreign exchange retranslation	(79)	Movement in value due to currency translation to year-end date.
Total value movement	180	

Portfolio review continued

As a 'through-the-cycle' investor with a strong balance sheet, we consider valuations in the context of the longer-term value of the investments. This includes consideration of climate change risk and stranded asset risk.

Factors considered include physical risk, litigation risk linked to climate change, and transition risk (for example, assumptions on the timing and extent of decommissioning of North Sea oil fields, which affects Tampnet and ESVAGT).

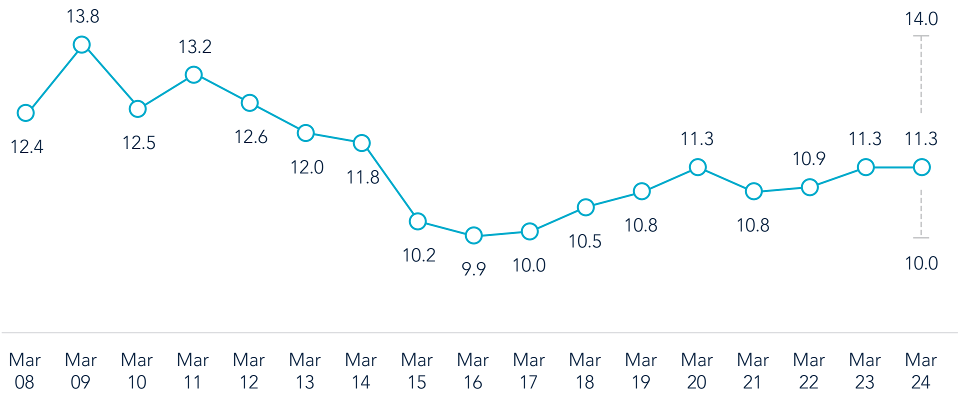
We take a granular approach to these risks, for example, each relevant offshore oil and gas field has been assessed individually to forecast the market over the long term, and a low terminal value has been assumed at the end of the forecast period.

In the case of stranded asset risk, we consider long-term threats that may impact value materially over our investment horizon, for example, technological evolution, climate change or societal change.

For ESVAGT, which operates ERRVs in the North Sea servicing sectors, including the oil and gas market, we do not assume any new vessels or replacement vessels in our valuation for that segment of the business.

A number of our portfolio companies are set to benefit from these long-term megatrends and, in the base case for each of our valuations, we take a balanced view of potential factors that we estimate are as likely to result in underperformance as outperformance.

Chart 3: Portfolio weighted average discount rate (31 March, %)



Discount rate

Chart 3 shows the movement in the weighted average discount rate applied to the portfolio at the end of each year since the Company's inception and the position as at 31 March 2024. The weighted average discount rate remained unchanged over the course of FY24.

The range of discount rates used in individual valuations at 31 March 2024 is also shown, which is broadly consistent with the prior year (2023: 10.0% to 13.2%).

During the first half of the year, we witnessed an increase in risk-free rates across Europe as central banks took action in response to higher inflation, but this then decreased in the second half of the year as inflationary pressure eased. Given the significant risk premium included in our long-term discount rates and the continued appetite for high-quality infrastructure businesses, the volatility we have seen in risk-free rates did not impact the discount rates used to value our portfolio companies at 31 March 2024.

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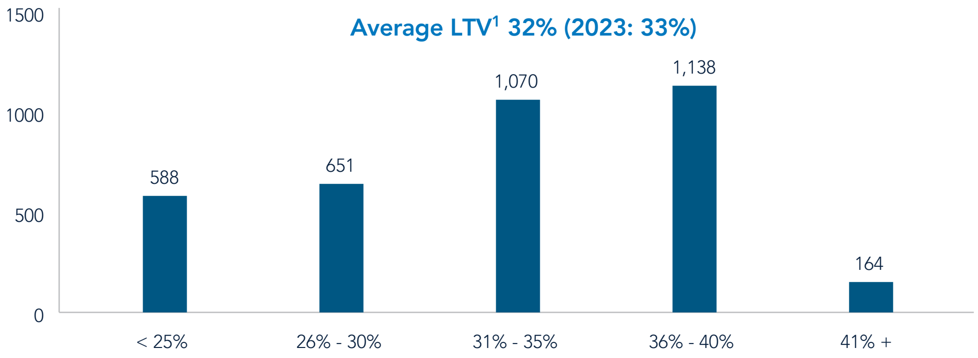
Portfolio company debt

Our portfolio companies are funded by long-term senior-secured debt alongside equity from the Company and other shareholders. Valorem also uses project financing in its portfolio of renewable energy projects. There were no mezzanine or junior debt structures within our portfolio at 31 March 2024 (2023: none).

In recent years, the Investment Manager has proactively refinanced facilities across the portfolio, extending the term of the debt and securing low fixed rates or hedged interest rates.

When considering the appropriate quantum of debt for a portfolio company, we typically look for an investment grade level of risk. Some portfolio companies have an investment grade credit rating from a credit rating agency. Chart 4 below shows the average loan-to-value ('LTV') ratio across the portfolio as well as the portfolio value analysed across a range of LTV levels. The average LTV ratio is 32% (2023: 33%).

Chart 4: Portfolio company leverage* (3iN value as at 31 March 2024, £m)



1 LTV is calculated as the aggregate Net Debt to Enterprise Value ratio of the individual portfolio companies.
* This analysis excludes Valorem, which is financed at the project level. Project financing typically employs higher levels of gearing.

Investment track record

As shown in Chart 5, since its launch in 2007, 3i Infrastructure has built a portfolio that has provided:

- significant income, supporting the delivery of a progressive annual dividend;
- consistent capital growth; and
- strong capital profits from realisations.

These have contributed to an 18% annualised asset Internal Rate of Return ('IRR') since the Company's inception. The European portfolio has generated strong returns, in line with, or in many cases ahead of, expectations.

These returns were underpinned by substantial cash generation in the form of income or capital profits.

The value created through this robust investment performance has been crystallised in a number of instances through well-managed realisations, shown as 'Realised assets' in Chart 5.

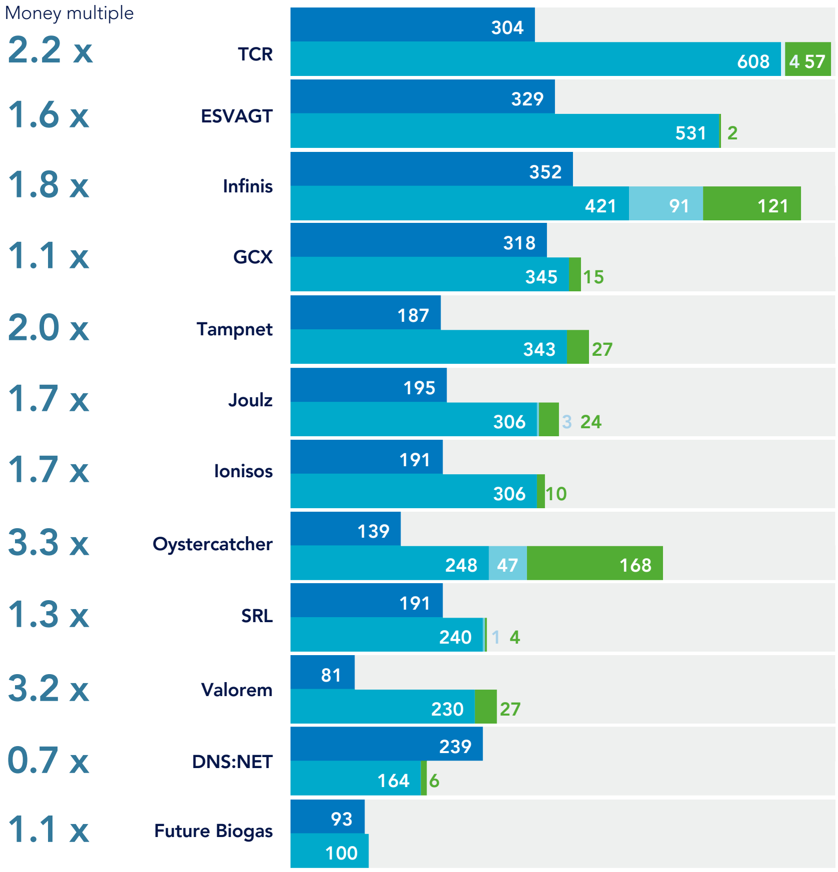
While the Company is structured to hold investments over the long term, it has sold assets where compelling offers will generate additional shareholder value.

Portfolio asset returns in Chart 5 include an allocation of foreign exchange hedging where applicable.

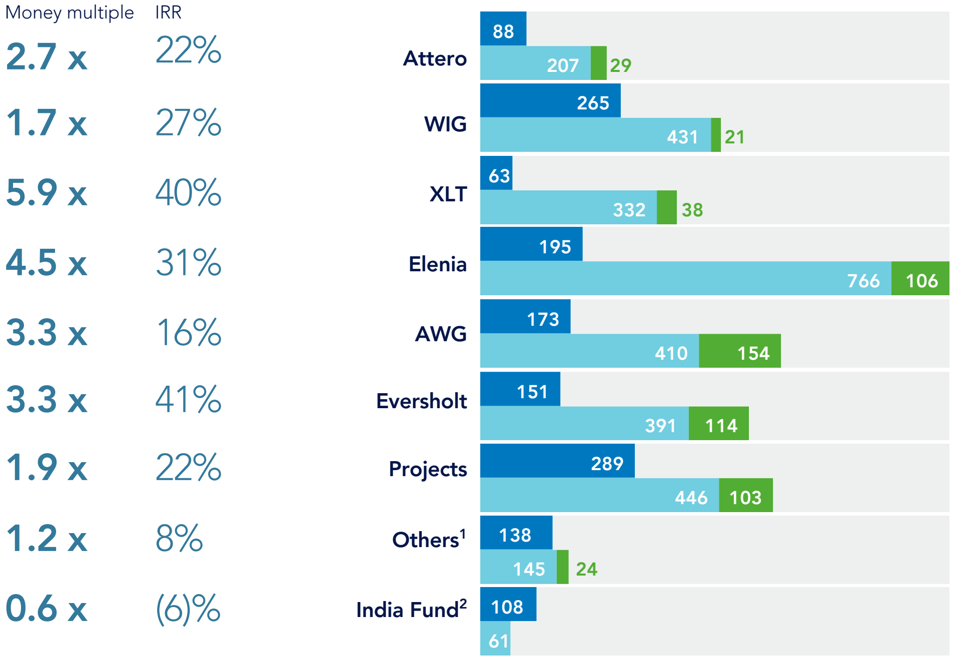
Portfolio review continued

Chart 5: Portfolio asset returns throughout holding period (since inception, £m)

Existing portfolio (Total return)



Realised assets (Total return)



Asset IRR to 31 March 2024

18%

Since inception

● Total cost ● Value including accrued income
● Proceeds on disposals/capital returns ● Cash income

Portfolio asset returns include allocation of foreign exchange hedging where applicable.

1 Others includes junior debt portfolio, T2C and Novera.
2 India Fund refers to the 3i India Infrastructure Fund.