

3i Infrastructure plc receives binding offer for its stake in Valorem

3i Infrastructure plc ("3iN" or the "Company") is pleased to announce that it has received a binding offer for its c.33% stake in Valorem, a leading independent European renewable energy developer and power producer, from funds managed by AIP Management P/S and from certain other co-investors. Subject to acceptance of the binding offer, following consultation with Valorem's employee representative bodies, we expect completion of the transaction in Q1 2025, following receipt of regulatory clearances.

Expected net proceeds are approximately €309 million, a c.15% uplift from our valuation of €268 million at 31 March 2024, and 31% from the valuation as at 30 September 2023, before the sale process was initiated. Proceeds will be applied to reduce the outstanding balance on the Company's revolving credit facility.

At the point of exit, we expect the 3iN investment in Valorem to have generated a c.21% gross annual IRR and c.3.5x gross money multiple.

Since the Company's initial investment in 2016, Valorem's business model has been transformed from an asset developer to one of the leading independent renewable power producers in Europe. Valorem has also expanded its focus from French onshore wind generation to include solar and hydro generation across France, Finland, Greece and Poland. Since 2016, Valorem's operational asset base has grown to over 850MW, a more than five-fold increase, and its development pipeline has grown to 6.6GW. During this time EBITDA has also more than quadrupled.

Valorem is well positioned for further growth supported by Europe's energy transition, the ambition of European countries to grow their share of renewable power, as well as new growth opportunities such as battery storage to optimise power delivery.

Scott Moseley and Bernardo Sottomayor, Managing Partners and Co-Heads of European Infrastructure, 3i Investments plc, Investment Manager of the Company, commented:

"3iN's strategy is focused on helping our portfolio of defensive businesses achieve strong growth as they leverage underlying structural drivers in their markets. Through this approach we are able to deliver long-term sustainable returns for our investors.

Valorem is a great example of this. Over the last eight years, we have worked closely with the team to support the company's growth from a regional developer to an established leader in the European renewable power market.

We will always be disciplined in our approach to value realisation and balance sheet management. This divestment provides us with the opportunity to crystallise a significant uplift to the carrying value, the proceeds of which will be used to reduce our drawings on our revolving credit facility.

We thank the Valorem team for our successful collaboration and wish them and their new partners success on the next leg of their journey."

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Notes to editors:

About 3i Infrastructure plc

3i Infrastructure plc is a Jersey-incorporated, closed-ended investment company, an approved UK Investment Trust, listed on the London Stock Exchange and regulated by the Jersey Financial Services Commission. The Company's purpose is to invest responsibly in infrastructure, delivering long-term sustainable returns to shareholders and having a positive influence on its portfolio companies and their stakeholders.

3i Investments plc, a wholly owned subsidiary of 3i Group plc, is authorised and regulated in the UK by the Financial Conduct Authority and is the investment manager of 3i Infrastructure plc.

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