Anglian Water Services Financing Plc

Anglian Water Services Limited

Investor Report

For the six months ended 30 September 2025

Prepared in accordance with International Financial Reporting Standards (IFRS) unless otherwise indicated

Investor Report

Contents

Basis of Preparation

All financial information in this report is audited and has been prepared in accordance with IFRS. The accounting policies used are consistent with those in the Statutory Accounts of Anglian Water Services Limited at 30 September 2025.

The information in this report is presented solely to comply with Schedule 11 of the Common Terms Agreement (CTA).

Disclaimer

Any forward-looking statements made in this document represent management's judgment as to what may occur in the future. However, the company's actual results for the current and future fiscal periods and corporate developments will depend on a number of economic, competitive and other factors including some which will be outside the control of the company. Such factors could cause the company's actual results for current and future periods to differ materially from those expressed in any forward-looking statements made in this document. Unless otherwise required by applicable law, accounting standard or regulation, Anglian Water does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

General Overview and Business Update

1.0 Financial Performance for the six months ended 30 September 2025

Summary Underlying Results for the Anglian Water Services Limited group ("Anglian Water") are summarised below:

	2025 Total £m	**2024 Total £m**
Revenue (excl. grants and contributions)	1,026.7	863.4
Grants and contributions	63.5	36.9
Other operating income	7.9	8.5
Operating costs	(474.8)	(418.6)
Depreciation and amortisation	(235.6)	(207.1)
Operating profit	**387.7**	**283.1**
Finance income[1]	19.9	21.7
Finance costs	(255.7)	(197.6)
Underlying profit/(loss) before tax	**151.9**	**107.2**
Fair value (losses)/gains on financial derivatives	(27.6)	18.1
Statutory profit before tax	**124.3**	**125.3**
Tax charge	(33.0)	(32.6)
Profit after tax	**91.3**	**92.7**

[1] In order to show pre-tax performance on an underlying basis the fair value gains on financial derivatives have been excluded from the underlying finance income.

Revenue

Revenue, excluding grants and contributions, for the six months was £1,026.7 million (2024: £863.4 million), or an increase of £163.3 million (18.9%) on last year. The net increase in revenue is as a result of the following factors:

- Price increases (£159.7 million): primarily due to price increases as set out in the Final Determination from Ofwat, £159.7 million increase.
- Household consumption (£11.8 million): with the warmer drier summer leading to an increase in demand in the first half of the year.

Grants and contributions

Grants and contributions represent the cash and asset contributions made principally by property developers and local authorities for connecting new property developments to the water and sewerage network, and for work on existing infrastructure needed to accommodate development. The increase of £26.6 million from last half year was primarily due to the removal of the Income Offset from 1 April 2025, higher prices and activity level across new connections, self-lay and sewer requisitions work.

Operating costs (including charge for bad and doubtful debts)

Operating costs including charges for bad and doubtful debt for the six months increased £56.2 million (13.4%), to £474.8 million. The movement in operating costs of Anglian Water is principally due to inflation and costs such as tankering, and salaries. These movements are explained in the table below:

	£m
Prior period	418.6
Funded by Final Determination	
Inflation	16.6
Weather related	
Hot / dry weather costs	2.0
Unwind of prior year impact of wet weather	(7.0)
Environmental Compliance	
Equipment tools and materials	4.2
Tankering	10.8
FFT undertaking / community fund	5.8
External/Government charges	
National Insurance Increase	5.1
OFWAT licence fee	0.7
Abstraction & discharge permits	5.0
Bad debt	3.5
Other significant items	

Increase headcount/employee (excluding NI and restructuring)	7.6
Restructuring costs – exceptional	1.7
Other	0.2
Total increase	56.2
September 2025	474.8

Inflation
The inflationary increases in our cost base formed part of the Final Determination and are therefore, whilst subject to a timing delay, funded through the inflationary increases in revenues.

Weather related
The wet weather during winter 2023/24 resulted in extremely high levels of water that continued into the six months to September 2024. Our spend on hired vehicles, mainly tankers, increased significantly as we continued to manage the flooding in the region. Whilst this pattern didn't repeat in the six months to September 2025 we have seen the impacts of the hot, dry summer resulting in increased costs to the water side of our business.

External / Government Charges
We saw increases in rates and discharge permits over and above inflation from the Local Authority and Environment Agency respectively. Other movements in operating costs relate largely to the impact of the increase in the Employers National Insurance rates.

Bad debt

The increase in our bad debt charge relates primarily to the increase in revenue as our cash collection remains strong. We collect c97% of charges and therefore, as revenue grows, so does our bad debt charge.

Other significant items

Salaries have increased by £7.6 million, partly due to increased employee numbers and partly due to the agreed pay rise of 4.5% which was 1% above CPIH of 3.5% in line with real salary growth across the economy.

EBITDA

Earnings before interest, taxes, depreciation and amortisation (EBITDA) is defined in note 18 and is the profit from continuing operations before interest, tax, depreciation and amortisation. This has increased by 27.2% to £623.3 million, which is consistent with the effect of the increases described above.

Depreciation and amortisation

Depreciation and amortisation is up 13.8% to £235.6 million, primarily as a result of higher fixed asset balances as we construct and commission assets in line with our capital investment programme.

Operating profit

Operating profit has increased by 36.9% to £387.7 million, which is consistent with the increase in EBITDA partially offset by the increase in depreciation.

Taxation

The tax charge for the period comprises:

	Half-year ended 30 September 2025 £m	Half-year ended 30 September 2024 £m	Year ended 31 March 2025 £m
Current tax:			
In respect of the current period	**(28.1)**	(26.7)	(47.8)
Adjustments in respect of prior periods	**-**	-	25.6
Total current tax credit	**(28.1)**	(26.7)	(22.2)
Deferred tax:			
Origination and reversal of temporary differences	**61.1**	59.3	96.7
Adjustments in respect of previous periods	**-**	-	(21.9)
Total deferred tax charge	**61.1**	59.3	74.8
Total tax charge on profit on continuing operations	**33.0**	32.6	52.6

Compared to the same period in the previous year, the total tax charge has increased slightly by £0.4 million to £33.0 million. This reflects the slight increase in the estimated effective tax rate to £26.5% (2024: 26.2%) used in the tax charge calculation due to the increase in permanently disallowed expenditure of £5.8 million payment to Community scheme.

In addition to the £33.0 million tax charge on the income statement, there is a charge of £1.4 million (2024: £9.3 million) in the statement of other comprehensive income in relation to tax on actuarial gains on pension schemes and fair value gains on cash flow hedges.

Financing costs and profit before tax

Adjusted net finance costs (excluding fair value gains and losses on financial instruments) increased from £175.9 million in the six month period to September 2024 to £235.8 million in the equivalent period in 2025. This was the result of the non-cash impact of higher inflation on index-linked debt which increased from £101.2 million to £126.1 million and an increase of £33.2 million in net interest expense primarily due to higher net debt and lower capitalised interest on assets under construction. The increase in indexation was due to an increase in year-on-year average Retail Price Index (RPI) from 3.2% to 4.5% and year-on-year average Consumer Price Index (CPI) from 2.1% to 3.7%. We have both RPI-linked debt and CPI-linked debt to hedge the RCV.

There was a fair value loss of £27.6 million on derivative financial instruments in the six months to September 2025, compared with a gain of £18.1 million in the six months to September 2024. The fair value losses in the current year are predominantly non-cash in nature and have no material effect on the underlying commercial operations of the business.

Distributions to the Parent Company

The Board has an approved dividend policy, under which dividend payments take account of a range of matters including free cash flow, service delivery for customers and the environment, current and future investment needs and financial resilience over the longer term.

In June 2025, whilst there was capacity to pay a dividend, after taking account commitments to customers and other stakeholders and ensuring that it is able to finance its Appointed Business, the Directors felt it appropriate to defer any potential dividend.

The Directors have recommended to pay an Interim Dividend of £75 million. In coming to this amount the Directors, in line with the company's Dividend Policy, have considered performance in relation to customers and the environment and made adjustments for items such as the 24/25 ODI penalty and FFT settlement from the available capacity that was deferred in June.

Financial needs and resources

During the six-month period to September 2025, Anglian Water issued no new debt. Repayments of £299.8 million were made in respect of maturing debt, which consisted of a £250 million 1.625% fixed rate debt and amortising payments on index-linked debt.

At 30 September 2025, Anglian Water had borrowings net of cash of £8,085.3 million, an increase of £364.2 million from 31 March 2025. Net borrowings comprised leases, fixed, index-linked and variable-rate debt of £8,445.9 and cash and deposits of £360.6 million. The increase in net borrowings, primarily reflects the decrease in cash due to continuing investment in our capital programme.

The fair value of derivative financial liabilities was £585.9 million, a decrease of £34.8 million from 31 March 2025.

The business generated cash from operations of £512.6 million in the period (2024: £375.3 million) reflecting strong EBITDA. Working capital movements were favourable overall, with higher trade and other payables partly offset by an increase in receivables.

Liquidity

The company's objective is to maintain flexibility, diversification and continuity of funding through access to different markets and debt instruments. At 30 September 2025, Anglian Water held cash, deposits and current asset investments of £360.6 million (March 2025: £1,019.0 million).

This decrease in cash, deposits and current asset investments is a function of the debt repayments and investment in our capital programme in the period. On 4 November, we successfully completed a £720 million OpCo sterling public bond issuance to fund planned capex and maturing debts.

At 30 September 2025, the Group also has undrawn borrowing facilities of £1,540.0 million (March 2025: £1,382.5 million). This comprised a £1,100.0 million revolving credit facility for general corporate purposes plus a £294.0 million debt service reserve facility and £146.0 million Operations and Maintenance reserve facility.

All bank facilities and debt capital market issuance are issued pursuant to the Global Secured Medium Term Note Programme dated 30 July 2002 between the company, Anglian Water Services Financing (AWSF) and Deutsche Trustee Company Ltd (as agent and trustee for itself and each of the finance parties). This agreement provides that any facilities drawn by AWSF will be passed directly on to the company upon utilization of the facility

Interest rates

The company's policy, as agreed by the Board, is to achieve a balanced mix of funding to inflation-linked, fixed and floating rates of interest. At 30 September 2025, taking into account interest rate swaps, 62.5 per cent (March 2025: 55.8 per cent) of the company's borrowings were at rates indexed to inflation, 26.6 per cent (March 2025: 31.9 per cent) were at fixed rates and 10.9 per cent (March 2025: 12.3 per cent) were at floating rates. At 30 September 2025, the proportion of inflation debt to regulated capital value was 47 per cent (March 2025: 45 per cent).

Pension funding

At 30 September 2025, the closed defined benefit scheme had an IAS 19 accounting pension surplus (before deferred tax) of £108.3 million, compared to £89.3 million at 31 March 2025. This increase in surplus reflects a decrease in the scheme's liabilities resulting from an increase in the corporate bond rate used to discount those liabilities on an accounting basis compared to a smaller decrease in our assets which are hedging gilt-based liabilities.

Annual Performance Report

Under Condition F of its Licence, Anglian Water is obliged to provide the Water Services Regulation Authority, Ofwat, with additional accounting information to that contained in the statutory financial statements. This information is presented in the Annual Performance Report, a copy of which is available on the Anglian Water Services website: https://www.anglianwater.co.uk/about-us/our-reports.

2.0 Regulatory Update

PR24

In December Ofwat published its Final Determination (FD) of price controls for the period 2025-30 (AMP8). The determination provided for total expenditure of £10,971 million, two percent less than Anglian requested in its final business plan and assumed a weighted average cost of capital of 4.03%. It included a set of challenging performance commitments to regulate company performance and a suite of binding Price Control Deliverables (PCDs), which serve to return money to customers in the event that funded obligations are not fulfilled.

After careful consideration, the Anglian Water Board concluded that the FD failed to achieve an appropriate balance of risk and return and – alongside five other companies - asked Ofwat to refer its FD to the Competition and Markets Authority (CMA) for a re-determination. On 9 October 2025, the CMA published its provisional determinations which propose total allowed revenue of £9,751 million for Anglian Water, a 1.2% increase on Ofwat's PR24 Final Determination; total expenditure of £10,889 million, a 0.7% decrease on Ofwat's PR24 Final Determination; and a weighted average cost of capital of 4.29%, an increase of 26 basis points relative to Ofwat's PR24 Final Determination.

The CMA process is ongoing, with an expectation of a final determination in early 2026. The Company is determined that the CMA process does not jeopardise delivery of its AMP8 objectives and is meanwhile proceeding with its AMP8 investment plan.

Independent Water Commission ('Cunliffe review')

The final report of the IWC was published on 21 July. It set out 88 recommendations, including the following:

- Establishment of a single water regulator in England which would replace Ofwat, the Drinking Water Inspectorate and the water-environment related functions from the Environment Agency and Natural England.

- Devolving current planning responsibilities and transferring resources from the regulators to nine new regional water authorities across England and Wales. These would be responsible for developing water investment plans and be empowered to direct funding and ensure accountability from all sectors that impact water.
- Upgrading the consumer body CCW into an Ombudsman for Water to give stronger protection to customers and transferring responsibility for consumer advocacy to Citizens Advice.
- Introduction of a national social tariff to provide consistent support for low-income customers who need support to pay their bills.
- Strengthening environmental regulation**.** The report recommends significant improvements to sewage treatment works performance; stronger regulation on abstraction, sludge, drinking water standards and water supply; compulsory water metering; changes to wholesale tariffs for industrial users and greater water reuse and rainwater harvesting schemes.
- Introducing new powers for the regulator to block changes in water company ownership – for example, where investors are not seen to be prioritising the long-term interests of the company and its customers – as well as potential new 'public benefit' clauses in water company licences; regulator-set "minimum capital" requirements so that companies are more financially resilient; government direction to the regulator to support stability and predictability for long-term investors.
- Introducing a new 'supervisory' approach to economic regulation, supporting tailored decisions and earlier interventions in water company oversight. In the Price Review process, including changes to ensure companies are investing in and maintaining assets and to help attract long-term, low-risk investment.
- Publication by government of a new long-term cross-sectoral National Water Strategy, with a minimum horizon of 25 years and interim milestones on a 5 and 10 year basis, replacing the current Strategic Policy Statement (SPS).
- Introducing new requirements for companies to map and assess their assets and new resilience standards that are forward-looking and applied consistently across the industry.

The government immediately confirmed it would accept recommendations regarding the new single regulator, establishment of a new statutory water ombudsman, cessation of Operator Self-Monitoring of sewage treatment works performance and the establishment of new regional water system planning authorities. The government's full response to the IWC's recommendations are expected in a White Paper to be published in December 2025 and a new Water Reform Bill to enact the changes it proposes to implement.

HoC EFRA Committee report on water sector reform

In June the House of Commons EFRA Select Committee published the first report of its long-term and iterative inquiry into reforming the water sector. It was highly critical of the sector, concluding that root and branch reform was needed to improve the sector's culture.

The Committee's recommendations were directed towards the Independent Water Commission rather than government and were all taken into account by the IWC in framing its own recommendations.

NAO report on water industry regulation

In April the National Audit Office (NAO) published the report of its enquiry into the Regulation of the water industry in England and Wales. The conclusions of the report were that:

- Consumer trust is at an all-time low and confidence in water companies to act in the interest of the environment and provide a reliable service has fallen
- Government and the regulators have failed to drive sufficient investment in the water sector which now faces significant environmental, supply and infrastructure challenges
- Regulators have not managed the rising tide of risk associated with the sector, which is contributing to increasing bills for customers
- Performance in the sector has not improved for almost a decade in key measures, including mains bursts, supply interruptions and pollution incidents.

The report set a number of recommendations for Defra, Ofwat and the Environment Agency covering topics such as national system planning for water, understanding asset health and simplifying the price review process. All were taken up by the IWC in its work.

Wastewater fine / undertakings

In September Ofwat concluded its three-and-a-half year investigation into whether Anglian Water was managing its wastewater treatment works and networks appropriately. It concluded that Anglian had contravened the Urban Waste Water Treatment Regulations, S.94 of the Water Industry Act and Condition P of its licence.

In lieu of a financial penalty, which Ofwat would have set at £57.1m (6.5% of the Company's annual turnover), Ofwat accepted a package of undertakings valued at £62.8m. The undertakings comprise a range of actions which the Company will take to improve waste water management across the region it serves. Anglian has made changes to its governance in light of the findings.

Ofwat has now concluded its investigations into waste water management at five water companies. The cases against the remaining companies are expected to conclude in the next few months.

Changes at Ofwat

Ofwat has made several changes to its senior leadership structure. This is within the context of the Independent Water Commission (IWC) recommending a series of significant changes to the regulatory landscape for water, and UK government's announcement that it will replace Ofwat with a new integrated regulator.

David Black has resigned as Chief Executive of Ofwat, a role he had held for four years. Chris Walters has been appointed to the role of Interim Chief Executive (effective 30 August 2025) with responsibility to lead Ofwat through its transition phase, engaging with government and industry stakeholders to implement the IWC's recommendations. Helen Campbell has been appointed Executive Director, Delivery, also effective 30 August 2025. She was formerly Senior Director for Sector Performance. She will oversee the delivery of companies' PR24 plans, the pipeline of major projects, and efforts to stabilise Thames Water.

Cambridge WRC relocation

In August 2025, the government formally announced its decision that it would not provide funding for the relocation of the Cambridge Waste Water Treatment Plant.

The relocation was central to unlocking land for the Hartree development, a proposed new district in North East Cambridge. which was proposed to deliver 8,500 homes, schools, health and leisure facilities, and 19 hectares of open space.

The decision to remove funding was driven by significant increases in the estimated costs of the relocation project. Local authorities and stakeholders, including the Cambridge Growth Company, are now reassessing the future of the North East Cambridge area.

The existing water recycling centre lacks to capacity to accommodate the significant new development that is needed in and around Cambridge. We are now working with Defra and regulators to agree the steps that need to be taken to continue facilitating this growth.

Regulators' assessment of company performance

In October Ofwat and the Environment Agency published their summary reports of water company performance for the prior year.

In Ofwat's Water Company Performance Report Anglian's performance was graded as 'Average', along with most of the sector. Only one company was graded 'Leading', with five graded as 'Lagging'.

On environmental performance Anglian was assessed as 2 star by the Environment Agency. Only one company had a better assessment while one had a poorer assessment. In its report the EA acknowledged the impact on performance of the wet weather in 2024 and years of underinvestment.

Monitoring Financial Resilience Report

On 5 November 2025, Ofwat published the Monitoring Financial Resilience Report 2024-25, which moved Anglian Water from 'Standard' to 'Enhanced' monitoring.

- This reflects factors such as the increase in AWS gearing from 68.9% to 71.8% year-on-year, and the credit rating actions taken by Moody's (A3 to Baa1) and S&P (A- to BBB flat) in February 2025.
- In response to the credit rating changes, our shareholders committed additional funding, and we publicly set out a plan to reduce gearing to approximately 65% by March 2030.
- This reduction will take place progressively across AMP8 and is designed to address the factors stated by Ofwat in its decision to move Anglian Water into the 'Enhanced' monitoring category.

3.0 Service Performance Overview

Our Purpose here at Anglian Water, is to bring environmental and social prosperity to the region we serve, through our commitment to Love Every Drop. As part of upholding this Purpose, we are dedicated to making life better for our customers every single day. We know the service we provide is essential to the millions of customers across our region. This is why supporting customers who may need extra help is a core part of what we do.

Enhancements to our online Myaccount portal and App continue to be made. This year we have launched a new water usage page allowing customers to see an almost real-time correlation between their water usage and cost.

We remain committed to supporting customer in vulnerable circumstances and continue to see the numbers of customers on our Priority Services register (PSR) grow. At this half year point 16% of our customers are on our register – 480,000 households.

We have also this year launched our new Medical needs discount for customers on the PSR who are using above average amounts of water due their medical condition. Having published our draft vulnerability strategy during 2024/25 we received feedback from Ofwat who considered our strategy exemplary in 4 of the objectives and satisfactory in the remaining area. Following this feedback we updated our strategy to improve the area deemed satisfactory and published our final strategy in July of this year.

The number of customers we support where they are struggling to pay remains strong with our base phased target of 247,707 exceeded by 77,701.

As part of our water demand management programme we have continued our compulsory metering switching programme in the Essex and Northampton areas and widened our trial of seasonal tariffs to additional areas. In addition our enhanced metering programme is moving into the Hartlepool region in the second half of this year where we will upgrade existing meters to smart meters alongside installing around 15000 smart meters at unmetered properties. Enhanced metering allows us to fit the meter and then engage customers to switch to measured billing through understanding their usage better.

Our performance across the customer measure of experience (MeX's) remains stable with our quarter 1 overall CMeX score moving us up one position in the full industry league table to 6th position. Our Billing and Water teams secured 2nd place in the customer service surveys and our water recycling team secured 5th position. Wider impacts from media sentiment is seen to be impacting the customer experience survey of those customers who have not necessarily contacted us, where we ranked 10th out of the 17 companies involved. We currently await the quarter 2 results.

DMEX – the results for Q2 of the customer measure experience for our Developer customers, is expected in December. This draws on Level of Service metrics and customer feedback through surveys. Quarter one has been challenging as, despite a flawless level of service score, new, increased charges and the removal of an Income Offset discount by Ofwat has lead to some increased customer dissatisfaction. We finished quarter one in 10th position, which is a penalty position sat just below the median overall.

BRMEX covers our retailer measure of experience, our business customer measure of experience, as well as operational measures based around levels of service and data quality. This is new for AMP8 and our estimated position currently sits in median with no penalty, no reward. Initial results from retailers place us 4th overall and from business customers 7th overall. Our focus currently is improving our operational performance, ensuring we meet levels of service across all internal AW teams, as well as increasing the speed at which we are increasing our data quality.

There were a number of issues with the Ofwat delivery of the Q1 'MeX' results and Anglian Water, along with other companies, have sent a joint representation into Ofwat via Water UK to request much greater consistency in survey numbers and survey method.

Regardless of this, we are focussing our improvements on enhancing customer communication to ensure customers appreciate the impact of any charging changes, as well as case management to ensure customers feel like they are getting value for money as we closely manage their requests end to end, with timely and relevant updates.

4.0 Capital Expenditure

2025/26 is the first year of AMP8 investment programme. It is a strong start with the gross annual capital expenditure increasing from £528.5 million in the six months to 30 September 2024, to £547.3 million in the six months to September 2025.

This has resulted in a £750.3 million increase in property, plant and equipment and intangible assets, net of depreciation. A reconciliation can be found in note 20 of the half year unaudited financial statements.

5.0 Water Quality and Environmental Performance

Anglian Water is governed by a wide range of legislation covering quality of drinking water, discharges to the environment, waste disposal, water abstraction, access to land and environmental protection. The key regulators are the Drinking Water Inspectorate (DWI), the Environment Agency and Natural England (formerly English Nature). There is also close liaison with Environmental Health Officers and Consultants in Communicable Disease Control within the UK Health Security Agency and other environmental bodies.

Drinking Water

Maintaining supplies of high-quality drinking water is Anglian Water's biggest priority and we engage and invest from "source-to-tap" to maintain and improve on performance. Following on from last year's excellent performance Anglian Water has recorded another record low for acceptability customer contacts, that is the number of contacts received from customers about the appearance, taste and odour of their water, at 0.92 customer contacts per 1,000 customers (compared with 0.86 customer contacts in 2023 and 1.01 customer contacts per 1,000 in 2022). However, Anglian Water narrowly missed the ODI performance commitment, set at 0.85 complaints per 1,000 customers.

The 2024 Compliance Risk Index (CRI) score for Anglian Water was 2.10. This was an improvement on the final 2023 figure of 3.57, but just above the ODI target. A reduction in the number of failures through 2024 contributed to this lower CRI score.

Furthermore, technology such as, flow cytometry alongside Anglian Water, Water Quality Safety Plans are being utilised to identify opportunities to improve performance in the future. The 2024 Event Risk Index (ERI) score was 318.41which is above the Company's OFWAT ODI target of 15 and an increase on the 2023 ERI figure of 109.30. The 2024 figure increased due to four microbiological events at assets which were reported to the DWI.

The storage point programme is being challenged to enable more effective removal and refurbishment of assets.

To date in 2025 two technical audits have been carried out by the Drinking Water Inspectorate (DWI) as part of its risk based programme at Winterton Holmes WTW and at Bottled Water Storage locations.

The DWI will publish the 2025 CRI and ERI figures in July 2026 and our internal forecast indicates 2025 will be a deterioration on the 2024 figure.

Water Recycling

The EA confirmed our EPA 'star' rating for 2024 in October 2025 as 2 star 'Company requires improvement'.

As part of our ongoing strategic review of all aspects of our environmental performance, we continue to focus on the delivery of our Pollution Incident Reduction Plan (PIRP) (Pollution Incident Reduction Plan (anglianwater.co.uk) We continue to engage constructively with the EA.

Changes to the reporting of pollution incidents

The Environment Agency has published revised guidance for reporting and assessing Water Industry Regulation Incidents (WIRI), effective from 1 January 2026. This introduces significant changes to incident classification, self-reporting expectations, and regulatory thresholds. The guidance aims to improve consistency, transparency, and environmental protection across the water industry. The new approach will increase the incident numbers due to removal of 'No Impact' provision and the inclusion of dry day spills. An overhaul of processes procedures and training is being carried out within the tight timescales to adapt our systems to align with the new requirements.

Event duration monitoring (EDM) data is now used to fulfil the requirements of the Environment Act 2021, which went live on 1 January 2025, providing near-real time data on spills from storm overflows. Storm overflow data will also be used to report data to enable assessment of and compliance with Price Control Deliverables, WINEP, EPA and EPR.

The Flow to Full Treatment (FFT) investigation

All water and wastewater companies were asked in November 2021 by Ofwat and the EA to provide information on any treatment works which were potentially unable to achieve the 'flow to full treatment' (FFT) conditions which is a legal

EPR permit condition. This is the minimum flow which must be treated through the wastewater treatment works before excess storm water is diverted to storm tanks and/ or the environment during rainfall and/or snowmelt. . Anglian Water have continued to work with Ofwat and the EA to comply with a series of further requests for information related to this investigation. To date, there have been a number of information requests and meetings with Ofwat on this subject. Over this time the scope of the investigation has grown to include information about funding, Winep obligations, storm overflows, pollutions and more. We await the outcome of the investigation.

Section 108 Requests from the Environment Agency

The EA ask all water and wastewater companies for raw EDM, SDM, FFT and DWF datasets on an annual basis. The 2024 EDM data was requested under Regulation 61 and we await a formal request for the 2023 and 2024 SDM, FFT and DWF datasets. We continue to work with the EA on these information requests which are significant in size and complexity.

Environment

Changes to the EA's Environmental Performance Assessment -The EA have released a revised Environmental Performance Assessment (EPA) methodology for 2026–2030. This methodology introduces a dynamic and expanded framework for assessing water and sewerage companies. Data collected form 1 January 2026 will use this new EPA methodology.

Key Changes in Methodology:

- Expansion from 7 to up to 8 metrics in 2026 and 11 metrics by 2028
- Transition from a 4-star to a 1–4 numeric rating from 2026 and a 1-5 numeric rating system from 2028.
- Total pollutions RAG metrics will be included from 2028 to reflect a step change in the changes made to reporting incidents (also in 2026)
- Self reporting will include a 5 year glide path
- New metrics for storm overflow EDM operation, descriptive permit compliance and water resources scheme delivery.
- Introduction of shadow metrics for phased implementation on FFT and Abstraction.

- Dry weather flow (DWF) annual numeric permit limit compliance will be shadow reported for the duration of the 2026 to 2030 period
- Narrative-only metrics for waste management and phosphorus load reduction.
- There are four core metrics - total pollution incidents, serious incidents, discharge permit compliance with numeric conditions and WINEP scheme delivery.

We are carrying out a full assessment of risks associated with accountable leads for each metric and sharing an overview and strategy for success with internal stakeholders. The new and changing metrics have been shared internally with stakeholders and shadow metrics are being created to provide an early look at future performance status. We will engage with the EA at national level to seek clarity on unclear metrics and where ambiguity in measures remain.

There are currently 54 designated bathing sites across the Anglian Water region. There are 48 coastal sites, two estuarine site and four inland sites. Defra has published the 2024 bathing water classifications, with 33 bathing waters in our region meeting the 'Excellent' classification and 90.75% of bathing waters being classified as 'Good' or above. Two bathing waters failed to meet the minimum standards; Heacham and Sheep's Green on the River Cam. Heacham bathing water is impacted by diffuse pollution sources with impacts from AWS operations ruled out. Sheep's Green bathing water was newly designated in 2024 and investigations are being undertaken to determine the root cause of water quality issues.

Two sites on Rutland Water become official designated bathing waters in 2023, with Sykes Lane beach being awarded the prestigious Blue Flag Award for 2024 and 2025, becoming England's first inland bathing water to achieve this award.

The 2025 bathing water season ended in September 2025. Classifications will not be announced until November 2025, however, review of compliance data suggestions that there will be an improvement in overall number of Excellent and Good bathing waters in the Anglian Water region.

Anglian Water have continued the strong performance with WINEP and are on-track with the expected number of deliverables for March 2024 obligations (awaiting EA sign off). We are currently forecasting an amber status in the EPA with a short delay to one obligation.

A significant proportion of Anglian Water's investment programme has been focussed on reducing the use of storm overflows, and in 2024 average spill frequency was 30.6 spills per overflow, the fourth lowest in the industry. The average across all company's was 31.8 spills per overflow in 2024. . We have delivered WINEP schemes to increase flow capacity and install additional storm tanks at 170 Water Recycling Centres and in their networks in AMP7 to enable the reduction in of spills.

Focus remains on sharing our plans and data surrounding storm overflows with our stakeholders and customers. The latest EDM data has been published on our website and is live on the near time reporting map. We continue to work with WUK and the rest of the industry to seek clarity from Ofwat on compliance reporting of this metric so that we have a clear picture of performance and risk.

In AMP8, reporting of storm overflow data is being shared in multiple formats to three regulators (Ofwat, EA and Defra) and used to assess performance against differing regulations, performance indictors and deliverables. There is an expectation that further information will also be reported live on the map including the Continuous Water Quality Monitoring data which requires water companies to monitor and report river quality upstream and downstream of their discharges. There is further clarity required from Defra on what is required under this new obligation and we are working with the rest of the industry to ask for transparency and progress in this area

We continue to maintain our collaborative partnership with Severn Trent on Anglian Water's Get River Positive (GRP) campaign and engage with customers, NGOs, river and community groups and MPs.

Get River Positive was created with the ethos that we can achieve more, together. We have championed partnership approaches which, since 2022, saw us invest in 65 projects and initiatives across our region, covering a breadth of activities. Supported by our investments of over £5.3 million we leveraged an additional £10 million of match funding from a highly diverse range of partners.

We know that making sustainable and lasting improvements to our rivers will take time, collaboration and investment. Over the past three years, we have learnt a considerable amount, particularly around the nature of environmental partnerships and associated governance, funding opportunities and delivery models. We have also learned more about the catchments and landscapes we operate in, and the future challenges they face. As we transition into AMP8 and beyond, Get River Positive will be used to develop a blueprint for a much more outcomes-focussed, collaborative, place-based approach to environmental planning and delivery, which will be delivered through our Advanced-WINEP (A-WINEP).

The A-WINEP will be delivered through three core workstreams – The Rural Regeneration Programme, The Urban Regeneration Programme and The Partnership Centre of Excellence.

The Rural Regeneration Programme will include an £11million Grant Fund to support projects which reduce nutrients in rivers and groundwater and mitigate the impact of low flows from abstraction. Building on the learnings from Get River Positive, the grant fund will deliver greater environmental benefit and value for money for customers through its 50% match-funding element, with every £1 invested by Anglian Water being matched by an additional £1 from grant applicants.

The Urban Regeneration Programme forms part of our wider Spills Programme, which will deliver combined sewer overflow (CSO) spill and sewer flood reduction through nature-based, urban regeneration in both Southend-on-Sea in Essex and Great Yarmouth in Norfolk. The ambition is for our funding to benefit all of our customers in the catchments by supporting economic development, enhancing tourism and biodiversity and delivering the health and wellbeing benefits of green infrastructure and clean bathing water.

The Partnership Centre of Excellence will bring together the key stakeholders with interest in and influence over the ecological health of the waterbodies within our region to develop the strategies, tools, partnerships and mechanisms required to facilitate the long-term delivery of Nature based Solutions on a catchment scale. The Centre of Excellence will fund, amongst other things, project development, staffing, capacity building, funding mechanism development, skills training, stakeholder engagement, benefits assessment, modelling, education and communication.

GRP Annual highlights (2024/25)

- Through our WINEP, we undertook 12 river restoration projects, totalling approximately 25km of ecological and geomorphological improvement, which is helping to build ecosystem resilience in rivers suffering with low flows in drier years.
- Supported 11 site visits to water recycling centres across our region, taking the public 'behind the scenes' of our water recycling operations.
- Provided 20 local community and river groups with water quality testing equipment
- Signed a ten-year strategic partnership with The National Trust, co-funding a full-time role across both organisations.
- We have supported new and existing farm clusters, giving us access to groups of farmers and collaborative projects across much larger geographies.
- We have worked collectively to develop tools such as the Fens Climate Change Risk Assessment (produced by the Tyndall Climate Centre) and the Fens Visualisation Tool, which help stakeholders understand the risks, trade-offs, and opportunities for climate adaptation in the Fens.
- Teams across the business have been reprioritised to focus on activities that support spill and pollution reduction.
- We are introducing a catchment-based strategy that focuses on reducing the overall flow going into the system, using green solutions, reducing unflushables from entering our systems, re-lining pipework and working with our communities.

Water Resources

Drought conditions presented across England through Spring/Summer 2025, with exceptionally low rainfall levels coinciding with heatwave events. Rainfall levels have been exceptionally low, comparable to historical droughts but most notably the 1976 drought. Most companies are following their statutory drought plans, and four companies have implemented Temporary Use Bans (TUBs), otherwise known as a hosepipe ban, which will remain in force until their water resources position has returned to normal levels.

Anglian Water’s has experienced exceptionally low rainfall levels, with the 6-month rolling average from April to September only at 63% of the long-term average (LTA). 10 out of the last 12 months has seen below average rainfall across the Anglian Region. Our resource position has remained positive this summer and we have not reached our drought plan triggers which would indicate the need to implement TUBs for our customers. However, we have seen our water resources position decline and the focus is on autumn/winter recharge ahead of summer 2026.

Regional reservoir storage is at 70% at the end of September which is 16% below target for the time of year. All reservoirs are now below target and Grafham Water and Rutland Water have crossed drought level 1 trigger. Note: all reservoirs remain above the drought permit trigger and drought level 2 – which is the TUBs trigger. Our region has experienced exceptionally low river flows, where we have reached the drought permit trigger levels at points in the summer period, however rainfall events in July and September meant we moved away from these triggers and we did not need to apply for any drought permits in Summer 2025. Groundwater levels take longer to respond to period of dry weather, where they have remained positive throughout the summer period, however our groundwater levels are declining and we expect some areas to reach low levels in autumn/winter 2025.

We are following our Drought Plan 2022 and have enhanced drought management and focus in place, directed by our Drought Management Team which is chaired by the Director of Water Services. We have taken drought level 1 action this summer, which includes enhanced customer communications, pressure management and other demand management measures. As a result, we have seen a reduction in customer PPC peaks this year in comparison to Summer 2022, the last period of dry weather coinciding with heatwaves.

The statutory draft drought plan 2027 deadline has formally changed from 6th October 2025 to 31st March 2026, recognizing the drought position in 2025 and ensuring any critical lessons learnt can be captured in the new drought plans. We are still waiting on the updated timeline on the submission date for the submission of the revised draft drought plan 2027, which was originally 10th April 2026 but will be delayed until later in the year.

Anglian Water published its final Water Resources Management Plan 2024 (WRMP24) on 6th September 2024, following approval from the Secretary of State. The WRMP24 is an ambitious plan with demand management at its heart but also confirms the need for two new large reservoirs, to be located in southern Lincolnshire and in the Fens. Both of these reservoirs form part of the Strategic Resource Options (SRO) programme governed by the Regulators' Alliance for Progressing Infrastructure Development   The third consultation on the Fens Reservoir starts in October 2025, with the next regulatory submission to the Regulators' Alliance in April 2026.Regulatory compliance monitoring of abstraction licence compliance is assessed on two timescales within the shadow Environmental Performance Assessment:

- Annual or multi-year abstraction licence conditions: April – March

- All other conditions: January – December (incl. specific time period like summer conditions)

Up to 30th September, Anglian Water is achieving "green" performance on the 2025 shadow abstraction EPA metric. There have been three incidents with compensation flows or river support within the reporting period.

Anglian Water continues to work closely with the Environment Agency on Overriding Public Interest (OPI) cases under the Water Framework Direct (WFD) to support with time-limited licence applications and any Imperative Reasons of Overriding Public Interest (IROPI) cases under the Habitats Directive to ensure Anglian Water protect public water supplies in the near future. We also collaboratively developed an environmental mitigation proposal which the Environment Agency approved on 28th March 2025 to allow our obligations associated with the strategic pipeline to be deferred back into AMP8 to align with the new delivery programme. We will continue to work collaboratively together in AMP8 to ensure we balance the need to protect the environment whilst maintaining secure public water supplies.

6.0 Financing

At September 2025, Anglian Water's CTA net debt was £8,375.2 million, no new debt have been raised since March 2025. CTA gross debt was £8,731.4 million with cash and investments of £356.2 million.

Repayments of £299.8 million were made in respect of debt, which consisted of a £250.0 million 1.625% fixed rate debt, £5.0 million amortising payment on £65.0 million index linked debt and amortising payments on EIB index-linked debt. Further repayment of £100.7 million was made in respect of derivative principal accretion.

Credit ratings at 30/09/2025 are as follows:

Fitch Ratings:	A- (stable outlook)
Standard and Poor's:	BBB (stable outlook)
Moody's:	Baa1 (stable outlook), Corporate Family Rating Baa1 (stable outlook)

7.0 Dividends

In the six months to 30 September 2025 there were no dividends paid out of the Anglian Water Services Financing Group to the Company's direct parent, AWG Group Limited (2024: £88.6 million).

8.0 *Significant Board / Management Changes*

The Board of Anglian Water Services Ltd comprises:

Dr Roz Rivaz	Independent Non-Executive Chair	
	Independent Non-Executive Director	
Anthony Bickerstaff	Independent Non-Executive Director (appointed 3 June 2025)	
Kathryn Durrant	Independent Non-Executive Director (appointed 26 March 2024)	
Ian Funnell	Independent Non-Executive Director (appointed 2 August 2024)	
Zarin Patel	Senior Independent Non-Executive Director	
Alistair Phillips-Davies	Independent Non-Executive Director	
Mark Thurston	Chief Executive Officer (appointed 5 August 2024)	) Executive
Michael Bradley	Chief Financial Officer (appointed 28 November 2024)	) Executive
John Barry	Non-Executive Director	
Alex Nassuphis	Non-Executive Director	
Batiste Ogier	Non-Executive Director	
Albena Vassileva	Non-Executive Director	

Anglian Water is managed by the AWS Executive Committee, which, as at 30 September 2025, in addition to the Executive Directors referred to above, included:

Amanda Bridger	Group People Director
Brian Ebdon	Director of Performance
Dom Maher	Director of Customer and Operational Services
Dr Robin Price	Director of Environment, Quality and Assurance
Ian Rule	Director of Water Services
Claire Russell	Group Legal Director / Company Secretary
Emma Staples	Director of Corporate Affairs
Sian Thomas	Director of Strategic Asset Management
Emily Timmins	Director of Water Recycling Services
Jason Tucker	Director of Commercial Operations

Anglian Water will be holding a meeting for investors on Wednesday 3rd December 2025.

9.0 Sustainable Financing

Background

Anglian Water have developed an updated framework under which it can issue sustainable transactions, green and/ or social finance to finance their Asset Management Plan for the period 2025-20230 (AMP8).

The framework aligns with the ICMA Green and Social Bond Principles and the Sustainability Bond Guidelines, as published by the International Capital Market Association ("ICMA"). The framework also aligns with the Loan Market Association's ("LMA") Green Loan Principles.

The latest framework is published on Anglian Water's website and can be found here:
(latest) sustainability-finance-framework-2024.pdf (awg.com)

It is Anglian Water's intention to follow, where possible, best practices in the market as the standards develop. In addition, it is closely monitoring the European Union (EU) classification of environmentally sustainable economic activities (the European Union Green Taxonomy), as well as the EU Green Bond Standard Principles when these enter into force.

The annual Sustainable Finance Impact Report 2025 was published on Anglian Water's website and can be found here:
68778c9009539144d3965afd_Sustainable Finance Impact Report 2025_FINAL.pdf

As of 30th September, one sustainable debt instruments remained in the ringfenced account Green Bond £700 million 2044 of which £540 million has been drawn.

New Issuances in the Year
In September 2024 we issued a £600m Green Bond maturing in 2044 which was tapped in October 2024 for GBP 100m.

More recently in October 2024 we tapped the Green Bond £375m Green Bond maturing in 2043 for GBP 200m.

Ratios

1.0 Historical & Current Test Period

Anglian Water confirms that in respect of the year ended 31 March 2025, by reference to the most recent financial statements that it is obliged to deliver in accordance with Paragraph 1 (Financial Statements) of Part 1 (Information Covenants) of Schedule 5 (Covenants) of the CTA:

		Actual 31 Mar 2025	Actual 31 Mar 2024
a)	The Class A RAR	**71.2%**	68.8%
b)	The Senior RAR	**71.2%**	68.8%
c)	The Class A ICR	**4.5:1**	4.2:1
d)	The Class A PMICR[1]	**N/A**	N/A
e)	The Senior PMICR[1]	**N/A**	N/A
f)	The ratio of Net Cash Flow minus Capital Maintenance Expenditure to Class A Debt Interest	**2.1:1**	2.3:1
g)	The Conformed Class A PMICR	**1.7:1**	1.6:1
h)	The Conformed Senior PMICR	**1.7:1**	1.6:1
i)	The Additional Senior RAR[2]	**71.2%**	68.8%
j)	The Additional Conformed Senior PMICR[2]	**1.7:1**	1.6:1
k)	The Additional Conformed Senior Average PMICR[2]	**1.8:1**	1.5:1

[1] CCD and IRC are no longer used as the depreciation of RCV

[2] New requirement in the Class B accession deed

2.0 Forward Looking

Anglian Water confirm that each of the above Ratios and each of the Senior Average PMICR[1], Class A Average PMICR[1], Conformed Senior Average PMICR, Conformed Class A Average PMICR and Additional Conformed Senior Average PMICR have been calculated with respect to the Test Periods for which they are required to be calculated under the Common Terms Agreement and have not breached the Trigger Event Ratio Levels and have not caused Paragraph 20 (Ratios) of Part 2 of Schedule 7 (Events of Default) to be breached.

[1] CCD and IRC are no longer used as the depreciation of RCV.

3.0 Computations

Set out in sections 4.0 and 5.0 are the details necessary to make the computations.

Anglian Water also confirms that:

(a) no Default or Potential Trigger Event is outstanding; and

(b) Anglian Water Services Limited insurances are being maintained in accordance with:

(i) Schedule 16 (Insurances) of the Common Terms Agreement; and

(ii) the provisions of the Finance Leases.

4.0 Interest Cover Ratios (ICR)

Interest Cover Ratios	**Trigger/Default**	**Actual Period to 31 Mar 25**	Actual Period to 31 Mar 24
		£m	£m
Income		1,648.8	1,497.3
Operating Expenditure		(838.7)	(731.7)
Pre-capital maintenance cashflows		810.1	765.6
Capital Maintenance Expenditure		(424.0)	(341.3)
Depreciation		*(501.5)*	*(475.2)*
Post-Maintenance cashflow for PMICR		*308.6*	*290.3*
Post-Maintenance cashflow for Net Cash Flow ratio		386.1	424.3
Net Interest		(180.2)	(184.3)
Enhancement Capital Expenditure		(644.3)	(651.0)
Premium paid on bond buyback		0.0	0.0
Ordinary Dividends		(88.6)	(79.9)
Shareholder reinvestment		0.0	0.0
Pre-financing cashflows		(527.0)	(491.0)
Interest Payable on Class A Debt:			
Finance Leases		0.0	0.0
Class A Bonds		(227.9)	(218.2)
MBIA Wrap Fees		(2.2)	(2.1)
Less Interest Receivable		49.8	35.9
Total net Class A debt interest		(180.2)	(184.3)
Interest Payable on Class B Debt			
Class B Bonds		**0.0**	0.0
Total Net Interest payable on Senior Debt		(180.2)	(184.3)
Interest Cover Ratios:			
Class A ICR	1.6:1	**4.5:1**	4.2:1
Conformed Senior PMICR	1.1:1	**1.7:1**	1.6:1
Conformed Class A PMICR	1.3:1	**1.7:1**	1.6:1
Ratio of Net Cash Flow minus Capital Maintenance Expenditure to Class A Debt Interest	1.0:1	**2.1:1**	2.3:1
Additional Conformed Senior PMICR	1.3:1	**1.7:1**	1.6:1
Additional Conformed Senior Average PMICR	1.4:1	**1.8:1**	1.5:1

5.0 Regulatory Asset Ratios (RAR)

Regulatory Asset ratios	**Trigger/Default**	**As at 31 Mar 25 £m**	As at 31 Mar 24 £m
Class A Gross Debt:			
Finance Leases		0.0	0.0
Class A Bonds etc		(9,006.7)	(8,338.3)
Total Class A Gross Debt		(9,006.7)	(8,338.3)
Less cash balances and Authorised Investments		1,012.6	994.2
Total Class A Net Debt		(7,994.1)	(7,344.1)
Class B		0.0	0.0
Total Senior Net Debt		(7,994.1)	(7,344.1)
Regulatory Asset Value (RAV)		11,219.8	10,681.0
Regulatory Asset ratios:			
Senior RAR	85.0%	**71.2%**	68.8%
Class A RAR	75.0%	**71.2%**	68.8%
Additional Senior RAR	75.0%	**71.2%**	68.8%

6.0 *Regulatory Performance*

This information is not currently available.

7.0 Anglian Water Services Group – Movements in Debt Balances

CTA Gross Debt	Closing Balance 31 Mar 2025 £m	New Issues £m	Repayment £m	Indexation £m	Other £m	**Closing Balance 30 Sep 2025 £m**
£200 million 6.625% fixed rate 2029	200.0			0.0		**200.0**
£200 million wrapped 3.07% RPI index-linked 2032	446.9			8.2		**455.1**
£60 million wrapped 3.07% RPI index-linked 2032	120.2			2.4		**122.6**
£246 million 6.293% fixed rate 2030	246.0			0.0		**246.0**
£402 million 2.4% RPI index-linked 2035	563.9			23.9		**587.8**
£50 million 1.7% RPI index-linked 2046 - 1	100.2			1.9		**102.1**
£50 million 1.7% RPI index-linked 2046 - 2	99.8			1.9		**101.7**
£40 million 1.7164% RPI index-linked 2056	80.3			1.7		**82.0**
£50 million 1.6777% RPI index-linked 2056	100.4			2.1		**102.5**
£60 million 1.7903% RPI index-linked 2049	120.4			2.4		**122.8**
£50 million 1.3825% RPI index-linked 2056	99.9			2.0		**101.9**
£100 million 1.3784% RPI index-linked 2057	199.8			3.9		**203.7**
£100 million wrapped floating rate 2057	100.0			0.0		**100.0**
£75 million 1.449% RPI index-linked 2062	141.8			2.5		**144.3**
£50 million 1.52% RPI index-linked 2055	94.6			1.7		**96.3**
£110 million floating rate 2043	110.0			0.0		**110.0**
£25 million 6.875% fixed rate 2034	25.0			0.0		**25.0**
£130 million 2.262% RPI index-linked 2045	233.3			5.9		**239.2**
£250 million 4.5% fixed rate 2027	250.0			0.0		**250.0**
£73.3 million 4.394% fixed rate 2028	73.3			0.0		**73.3**
£50 million 2.05% RPI index-linked 2033	81.4			2.1		**83.5**
£200 million 4.5% fixed rate 2026	200.0			0.0		**200.0**
£35 million 1.141% RPI index-linked 2042	55.9			1.4		**57.3**
£55 million 2.93% fixed rate fixed rate 2026	55.0			0.0		**55.0**
US$150 million 3.29% fixed rate 2026	104.3			0.0		**104.3**
£35 million floating rate fixed rate 2031	35.0			0.0		**35.0**
£20 million 2.93% fixed rate 2026	20.0			0.0		**20.0**
£200 million 2.6225% fixed rate 2027	200.0			0.0		**200.0**
£250 million 1.625% fixed rate 2025	250.0		(250.0)	0.0		**0.0**
£300 million 2.75% fixed rate 2029	300.0			0.0		**300.0**
£85 million 2.88% fixed rate 2029	85.0			0.0		**85.0**
£25 million 3.0% fixed rate 2031	25.0			0.0		**25.0**
US$53 million 4.27% fixed rate 2029	40.1			0.0		**40.1**
Sub Total	**4,857.4**	**0.0**	**(250.0)**	**64.0**	**0.0**	**4,671.4**

CTA Gross Debt	Closing Balance 31 Mar 2025 £m	New Issues £m	Repayment £m	Indexation £m	Other £m	**Closing Balance 30 Sep 2025 £m**
£65 million 2.87% fixed rate 2029	65.0			0.0		**65.0**
JPY 7 billion 0.855% fixed rate 2039	50.9			0.0		**50.9**
£65 million amortising 0.835% CPI index-linked 2040	80.9		(5.1)	1.8		**77.7**
£50 million 1.76% fixed rate 2035	50.0			0.0		**50.0**
JPY 7 billion 0.85% fixed rate 2040	50.4			0.0		**50.4**
£35 million 2.14% fixed rate 2036	35.0			0.0		**35.0**
£40 million 2.14% fixed rate 2036	40.0			0.0		**40.0**
US$35 million 1.16% fixed rate 2026	25.5			0.0		**25.5**
C$ 350 million 4.525% fixed rate 2032	224.8			0.0		**224.8**
£242 million 6.07% fixed rate 2037	242.0			0.0		**242.0**
£24 million 6.07% fixed rate 2037	24.0			0.0		**24.0**
£300 million 5.875% fixed rate 2031	300.0			0.0		**300.0**
£560 million 6.0% fixed rate 2039	560.0			0.0		**560.0**
JPY 8.5 billion 1.917% fixed rate 2034	44.5			0.0		**44.5**
£575 million 5.75% fixed rate 2043	575.0			0.0		**575.0**
£100 million 2.427% CPI index-linked 2040	103.0			2.1		**105.1**
£700 million 6.25% fixed rate 2044	700.0			0.0		**700.0**
£50 million 6.05% fixed rate 2039	50.0			0.0		**50.0**
Operating Leases (Vehicles)	6.9			0.0	(0.8)	**6.1**
Index Linked Swaps	300.2			46.7	(100.7)	**246.2**
£75 million EIB amortising 0.53% RPI index-linked 2027	24.8		(6.3)	0.6		**19.1**
£75 million EIB amortising 0.79% RPI index-linked 2027	24.8		(6.3)	0.6		**19.1**
£150 million EIB amortising 0% RPI index-linked 2028	72.3		(12.3)	1.8		**61.8**
£65 million EIB amortising 0.41% RPI index-linked 2029	40.5		(5.2)	1.1		**36.4**
£125 million EIB amortising 0.1% RPI index-linked 2029	86.6		(9.9)	2.4		**79.1**
£60 million EIB amortising 0.01% RPI index-linked 2030	46.0		(4.7)	1.3		**42.5**
£26.1 million 0.01% CPI index-linked 2035 - 1	32.7			0.6		**33.3**
£26.1 million 0.01% CPI index-linked 2035 - 2	32.7			0.6		**33.3**
£100 million amortising 3.017% CPIH index-linked 2040	110.8			2.5		**113.3**
£75 million floating rate 2029	75.0			0.0		**75.0**
£75 million floating rate 2032	75.0			0.0		**75.0**
Total[1]	**9,006.7**	**0.0**	**(299.8)**	**126.1**	**(101.5)**	**8,731.4**

[1]Before accounting adjustments which are not within CTA definition of Net Debt and not including Other Leases

8.0 Anglian Water Services Group – Profit & Loss Account

Summary Underlying Results (AWS Group)

The consolidated financial results for the six months ended 30 September 2025 are summarised below

	2025 Total £m	2024 Total £m
Revenue (excl. grants and contributions)	1,026.7	863.4
Grants and contributions	63.5	36.9
Other operating income	7.9	8.5
Operating costs	(474.8)	(418.6)
Depreciation and amortisation	(235.6)	(207.1)
Operating profit	**387.7**	**283.1**
Finance income[1]	19.9	21.7
Finance costs	(255.7)	(197.6)
Underlying profit/(loss) before tax	**151.9**	**107.2**
Fair value (losses)/gains on financial derivatives	(27.6)	18.1
Statutory profit before tax	**124.3**	**125.3**
Tax charge	(33.0)	(32.6)
Profit after tax	**91.3**	**92.7**

[1] In order to show pre-tax performance on an underlying basis the fair value loss on financial derivatives have been excluded from the underlying finance costs.

9.0 *Anglian Water Services Group – Balance Sheet*

At 30 September 2025

		£m	£m	£m
<u>Non-current assets</u>				
Intangible assets				369.4
Property, plant, and equipment				12,427.8
Derivative financial instruments classified as current and non-current assets				139.8
Retirement benefit surplus				133.8
Net current assets excluding cash and debt repayable in less than one year				26.2
Retirement benefit deficit				(25.5)
Derivative financial instruments classified as current and non-current liabilities				(725.7)
Creditors amounts falling due after more than one year excluding debt				(1,763.3)
Cash and cash equivalents	Payments Account	202.3		
	Capex Reserve	115.5		
	Tax reserve	40.0		
	Debt Service	2.8	360.6	
Financing liabilities	Bonds (excluding accrued interest)	(8,352.6)		
	Leases	(31.4)		
	Other[1]	(61.9)	(8,445.9)	
	Net Debt (excluding derivatives)			(8,085.3)
Net assets				2,497.2

Capital and reserves		
	Share capital	32.0
	Share premium	1,165.0
	Reserves b/f	1,204.8
	Dividend paid	
	Actuarial gains on pension schemes	14.8
	Income tax charge on items that will not be reclassified	(3.7)
	Losses on cash flow hedges	(11.5)
	Amount of cash flow hedges transferred to income statement	3.1
	Losses on hedging reserves	(0.9)
	Deferred tax movement on hedging reserves	2.3
	Profit for the period	91.3
Capital and reserves		2,497.2

[1] Accounting adjustments that are not within the CTA definition of net debt (capitalised issue costs, accrued interest and IFRS9 adjustments).

10.0 Anglian Water Services Group – Calculation of Annual Finance Charge

Instrument	Actual Interest Paid To 30 Sep 25 £m	Actual Interest Paid To 30 Sep 24 £m	Actual Interest Paid to 31 Mar 25 £m
Class A Debt			
AAA Wrapped Debt	13.4	13.4	25.0
Other Class A Debt	233.1	143.7	208.7
Annual Finance Charge	**246.5**	**157.1**	**233.8**

The Annual Finance Charge represents cash interest payable by Anglian Water Services Financing Plc for each of the actual periods set out above.

11.0 Anglian Water Services Group – Derivatives Mark to Market Valuation

Derivative Counterparties Mark to Market Valuations as at 30/09/2025				
External Swap Counterparties	**Nominal Amount £m**	**MTM Positive Values £m**	**MTM Negative Values £m**	**MTM Total Values £m**
BARCLAYS BANK	1,557.9	20.1	(66.1)	(46.0)
BNP PARIBAS BANK	2,150.7	28.0	(27.5)	0.4
BGL BNP PARIBAS	0.0	0.0	(37.0)	(37.0)
CBA BANK	25.0	1.8	0.0	1.8
HSBC BANK	1,353.0	0.0	(90.9)	(90.9)
JP MORGAN BANK	945.8	10.2	(93.2)	(83.0)
LLOYDS BANK CORPORATE MARKETS PLC	1,255.8	15.6	(121.9)	(106.3)
MACQUARIE BANK LTD	3.8	0.0	(0.3)	(0.3)
MORGAN STANLEY BANK	713.9	60.1	(52.7)	7.4
MORGAN STANLEY (SENNEN)	0.0	0.0	(64.1)	(64.1)
MUFG SECURITIES EMEA PLC	322.3	0.0	(6.0)	(6.0)
SANTANDER UK PLC	292.6	0.9	(6.5)	(5.6)
SCOTIA BANK	212.6	2.3	(8.1)	(5.7)
SMBC BANK	122.7	0.6	(2.8)	(2.2)
THE TORONTO-DOMINION BANK	64.2	0.0	(3.6)	(3.6)
EXTERNAL INVESTORS	0.0	0.0	(144.8)	(144.8)
Total	9,020.3	139.6	(725.5)	(585.9)

Notes
1. All Swaps are transacted under ISDA agreements between Anglian Water Services Financing Plc and External Swap Counterparty.
2. Valuations include accrued interest to valuation date.