Registered no: 16110279 (England & Wales)

Thames Water Super Senior Issuer plc

Annual report and financial statements
For the period ended 31 March 2026

Contents

Directors and auditors

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Strategic Report

The Directors present their Strategic Report for Thames Water Super Senior Issuer plc (the Company), also referred to as TWSSI, for the 16 months ended 31 March 2026.

Business review

The Company was incorporated on 29 November 2024 to act as a financing company to its immediate parent company, Thames Water Utilities Limited (TWUL). It was incorporated under the name of Crabtree Super Senior Issuer plc and changed its name to Thames Water Super Senior Issuer plc on 2 December 2024.

TWUL, alongside the Company and TWUL's other financing subsidiary Thames Water Utilities Finance plc (TWUF), represent the TWUL Group. TWUL is the main trading subsidiary of the Kemble Water Holdings Limited (KWH) group of companies (the Group). The TWUL Group's principal operating activity is the appointed supply of water and wastewater services to customers in London, the Thames Valley and surrounding area, delivered through TWUL in accordance with its Instrument of Appointment.

The major transactions of the Company constitute the raising of debt finance and subsequent lending to TWUL. Proceeds from external debt issued by the Company, are passed onto TWUL (currently following creditor consent) through intercompany loans with a margin charged.

The Company is part of the TWUL Group, and was established so that it sits outside the Securitisation Group and is therefore not party to the same financing arrangements constituting a Whole Business Securitisation (WBS). The Securitisation Group comprises:

- TWUL, the Company's immediate parent; and
- Thames Water Utilities Holdings Limited (TWUHL), TWUL's immediate parent.
- TWUF, TWUL's other financing entity

The purpose of establishing the Company outside of the Securitisation Group, was to provide additional protection in the event of TWUL falling into a Special Administration Regime (SAR) to creditors who provided additional funding under the restructuring plan (RP1) which was court-approved on 25 February 2025.

As at 31 March 2026, TWUL and TWUHL guarantee £1,836.5 million of TWSSI's gross debt, whilst TWUF and TWUHL guarantee £1,631.5 million of intercompany debt lent by TWSSI to TWUL. Note that TWUF is not a guarantor of TWSSI's £1,836.5 million gross debt, which is only guaranteed by TWUL and TWUHL.

This period has been shaped by good progress in our operational and cultural transformation of TWUL. However, there continues to be material uncertainty regarding the Group and Company's going concern as described in further detail on pages 8 and 23 to 29.

Following the issue of the Final Determination by Ofwat in December 2024, TWUL concluded that the balance of risks and reward did not provide what was needed for an investible and financeable business plan during the 2025-2030 period. This is unlikely to change without a re-set of the regulatory landscape. TWUL has taken steps to secure the required financing in the near term to maintain its status as a going concern, and to give it the time to secure a sustainable longer-term outcome for its finances. TWUL took the decision to refer the Ofwat determination to the Competitions and Market Authority (CMA). Discussions between TWUL's senior creditors, the London and Valley Water Consortium (L&VW), Ofwat, and other regulators in relation to a potential market-led solution to the recapitalisation of the Company are continuing. TWUL and Ofwat have agreed a further deferral of the reference to the CMA, which will provide an opportunity for these discussions to continue. Given this, no deadline has been set for the end of the deferral period.

TWUL Group's creditors continue to support TWUL's efforts to recapitalise, with a view to securing court approval for a second restructuring plan (RP2) to put TWUL on a sustainable long-term financial footing. An equity raise process commenced in summer 2024 and this has resulted in TWUL progressing a proposal by the Class A creditor group, and this is currently being discussed with Ofwat.

Credit rating

Long-term rating	Corporate Family	Super senior	Class A	Class B
Moody's	Caa3 (stable)	B2 (stable)	Ca (stable)	C (stable)
S&P	-	-	CCC (negative)	CC (negative)

TWUL Group ratings as at date of publication

Moody's Corporate family rating and Class B debt rating, and S&P's Class A and Class B debt ratings are unchanged since 31 March 2025. Moody's downgraded the Class A debt rating from Caa3(stable) to Ca (stable) on 10 July 2026.The Company's Super Senior debt has been newly rated by Moody's in September 2025 at B2 (stable) rating.

Strategic Report (continued)

Credit rating (continued)

TWUL is currently not in compliance with the requirements of its Instrument of Appointment to maintain, at all times, two investment grade ratings from two different credit rating agencies. Ofwat has accepted undertakings put forward by TWUL, which required TWUL to appoint both an independent Monitor, L.E.K., to report on the Company's progress delivering its transformation plan and completing an equity raise, as well as two new Non-Executive Director board appointments to assist in an equity process and recapitalisation transaction. These commitments will remain in place until the TWUL Group regains two investment grade credit ratings.

Gearing and interest cover

Covenant net debt for TWUL Group increased to £19,772 million, with senior gearing at 87.0%, which excludes TWSSI cash. If TWSSI cash is included, gearing is 86.1%. The Senior Post Maintenance Interest Cover Ratio (PMICR) was 1.46x, which was above the minimum Trigger Event covenant level of 1.1x. The requirement for the Securitisation Group to comply with financial covenants is currently suspended.

The ability of the Securitisation Group to comply with its covenants is relevant to the Company as the Company is wholly reliant on TWUL's ability to settle its intercompany obligations to the Company as they fall due, to fund the servicing and repayment of its external debt obligations.

Financial results

The Directors have determined that the loss before tax, total assets and the net assets or liabilities are the most appropriate key performance indicators for an understanding of the development, performance and position of the Company.

For the 16 months ended 31 March 2026, the Company made a total loss before tax of £15.6 million. This was mainly driven by the timing of on-lending debt proceeds to TWUL, which created a mismatch between capitalised fees payable by TWUL to the Company on its intercompany loans from the Company and external fees payable by the Company. This impact was partially offset by the margin the Company earned on intercompany loans receivable from TWUL.

Total assets of the Company at 31 March 2026 were £1,742.9 million. Net liabilities of the Company at 31 March 2026 were £15.5 million reflecting the loss on ordinary activities after taxation, primarily due to the timing of on-lending debt proceeds to TWUL and a mismatch between capitalisation of fees received or receivable on its intercompany loans to TWUL and fees paid or payable on external borrowings.

The Company's performance is in line with expectations, although there is a deferral of expected profits due to the capitalisation of fees received or receivable.

The external borrowings and intercompany loans with TWUL are held at amortised cost. The company does not use derivative financial instruments to manage interest rate exposure.

Principal risks and uncertainties

The Company is a financing subsidiary of TWUL. The net proceeds of financing transactions and obligations entered into by the Company are lent to TWUL, the regulated operating company, by way of intercompany loans. Consequently, to service these external debt obligations, there is a reliance on TWUL's ability to settle its intercompany obligations and the Company's creditworthiness is closely linked with that of TWUL.

The outcome of TWUL's PR24 price review and current levels of the TWUL Group's liquidity has resulted in credit rating downgrades and forecast trigger events. The success and timing of securing the capital TWUL needs to finance its ambitious business plan, turnaround performance and increase financial resilience depends on securing a PR24 price determination that is both financeable and investable. This is a matter we will continue to engage on with our regulators, and the Government

Following the issue of the Final Determination by Ofwat in December 2024, TWUL concluded that the balance of risks and reward did not provide what was needed for an investible and financeable business plan during the 2025-2030 period. This is unlikely to change without a re-set of the regulatory landscape. TWUL has taken steps to secure the required financing in the near term to maintain its status as a going concern, and to give it the time to secure a sustainable longer-term outcome for its finances. TWUL took the decision to refer the Ofwat determination to the Competitions and Market Authority (CMA). TWUL agreed with Ofwat to pause the referral and on 21 October 2025, TWUL announced that it had agreed with Ofwat a further deferral of the referral to the CMA, with no deadline set for the end of the deferral period.

Strategic Report (continued)

Principal risks and uncertainties (continued)

TWUL continues to be exposed to inflationary pressures over the next twelve month reporting period, which could impact its cost base and, with bill increased expected in the future, could increase the risk to cash collection rates. Rapid population growth and changing weather patterns also continue to put pressure on TWUL's ageing infrastructure.

In addition, the Company's operations expose it to a variety of capital and financial risks. Treasury operations are managed centrally, by a specialist team, operating with delegated authority of, and under policies approved by, TWUL and the Board of the Company. The operation of the treasury function is governed by specific policies and procedures that set out guidelines for the management of liquidity, credit and market risks associated with financing activities.

The key elements of the treasury policies and procedures are incorporated in the TWUL Group's Annual Report. Copies of the TWUL Group's Annual Report may be obtained from the Company Secretary's Office at the address included in note 14.

Capital risk management

Capital risk relates to whether the Company is adequately capitalised and financially solvent. The key objectives of the TWUL Group's funding strategy is to regain investment grade credit ratings for the Securitisation Group's debt and provide liquidity sufficient to fund ongoing obligations. The Board reviews the Company's exposure to these risks and actively oversees the treasury activities, reviewing treasury policy and the TWUL Group funding plan on an annual basis.

The capital structure of the Company consists largely of borrowings. Quantitative information in relation to the capital structure is included in note 11 Financial Instruments.

The Securitisation Group is usually required to comply with an extensive set of financial and non-financial covenants. The financial covenants include interest cover ratios and net debt to RCV ratios, although these have been temporarily suspended during the stable platform period. A Trigger Event is deemed to be continuing during the stable platform period, which commenced on 25 February 2025 and will apply until the next Securitisation Group senior debt maturity date (currently 22 March 2027).

The ability of the Securitisation Group to comply with its covenants is relevant to the Company as the Company is wholly reliant on TWUL's ability to settle its intercompany obligations to the Company as they fall due, to fund the servicing and repayment of its external debt obligations. The Company's borrowings are not subject to financial covenants, but contain restrictions on additional securitisation of its assets, its activities, asset disposals, payment of dividends and incurrence of additional indebtedness. There are conditions precedent to the drawing down of committed funds and for on-lending to TWUL, including that TWUL Group had produced a 13 week cash flow forecast showing positive liquidity for any weeks prior to 28 February 2026 at the time of a TWUL drawdown.

The TWUL Group's funding policy is to ensure that it has adequate funding at all times to meet short-term and long-term requirements. The TWUL Group maintains a broad portfolio of debt (diversified by source and maturity) and ordinarily seeks to maintain sufficient liquidity to fund the operations of the business for a minimum of a 15-month forward period on an on-going basis, although currently this is not achieved whilst a recapitalisation transaction is being pursued. On a TWUL Group basis derivative financial instruments are used to manage interest rate risk, inflation risk and foreign exchange risk. No open or speculative positions are taken, although consent fee derivatives, which are integrally linked to inflation-linked swaps, represent a liability and are not a hedge. The Company, itself, has not entered into any derivatives.

A restructuring plan was court sanctioned in February 2025, which enabled the extension of the maturity of all of the Securitisation Group's outstanding debt principal repayments by two years The TWUF's drawn revolving credit facilities were converted to term loans, and all undrawn facilities were cancelled on 25 February 2025 under the court-sanctioned restructuring plan.

Under the TWUL Group's financial restructuring programme implemented in February 2025 the Company had access to a committed £1.5 billion debt facility, of which £1,427 million was drawn as at 31 March 2026. A further £1.5 billion super senior facility can also be made available by TWUL Group creditors to the Company and £823.5 million of this accordion facility was committed by creditors in February 2026. The £677 million balance remained uncommitted as at 31 March 2026. £73.5 million of the original £1.5 billion committed facility is only available for drawing once the full accordion is drawn. The Company is currently only able to draw upon its committed facilities following a creditor consent for each drawdown. As at 31 March 2026, £205.0 million of the Company's drawn debt (£197.0 million net of fees and discount) had not been on-lent to TWUL and creditor consent is currently needed for each on-loan.

Strategic Report (continued)

Principal risks and uncertainties (continued)

Financial risk management

(i) Market risk

Market risk is the risk that changes in market variables, such as inflation, foreign currency rates and interest rates, will affect the Company's income or the value of its holdings of financial instruments.

Financial instruments entered into by the Company are exclusively fixed rate sterling denominated debt. Fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. All debt raised by the Company is lent to TWUL, a regulated water company, at fixed rates, although £205.0 million principal of the Company's drawn debt had not been on-lent as at 31 March 2026.

(ii) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's loans to its immediate parent entity TWUL. Credit control policies and procedures are in place to minimise the risk of bad debt arising from receivables from TWUL including, where appropriate, a review of TWUL's budget and forecasts. Additionally, payment of all amounts owing in respect of the external debt issued by the Company is guaranteed by TWUL and TWUHL.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Securitisation Group seeks to manage long-term liquidity by maintaining continuity of funding through access to different markets and debt instruments, raising funds in the capital markets and ensuring that diverse debt maturity profiles are maintained. The financial challenges facing the Group, including Trigger Events under the WBS, have meant that access to new debt facilities since 31 March 2024 has been limited to super senior funding borrowed by TWUL via the Company. The Company matches the majority of its financial obligations with receivables due from its parent, with the remaining portion of the net proceeds held as cash or cash equivalents. The Company's access to liquidity is dependent on its parent servicing the receivables. The rate of interest at which the Company is permitted to borrow and fees were determined as part of the court-sanctioned restructuring on 25 February 2025, and the Company is unable to fund on different financial terms without the consent of creditors, and is permitted to borrow up to £3 billion in total and only for the purpose of on-lending to TWUL, of which it had borrowed £1,836.5 million as at 31 March 2026.

Details of the Company's borrowings and other financial instruments are disclosed in notes 9 and 10 respectively.

As stated in the accounting policies to these financial statements, the Directors have concluded it is reasonable to assume that actions can be taken by TWUL such that the Company has adequate resources, for a period of 12 months from the date of approval of the financial statements, to continue operations and discharge its obligations as they fall due. However, given the material uncertainty in relation to the TWUL Group going concern basis and the Company's reliance on the credit worthiness of TWUL, the Directors have concluded that there exists a material uncertainty in relation to the going concern basis adopted in the preparation of the Company's financial statements.

Future outlook

It is expected that the Company will continue with its current business model, with the proceeds from the Company's debt raising activities being lent to TWUL with a margin charged in addition to the underlying external costs. This is dependent upon TWUL and the Company's ability to secure additional debt as TWUL continues to pursue its Restructuring Plan. This will enable TWUL to settle its intercompany obligations, as they fall due, to fund the servicing and repayment of external debt obligations, more details of which are explained in the going concern section on pages 23 to 29.

s172 reporting

The Directors of the Company must act in accordance with the duties contained in s172(1) of the Companies Act 2006 as follows:

"A Director of a company must act in the way he considers, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:
(a) the likely consequences of any decision in the long-term;
(b) the interests of the company's employees;
(c) the need to foster the company's business relationships with suppliers, customers and others;
(d) the impact of the company's operations on the community and the environment;
(e) the desirability of the company maintaining a reputation for high standards of business conduct; and
(f) the need to act fairly as between members of the company."

Strategic Report (continued)

s172 reporting (continued)

On appointment, as part of their induction on becoming a Director, each Director is briefed on their duties and the availability of professional advice from either the Company Secretary or, if they consider it necessary, from an independent adviser. The Directors of the Company have access to the resources provided to the Directors of the Group's main trading company, TWUL.

During the period, the Company acted as a financing company for TWUL. Day-to-day running of the Company is managed by the Company's management team, consisting of employees from TWUL. During the period, the Board of Directors have approved the liquidity extension transaction and related transactions, approved policy updates and received updates on TWUL's recapitalisation plan and related transactions, and the approval of the Company's annual report and financial statements. The Company had no employees during the period, or as at the date of this report, nor did it have any external customers or trading arrangements with suppliers.

Likely consequences of decisions in the long-term
The Board's decision to approve the liquidity extension transaction and policy updates was consistent with the purpose of the Company acting as a financing vehicle for its immediate parent company, and the lending of external borrowings drawn down under debt facilities also enabled the Company to earn a margin on these activities.

Stakeholder management
The Company's stakeholders are considered to be external debt investors, credit rating agencies and its immediate parent company with whom intercompany loan relationships exist. The Company places considerable importance on communication with debt investors and credit rating agencies and regularly engages on a wide range of topics relevant to the TWUL Group. TWUL's Director of Corporate Finance is responsible for facilitating communication with investors, credit rating agencies and analysts and an active investor relations programme is maintained. Wider stakeholder engagement occurs regularly throughout the period, both formally and informally. During the period several debt investor update meetings and calls took place involving the TWUL Chief Executive Officer and TWUL Chief Financial Officer. During the court sanctioned restructuring plan and as the recapitalisation transaction for TWUL is pursued, regular calls and monthly reporting packs have been provided to creditors. Regular update meetings have taken place throughout the period with investors and credit rating agencies.

Community and Environment
In raising funding for TWUL, the Board supports the commitment to seek to continually improve the delivery of water and wastewater services in the most sustainable way, which means complying with regulation, delivering public value and leaving the environment in a better state than we found it at the end of each regulatory period. TWUL's Board of
Directors manage this for the Group and further details of how they have carried out their duties is disclosed in the financial statements of TWUL.

The Board of Directors of the Company consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, having regard to the stakeholders and matters set out in s172(1)(a-f) of the Companies Act 2006.

This Strategic Report was approved by the Board of Directors on 14 July 2026 and signed on its behalf by

C Weston
Director

Clearwater Court
Vastern Road
Reading
Berkshire
RG1 8DB

Directors' report

The Directors present their annual report and the audited financial statements of the Company for the 16 month period ended 31 March 2026. The Directors consider that the annual report and financial statements, taken as a whole, is fair, balanced and understandable, and provides the information necessary for stakeholders to assess the Company's performance and strategy.

The registered number of the Company is 16110279 (England & Wales). It was incorporated on 29 November 2024 under the name of Crabtree Super Senior Issuer plc and changed its name to Thames Water Super Senior Issuer plc on 2 December 2024.

Directors

The Directors of the Company who were in office during the reporting period and up to the date of signing the financial statements were:

N Land	(appointed 25 February 2025)
A Montague	(appointed 25 February 2025)
I Pearson	(appointed 25 February 2025)
C Weston	(appointed 25 February 2025)
A De Brunner	(appointed 25 February 2025)
N Robson	(appointed 25 February 2025)
J Gething	(appointed 25 February 2025)
CSC Directors (No.1) Limited	(resigned 25 February 2025)
CSC Directors (No.2) Limited	(resigned 25 February 2025)
J Walker	(resigned 25 February 2025)

J Gething was appointed on 2 December 2024 as Chief Restructuring Officer of the TWUL Group to provide specialist advice on the complex issue of balance sheet recapitalisation and he became a TWUL, TWUF, TWUHL Board member on 22 January 2025, followed by becoming a TWSSI Board member on 25 February 2025. He is not employed by any company in the Group and accordingly is not paid any remuneration by TWUL Group for qualifying services. All fees associated with his role as Chief Restructuring Officer are paid to AlixPartners UK LLP by TWUL.

During the period under review, none of the other Directors had significant contracts with the Company or any other body corporate within the TWUL Group other than their contracts of service with TWUL.

Future outlook

The future outlook of the Company is discussed in the Strategic Report.

Going concern

The Directors consider it appropriate to prepare the financial statements on a going concern basis as they have a reasonable expectation that the Company will continue to have adequate resources for a period of 12 months from the date of approval of the financial statements. In their assessment, the Directors have identified a material uncertainty related to events that are outside the control of the Board and may cast significant doubt on the Company's ability to continue as a going concern. In assessing the appropriateness of the going concern basis, the Directors have considered various factors that are described in further detail on pages 23 to 29.

Given the dependency on TWUL, the Directors have considered the going concern assessment made by TWUL Group as well as actions taken post the balance sheet date of 31 March 2026. The TWUL Group assessment concluded that the TWUL Directors believe that it is reasonable to assume that actions can be taken such that TWUL and the TWUL Group have adequate resources, for a period of 12 months from the date of approval of the financial statements, to continue operations and discharge their obligations as they fall due. However, there exists a material uncertainty which may cast significant doubt on the TWUL Group and TWUL's ability to continue as a going concern in relation to the ability to deliver a recapitalisation transaction by way of RP2 successfully, either within the Assessment Period or at all. This material uncertainty also applies to the Company. There is also a material uncertainty in relation to the Company's role as a financing entity beyond RP2.

Further details of the TWUL Group assessment and the post balance sheet events are contained in the TWUL Group annual report for 2025/26, copies of which may be obtained from the Company Secretary's Office at the address included in note 14.

Accordingly, the Directors have concluded it is reasonable to assume that actions can be taken by TWUL such that the Company has adequate resources, for a period of 12 months from the date of approval of the financial statements, to continue operations and discharge its obligations as they fall due. However, given the material uncertainty in relation to the TWUL Group and TWUL's going concern basis and the Company's reliance on the credit worthiness of TWUL, the Directors have concluded that there exists a material uncertainty in relation to the going concern basis adopted in the preparation of the Company's financial statements.

Directors' report (continued)

Gearing and interest cover

The Financial Review in the TWUL Group annual report notes the out-turn for the financial covenants defined in the Securitisation Group's Whole Business Securitisation (WBS) documentation for gearing and interest cover ratios as at 31 March 2026. Both these ratios are usually key covenants for Secured Creditors and modified forms are used by credit rating agencies as part of their analysis when determining credit ratings, however the WBS financial covenants are suspended during the stable platform period.

PMICR measures the amount of underlying cash generated by operating activities of the Company, adjusted for RCV depreciation, relating to the interest paid on TWUL Group's debt. This ratio is a key covenant set by our lenders, and in modified forms, also used by credit rating agencies as part of their analysis when determining credit ratings.

Under the terms of the WBS, there is usually a requirement to publish forecast financial covenant ratios for the next four financial years, but during the stable platform period only the ratios for the 12 month period ending 31 March 2026 are required to be published.

The ability of the Securitisation Group to comply with its covenants is relevant to the Company as the Company is wholly reliant on TWUL's ability to settle its intercompany obligations to the Company as they fall due, to fund the servicing and repayment of its external debt obligations.

Intercompany loan receivable

At 31 March 2026, the Company was owed £1,543.0 million (note 8) by TWUL in respect of amounts loaned from the net proceeds of debt raised by the Company and unpaid interest. Management makes an estimate of the recoverable value of the Company's loan receivables from TWUL loan in line with the provisions of IFRS 9. Details of this assessment and the expected credit losses recognised in the period can be found in the significant accounting judgements section of the Material accounting policy information.

No expected credit losses on receivables were recognised as at the period ended 31 March 2026.

Dividends

The Company did not pay any dividends in the period ended 31 March 2026. The Directors do not recommend the payment of a dividend.

Financial risk management

During the period, the Company had access to the TWUL Chief Executive Officer, who was appointed a Director of the Company on 25 February 2025, and the Executive Team of TWUL. The Company also had access to a Chief Restructuring Officer who was also appointed as a Director of the Company on 25 February 2025. They receive regular reports on business performance. This enables prompt identification of financial and other risks so that appropriate action can be taken in the relevant group companies.

The Company's operations expose it to a variety of financial risks which are described in the Strategic Report.

Corporate Governance

As noted above, the Company has full access to the Executive Team of TWUL, including access to the risk management and internal control systems which the Company relies upon in meeting its governance framework requirements. Their system of risk management and internal control aims to ensure that every effort is made to manage risk appropriately, rather than eliminate risk completely, and can only provide reasonable, rather than complete, assurance against material impact. Management of risk supports this through a number of key company level internal controls and responses:

- Business planning, budgeting and forecasting. These activities support resilient operations and help to plan for sustainable and robust finances. The annual budgeting exercise includes a detailed budget for the year and a view for the remainder of the asset management plan ("AMP"). The regulatory period AMP8 runs from 1 April 2025 to 31 March 2030;
- Performance reporting. The Company's Board and the Board of TWUL receive monthly group management reports, including an overview of key performance metrics;
- System of delegated authority. Delegated levels of decision-making authority are reviewed and approved by the Board;
- Insurance. Insurance programme and insurance team are in place. The Board review and approve the strategic approach being taken to level and type of cover;
- Company policies, standards, guidelines and procedures. Relevant governance documentation is reviewed regularly and is intended to manage our inherent risk; and
- Code of Conduct and Whistleblower hotline. Code of Conduct and confidential whistleblowing processes are in place to be investigated by a dedicated team.

Directors' report (continued)

Corporate Governance (continued)

The Enterprise Risk Management and Internal Audit teams of TWUL also provide reporting and assurance over our management of key business risks.

Further details relating to Corporate Governance are incorporated in the TWUL Group's Annual Report for 2025/26.

Research and development

The Company undertakes no research and development activity.

Political and charitable donations

No political or charitable donations were made by the Company during the period.

Directors' indemnities

The Company has made qualifying third party indemnity provisions for the benefit of its Directors (which extend to the performance of any duties as Director of any associated company) and these remained in force during the financial period and at the date of approval of the annual report and financial statements.

Directors' confirmations

Each of the Directors, whose names and functions are listed in the Directors' report confirm that, to the best of their knowledge:

- the Company financial statements, which have been prepared in accordance with UK-adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and loss of the Company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

In the case of each Director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent auditors

The independent auditors, PricewaterhouseCoopers LLP, have been appointed as auditors to the Company and indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

This Directors' report was approved by the Board of Directors on 14 July 2026 and signed on its behalf by:

C Weston
Director

Clearwater Court
Vastern Road
Reading
Berkshire
RG1 8DB

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with UK-adopted international accounting standards.

Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Directors on 14 July 2026 and signed on its behalf by:

C Weston
Director

Clearwater Court
Vastern Road
Reading
Berkshire
RG1 8DB

Independent auditors' report to the members of Thames Water Super Senior Issuer plc

Report on the audit of the financial statements

Opinion

In our opinion, Thames Water Super Senior Issuer plc's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2026 and of its loss and cash flows for the 16 month period then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise:

- the Statement of Financial Position as at 31 March 2026;
- the Income Statement for the period then ended;
- the Statement of Changes in Equity for the period then ended;
- the Statement of Cash Flows for the period then ended;
- the Material accounting policy information; and
- the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Material uncertainty related to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in the Material accounting policy information within the financial statements concerning the company's ability to continue as a going concern. We note that the Company is wholly reliant on the ability of its immediate parent, Thames Water Utilities Limited ('TWUL'), to settle its intercompany obligations, as they fall due, and to fund the servicing and repayment of external debt obligations. Additionally, TWUL has guaranteed the obligations of the Company. The TWUL Group identified a material uncertainty in relation to the going concern basis of preparation adopted in its Annual Report for 2025/26. These conditions, along with the other matters explained in the Material accounting policy information within the financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company were unable to continue as a going concern.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included:

- Obtaining an understanding and evaluating the design and implementation of relevant controls related to the directors' assessment of going concern;
- Obtaining and understanding the terms of the Whole Business Securitisation and the TWUL Group's financing documentation, including the super senior financing documentation and the financial covenants applicable to the TWUL Group, to understand the construct of the Whole Business Securitisation and the guarantees in place between TWUL and the Company;
- Understanding and assessing the factors giving rise to the material uncertainty including assessing the actions available to the directors on which they have based their assertion that they have a reasonable expectation that the TWUL Group and Company has adequate resources to continue for a period of at least 12 months from the date of approval of the financial statements;
- Testing the mathematical integrity of the cash flow forecasts and the models supporting these forecasts and reconciling them to Board approved budgets and forecasts;
- Performing a comparison of budget versus actual results for the period ended 31 March 2026 and understanding where variances had arisen. Through this testing we informed our assessment regarding management's ability to forecast accurately;
- Evaluating the key assumptions management has applied in developing their base case. We challenged various aspects of management's base case including consideration of potential downside risks;
- Performing inquiries with key stakeholders (from both within and outside of the TWUL Group) and reviewing correspondence with creditor representatives, regulators and advice from the TWUL Group's external legal counsel to corroborate management's position and assess whether there is any contradictory or additional evidence requiring disclosure within the basis of preparation;
- Engaging the use of experts including business restructuring experts to support us in understanding aspects of management's assessment and informing our challenges to management; and
- Assessing the appropriateness of the disclosures within the financial statements as disclosed in the Material accounting policy information, relating to the material uncertainty on going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Our audit approach

Overview

Audit scope

- We have assessed the financial statements for areas of complexity and where management have made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. The most significant of these areas have been included as key audit matters.

Key audit matters

- Material uncertainty related to going concern
- Valuation and accuracy of accounting for the accordion drawdown

Materiality

- Overall materiality: £17,500,000 based on 1% of Total liabilities.
- Performance materiality: £13,125,000.

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

In addition to going concern, described in the Material uncertainty related to going concern section above, we determined the matters described below to be the key audit matters to be communicated in our report. This is not a complete list of all risks identified by our audit.

Key audit matter	How our audit addressed the key audit matter
Valuation and accuracy of accounting for the accordion drawdown On 12 February 2026, TWSSI launched a process to allocate £823.5m of the £1.5bn Accordion facility. On completion of the book-build process on 27 February 2026, commitments of £823.5m were secured. £410.0m was drawn into TWSSI on 20 March 2026 and £205.0m on-lent to TWUL at 31 March 2026.	We evaluated the design and implementation of related financial controls. We reviewed underlying agreements and subjected management's accounting paper to detailed challenge through our internal consultation process with corporate reporting specialists.

The drawdown was made on terms set in advance as part of the group's restructuring, giving risk to accounting judgements over the timing of recognition of the financial liability and whether the drawdown should be recognised at the transaction price. The accounting treatment adopted is described in the Material accounting policy information ('Borrowings'). Refer to the Material accounting policy information and note 9.	We assessed management's judgement as to the date the commitment arose and challenged whether the transaction price was the best evidence of fair value on initial recognition of the accordion borrowings and the related intercompany on lending. We assessed the consistency of the accounting treatment with the assumptions and market data used elsewhere in the financial statements. We also evaluated the adequacy of disclosure in the financial statements.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, the accounting processes and controls, and the industry in which it operates.

The company consists of one operating segment with one accounting and financial reporting function managed from a single location in the United Kingdom.

The impact of climate risk on our audit

As part of our audit we made enquiries of management to understand the extent of the potential impact of climate risk on the company's financial statements, and we remained alert when performing our audit procedures for any indicators of the impact of climate risk. Our procedures did not identify any material impact as a result of climate risk on the company's financial statements.

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Overall company materiality	£17,500,000
How we determined it	1% of Total liabilities.
Rationale for benchmark applied	The entity functions to service group financing requirements. Therefore, we considered that using a balance sheet liability benchmark was appropriate as it reflects the nature of the company's activities.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% of overall materiality, amounting to £13,125,000 for the company financial statements.

In determining the performance materiality, we considered a number of factors - the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with those charged with governance that we would report to them misstatements identified during our audit above £1,750,000 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the period ended 31 March 2026 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK corporation tax legislation and the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of journal entries to manipulate the financial results in the period. Audit procedures performed by the engagement team included:

- Made enquiries of TWUL management, the internal audit function and external and internal legal counsel, of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluated management's controls designed to prevent and detect irregularities;
- Assessed the significant accounting estimates and judgments for indication of management bias;
- Identified journal entries throughout the period that met our fraud risk criteria and tested these; and
- Reviewed minutes of meetings of those charged with governance and reviewing internal audit reports.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Sotiris Kroustis (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Reading
14 July 2026

Income Statement

For the 16 months ended 31 March 2026

	Note	2026 Total £m
Administrative expenses	1	(0.1)
Operating loss		**(0.1)**
Finance income	4	123.4
Finance expense	5	(138.9)
Loss on ordinary activities before taxation		**(15.6)**
Tax charge on loss	6	-
Loss on ordinary activities after taxation		**(15.6)**

The Company's activities above are derived from continuing activities.

The Company has no other comprehensive income for the 16 months ended 31 March 2026.

Statement of Financial Position

As at 31 March 2026

	Note	31 March 2026 Total £m
Non-current assets		
Intercompany loans receivable	8	1,542.4
Prepayments and other assets		2.6
		1,545.0
Current assets		
Cash and cash equivalents	7	197.0
Intercompany loans receivable	8	0.6
Prepayments and other assets		0.3
		197.9
Current liabilities		
Borrowings	9	(0.5)
Amounts owed to group undertakings	9	(2.1)
Other financial liabilities		(0.6)
		(3.2)
Net current assets		194.7
Non-current liabilities		
Borrowings	9	(1,755.2)
		(1,755.2)
Net liabilities		(15.5)
Equity		
Called up share capital	11	0.1
Accumulated losses		(15.6)
Total equity		(15.5)

The financial statements on pages 19 to 22 were approved by the Board of Directors on 14 July 2026 and signed on its behalf by:

C Weston
Director

Registered number: 16110279 (England & Wales)

Statement of Changes in Equity

For the 16 months ended 31 March 2026

	Note	Called up share capital £m	Accumulated Losses £m	Total equity £m
29 November 2024		-	-	-
Share capital issued	11	0.1		0.1
Loss on ordinary activities after taxation		-	(15.6)	(15.6)
31 March 2026		**0.1**	**(15.6)**	**(15.5)**

Statement of Cash Flows

For the 16 months ended 31 March 2026

	2026 £m
Operating activities:	
Loss for the period	(15.6)
Less finance income	(123.4)
Add finance expense	138.9
Operating loss	(0.1)
Movement in prepayments and other assets	2.9
Movements in other financial liabilities	(2.7)
Net cash inflow from operating activities	0.1
Investing activities:	
Interest received	98.6
Loans to group companies[1]	(1,528.2)
Fees received	12.0
Net cash outflow from investing activities	(1,417.6)
Financing activities:	
Proceeds from share issue	0.1
Proceeds from new loans[2]	1,725.0
Interest paid	(109.3)
Fees paid	(1.3)
Net cash inflow from financing activities	1,614.4
Net movement in cash and cash equivalents	197.0
Net cash and cash equivalents at beginning of period	-
Net cash and cash equivalents at end of period	197.0

[1] Loans to group companies of £1,528.2 million represents amounts raised by the Company and then lent to TWUL through an intercompany loan receivable.
[2] New loans and bonds raised of £1,725 million is presented net of fees of £111.5 million.

Material accounting policy information

The accounting policies adopted in the preparation of these financial statements, which have been applied consistently, unless otherwise stated, are set out below. IAS 1 guidance has been considered in the preparation of the financial statements and ensured that material accounting policies applicable are disclosed in line with this guidance.

General information

Thames Water Super Senior Issuer plc (the Company) is a public limited company incorporated and domiciled in the United Kingdom. The Company is limited by shares issued to shareholders. The trading address and address of the registered office is Clearwater Court, Vastern Road, Reading, Berkshire, RG1 8DB.

The Company was established to act as a financing company to its immediate parent company, Thames Water Utilities Limited (TWUL). TWUL alongside the Company and TWUL's other financing subsidiary TWUF, represent the TWUL Group. TWUL is the main trading subsidiary of the Kemble Water Holdings Limited (KWH) group of companies (the Group).

Statement of compliance

The financial statements have been prepared and first time adopted in accordance with UK-adopted international accounting standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

Comparative information

This is the first period the Company has prepared financial statements for and therefore there is no comparative information and disclosures.

Change of accounting period

The Company has changed its accounting reference date from 30 November 2025 to 31 March 2026. Accordingly, the current financial statements are prepared for a 16 month period from incorporation date of 29 November 2024 to 31 March 2026.

Basis of preparation

The financial statements for the 16 months ended 31 March 2026, set out on pages 19 to 22, have been prepared on the going concern basis, under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities at fair value, and the Disclosure and Transparency Rules (DTR) issued by the Financial Conduct Authority.

When considering whether the Company is a going concern, the Directors have had regard to IAS 1 para 25 which states that an entity shall prepare financial statements on a going concern basis unless the Directors either intend to liquidate the entity or to cease trading or has no realistic alternative but to do so.

Certain cash flows related to the Company are transacted by fellow group companies on behalf of the Company. The Directors have assessed that the Company is the principal in these transactions and the role of other group companies is for administrative purposes only. As such the Company presents all cash flows related to the Company in these financial statements in line with IAS 7.

Going concern

Company

The Directors consider it appropriate to prepare the financial statements on a going concern basis as they have a reasonable expectation that the Company will continue in existence for the next 12 months from the date of approval of the financial statements. In their assessment, the Directors have identified a material uncertainty related to events that are outside the control of the Board that may cast significant doubt on the Company's ability to continue as a going concern. In assessing the appropriateness of the going concern basis, the Directors have reviewed the factors set out below.

The Directors have considered the nature of the business and do not expect this to significantly change over the next 12 month period, with the proceeds of any debt raising by the Company being lent to TWUL with a margin charged.

In confirming the basis of preparation, the Directors have considered the Company's relationship with TWUL as its immediate parent company and its dominant debtor on the Company's Statement of Financial Position. In particular:

- The Company is wholly reliant on TWUL's ability to settle its intercompany obligations, as they fall due, to fund the servicing and repayment of external debt obligations; and
- The factors disclosed for the going concern assessment for the TWUL Group, considered by the TWUL Board, which are relevant to TWUL alone but would also impact the Company, being TWUL's ability to deliver a recapitalisation transaction by way of RP2 successfully, either within the Assessment Period or at all.

Material accounting policy information (continued)

Going concern (continued)

For completeness, the going concern assessment for TWUL Group is presented below on pages 24 to 29. Further details of this assessment and other information are contained within the TWUL Group annual report for 2025/26, copies of which may be obtained from the Company Secretary's Office at the address included in note 14.

In assessing whether the Company has adequate resources, for a period of at least 12 months from the date of approval of the financial statements, to continue operations and discharge its obligations as they fall due, the Directors have taken into consideration all of the factors set out above.

Accordingly, while TWUL continues to seek a recapitalisation, the Directors have concluded it is reasonable to assume that actions can be taken such that the Company has adequate resources, for a period of 12 months from the date of approval of the financial statements, to continue operations and discharge its obligations as they fall due. However, it is noted for the TWUL Group that there exists a material uncertainty in relation to the going concern basis adopted in the preparation of the financial statements given that TWUL requires a recapitalisation transaction to be implemented, the outcome and timing of which is not within its control.

Consequently, given the Company's clear dependency on the support of TWUL, the Directors have concluded that the material uncertainty disclosed for TWUL Group and TWUL is also applicable to the going concern assessment for the Company. As a result, these conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

Summary of TWUL Group going concern assessment

Context

The Directors believe that it is reasonable to assume that actions can be taken such that TWUL Group and TWUL have adequate resources, for a period of 12 months from the date of approval of the financial statements (the "Assessment Period"), to continue operations and discharge its obligations as they fall due. However, there exists a material uncertainty, which could crystallise in the very near term, which may cast significant doubt on TWUL Group and TWUL's ability to continue as a going concern in relation to the preparation of the financial statements given TWUL Group and TWUL requires a recapitalisation transaction (including the provision of additional equity funding and a restructuring of TWUL's existing balance sheet) to be implemented, the outcome and timing of which is not within their control.

The Directors' base case is that the recapitalisation transaction will be agreed and implemented within the Assessment Period.

The Directors expect that for the recapitalisation transaction to be agreed TWUL will require the support of its stakeholders (including its creditors) and for Ofwat to have taken a final decision in respect of regulatory measures following a public consultation. The recapitalisation will also require court sanction through a restructuring plan under Part 26A of the Companies Act 2006 ("**RP2**") (noting that such decision to sanction RP2 may be subject to an appeal).

Discussions in relation to the recapitalisation have been taking place and continue with TWUL's stakeholders and, whilst progress has been made, Ofwat has not as yet launched the public consultation, and TWUL is not currently in a position to launch the recapitalisation. As a result, there exists a material uncertainty as to whether, and when, TWUL would be able to do so and therefore whether this will be implemented within the Assessment Period.

Notwithstanding this uncertainty, TWUL has engaged with its stakeholders ahead of preparing these consolidated financial statements and the Directors believe that TWUL's key stakeholders remain committed to pursuing a successful recapitalisation transaction. The Directors therefore expect that discussions in respect of launching the public consultation and the recapitalisation will continue and that in order for the recapitalisation to be agreed and implemented TWUL will need to have sufficient funding for the Assessment Period, which it does not currently have.

TWUL drew the final tranche of £213 million of its available committed super senior funding from its subsidiary TWSSI on 14 July 2026. TWUL has the ability to access £750 million of further external funding via TWSSI comprising £677 million which is uncommitted and £73.5 million which has been committed but which is deferred. However, the conditions to access the funding have not been satisfied and the satisfaction or waiver of these conditions is outside the direct control of TWUL. The Directors expect to require access to the £750 million external funding during August 2026, with the process to obtain such funding expected to commence on or around 16 July 2026.

The Directors further expect that additional liquidity will be required from early December 2026 and that TWUL will need to extend its debt maturities which fall due during the Assessment Period (the earliest falling in March 2027), and extend the waivers which it has obtained under its finance documents which are scheduled to end on the same date as its earliest debt maturity (currently March

Material accounting policy information (continued)

Going concern (continued)

2027). The provision of such further funding is outside the direct control of TWUL, requiring both consents from TWUL's creditors and commitments from lenders who are willing to provide such funding. The extension of maturities and waivers is also outside the direct control of TWUL, requiring consents from TWUL's creditors.

TWUL has engaged with its senior creditors and has received a letter of support from creditors representing in aggregate over £13 billion (82%) of TWUL's Class A Debt and over £1.6 billion (73%) of TWUL's Super Senior Debt, indicating that they intend to provide consents to allow the super senior facilities to continue to be drawn, the relevant maturities to be extended and the Stable Platform Period (which commenced on 25 February 2025 under RP1 and continues until March 2027, under which a Trigger Event is ongoing and testing of financial covenants is suspended) to be extended. The letter of support does not create legally enforceable rights but states the relevant creditors' present intentions.

If TWUL fails to obtain the consents and commitments necessary to have sufficient funding for the Assessment Period, TWUL will need to consider all options available to it at the time, but a severe but plausible consequence would be a special administration of TWUL under the Water Industry Act 1991.

Given the multiple interdependencies on which the ability to deliver the recapitalisation transaction is based, uncertainties in relation to each interdependency could crystallise in the very near term.

The Directors believe there are two elements that will be key to the success of a recapitalisation process pursuant to RP2 and each of these is itself subject to uncertainty:

1. Liquidity

Ensuring TWUL has a sufficient liquidity runway is an important step in TWUL's process to increase its long-term financial resilience, to attract new equity into the business, restore its investment grade credit rating and address the Section 19 undertakings relating to restoration of investment grade credit ratings agreed with Ofwat in 2024 (as explained further in the 'Other considerations' section below).

Following a judgment of the High Court of Justice of England and Wales handed down on 18 February 2025, the restructuring plan under Part 26A of the Companies Act 2006 proposed by Thames Water Utilities Holdings Limited ("TWUHL", the Company's immediate parent) was sanctioned pursuant to an order of the High Court dated 21 February 2025 ("RP1"). On 17 March 2025, the sanction order was upheld by the Court of Appeal subject to a limited modification. On 30 July 2025, the Supreme Court refused Charlie Maynard MP permission to appeal the Court of Appeal decision (such request for permission having first been refused by the Court of Appeal, thereby concluding any further possible appeal in respect of RP1).

RP1 was designed to provide a sufficient liquidity runway to enable TWUL and TWUL Group to achieve a recapitalisation transaction, by extending the Company's liquidity runway. RP1 has enabled, and continues to enable, TWUL to seek a sustainable recapitalisation transaction. RP1 had three principal elements:

- it extended the maturities of all Class A Debt and Class B Debt (including amortisation payments, but in each case excluding hedging arrangements under the WBS structure) by two years, such that the earliest extended maturity of Class A Debt or Class B Debt falls in March 2027;
- it permitted a new Super Senior credit facility with an initial committed tranche of £1.5 billion, subject to conditions, and the ability to increase this by a further £1.5 billion uncommitted accordion facility, which may be accessible following the satisfaction or waiver of certain conditions precedent (some of which are not yet satisfied and remain out of TWUL Group and TWUL's control); and
- it temporarily suspended a number of the financial and other covenants in TWUL's financing arrangements until the date of its earliest debt maturity (currently March 2027).

TWUL commenced the drawdown process on its £1.5 billion intercompany facility from TWSSI in April 2025, and further tranches of funding were drawn from TWSSI in May 2025, July 2025, August 2025, November 2025 and January 2026. In February 2026 TWSSI commenced the allocation process for the first £823 million of the accordion facility, with tranches of such funding being drawn from TWSSI to TWUL in March 2026, April 2026, June 2026 and July 2026. To date, TWUL has drawn principal of c. £2.25 billion of funding from TWSSI.

Material accounting policy information (continued)

Going concern (continued)

TWUL drew the final tranche of £213 million of its committed and undeferred [1] super senior funding on 14 July 2026, which is expected to provide liquidity through until at least the end of August 2026 based on the latest Board approved forecast.

TWSSI's remaining uncommitted super senior funding of £677 million, together with the £73.5 million committed and deferred super senior funding, is (subject to satisfaction or waiver of conditions precedent and to obtaining new commitments) expected to provide liquidity through until at least the end of November 2026 based on the latest Board approved forecast. TWUL Group's and TWUL's liquidity position and cashflow projections are closely monitored and updated regularly; there remains a risk that short term net cash outflows may be higher than expected. TWUL forecasts to undertake the first utilisation of the second tranche of the accordion in August 2026 with the accordion expected to be fully drawn by November 2026, and therefore currently anticipates that the process to obtain commitments for the remainder of the accordion and consents to such drawings will be carried out in the coming weeks and will commence on or around 16 July 2026.

The drawing of super senior funding by TWUL is subject to conditions precedent including that for any drawing on or after 31 July 2026, the 'Supported LUA Condition' (which requires that a lock-up agreement to a recapitalisation transaction has been signed by at least 66 2/3% of TWUL's Class A creditors and 66 2/3% of TWUL's Super Senior creditors) must be satisfied. This date has been extended on multiple occasions as part of the recent consent processes and TWUL continues to work in good faith to implement a recapitalisation transaction in order to satisfy this condition, with the ability for further extensions to be granted with the consent of at least 50% of the super senior creditors.

The Supported LUA Condition also applies to the accordion, as does a condition that the CMA referral decision has been made (see further below in relation to the status of the CMA referral). The conditions can be waived with the consent of 50% of the super senior creditors.

The super senior creditors have been supportive and the requisite voting thresholds have been achieved in each waiver process to date with a consent rate significantly above the requisite majorities.

TWUL forecasts to require further funding from early December 2026 and that further funding of £2.4 billion would be required to provide sufficient liquidity for the period to end of October 2027, subject to the terms of the funding raise. TWUL expects to launch further consent processes to seek consent to increase the super senior funding by £2.4 billion in multiple tranches (the "Upsize"), with such Upsize requiring the consent of at least 75% of the Company's Class A creditors and 75% of TWUL's super senior creditors.

If RP2 is not launched by 1 October 2026 (through filing of a claim form or issuance of a practice statement letter), TWUL expects to launch a scheme of arrangement or further restructuring plan in respect of the debt falling due in the period to 30 September 2027 (or, potentially, all of TWUL's debt) such that their respective maturity dates are rescheduled beyond 30 September 2027. In addition, if RP2 is not launched by 1 April 2027 TWUL expects to launch a scheme of arrangement or further restructuring plan in respect of the super senior debt falling due in October 2027 such that its maturity date is rescheduled beyond October 2027. In order to be sanctioned by the Court, a scheme of arrangement or restructuring plan requires 75% by value and a majority in number (if a scheme) of those voting in each class to approve the scheme or plan, subject to the ability "cram down" a class of creditors in a restructuring plan in certain circumstances.

TWUL has historically been subject to financial covenant ratio tests which monitor its interest cover and gearing. However, following the implementation of RP1, amendments have been made to TWUL's debt documentation. The outcome of these amendments is that the Trigger Events and Events of Default relating to financial ratios are no longer applicable during the ongoing period known as the 'Stable Platform Period'. During the Stable Platform Period, however, TWUL and TWUL Group have heightened reporting obligations to their secured creditors under the WBS structure and remain in a Trigger Event. TWUL also has additional covenants including a minimum liquidity cashflow covenant ("Minimum Liquidity Covenant") requiring, upon a request to drawdown on super senior funding from TWSSI, confirmation that TWUL and TWUL Group had sufficient positive liquidity for a rolling 13-week period for any week that ended before 28 February 2026. Given 28 February 2026 has already passed, TWUL considers that the Minimum Liquidity Covenant should continue (to the extent required) to be considered as met through the Assessment Period.

The Stable Platform Period commenced on 25 February 2025 and will continue until the date of TWUL's earliest debt maturity (currently March 2027). TWUL expects to require an extension to the Stable Platform Period. If RP2 is not launched by 1 October 2026 (through filing of a claim form or issuance of a practice statement letter). This may require a scheme of arrangement or restructuring plan. As set out above, to be sanctioned by the Court, a scheme of arrangement or restructuring plan requires 75% by

1.£73.5 million of the initial £1.5 billion committed facility has been deferred until the full super senior funding, including the accordion, has been drawn down as a result of relevant super senior creditors not participating in previous waiver processes. An amount equal to the deferred amount was requested for commitment from other super senior lenders as part of the accordion allocation process in February 2026.

Material accounting policy information (continued)

Going concern (continued)

value and a majority in number (if a scheme) of those voting in each class of creditors to approve the scheme or plan, subject to the ability “cram down” a class of creditors in a restructuring plan in certain circumstances.

TWUL has received a letter of support from creditors representing in aggregate over £13 billion (82%) of TWUL’s Class A Debt and over £1.6 billion (73%) of TWUL’s Super Senior Debt, indicating that they intend to provide consents to allow the super senior facilities to continue to be drawn, the relevant maturities to be extended and the Stable Platform Period to be extended. The letter of support does not create legally enforceable rights but states the relevant creditors’ present intentions. In addition, the consummation of these transactions is reliant on consent processes and Court processes which are outside of TWUL’s control and which are also reliant on sufficient other creditors in the relevant classes providing their support. TWUL intends to discuss this support with its other creditors in the coming months. As such there remains a material uncertainty as to whether TWUL and therefore TWUL Group will have sufficient liquidity for the Assessment Period.

2. Recapitalisation Transaction

TWUL announced in 2024 that following receipt of the PR24 draft determination it would pursue all options to secure an equity investment from new or existing shareholders. Ofwat published its PR24 Final Determination (“FD”) for TWUL on 19 December 2024 and TWUL has concluded that the FD is neither financeable nor investible. TWUL has also concluded that the increase in investment required during AMP8 brings challenges relating to deliverability, predominantly in the wastewater non-infrastructure area of TWUL’s business. TWUL has worked to optimise its investment plan to allow it to deliver the maximum possible wastewater outputs within AMP8. However, TWUL remains of the position that it is not possible for it to do everything required of it to achieve compliance with environmental requirements during AMP8, including with wider requirements beyond the schedule of projects required to be delivered under the Water Industry National Environment Programme in AMP8 (“WINEP8”).

TWUL commenced an equity raise process in the Summer of 2024. TWUL started with a pre-marketing phase in July 2024. Parties had access to a comprehensive set of diligence materials throughout the first phase of the equity process, ultimately resulting in five non-binding proposals being received on 5 December 2024 and revised non-binding proposals being received from the same five parties and one additional party on 10 February 2025. As part of the review of the revised non-binding proposals, a sub-committee of the Board of TWUL met regularly to consider these revised proposals and TWUL’s financial adviser held clarificatory calls with, and received supplementary information from, the various parties. TWUL kept Ofwat updated throughout this process.

On 31 March 2025 TWUL announced, following the detailed assessment of proposals received, that it had selected KKR to enter the Phase 2 diligence stage of the equity process as preferred partner. In parallel, the Company’s senior creditors progressed work on an alternative proposal to recapitalise TWUL. Following a 10-week due diligence process, KKR advised in writing on 2 June 2025 that it was not in a position to proceed and its preferred partner status lapsed. An alternative proposal from a consortium of TWUL’s senior creditors, L&VW, was submitted at the same time in late May 2025.

Since June 2025, TWUL, L&VW, Ofwat and other regulators have been engaged in constructive discussions regarding the proposed turnaround, transformation and recapitalisation of TWUL for the benefit of customers, employees and the environment (the “L&VW Proposal”).

On 16 March 2026 TWUL announced that L&VW had confirmed to Ofwat and TWUL its revised proposal for the turnaround, transformation and recapitalisation of Thames Water, following previous submissions in May and October 2025. Since March 2026 TWUL and L&VW have continued to engage with Ofwat and TWUL’s other regulators and these discussions have remained constructive, with progress on key issues being made. On 15 June 2026 the Secretary of State for Environment, Food and Rural Affairs wrote to Ofwat, copying TWUL and L&VW, providing preliminary views in relation to the L&VW Proposal, including in respect of the protection of consumers’ interests, the impact on the environment and consumers and the deferral of investments, and TWUL is working with L&VW and Ofwat to address those views.

TWUL has also increased its engagement with its financial stakeholders in relation to the L&VW Proposal and the support which would be required from them to implement it.

However, the L&VW Proposal is non-binding and remains subject to ongoing review by TWUL, Ofwat and other regulators, and is subject to further discussion with TWUL's financial stakeholders. As engagement remains ongoing, there is no certainty that the L&VW Proposal will be accepted nor that it will be finalised in its current form. At this stage, TWUL's Board has made no decision to accept and take forward the L&VW Proposal to implementation and Ofwat has not launched any public consultation in respect of the regulatory measures which form part of the L&VW Proposal. Furthermore, following assessment of responses to the public consultation Ofwat may decide not to adopt the regulatory measures in whole or in part which could affect the viability of the L&VW Proposal.

Material accounting policy information (continued)

Going concern (continued)

TWUL is also aware that it (and the UK water industry generally) face increased scrutiny from regulators and key stakeholders, including the UK Government and political parties and that there is currently a leadership election ongoing in respect of the Labour Party, which is expected to lead to a change in Prime Minister. Intervention by the UK Government in the water industry, or changes in governmental policy, both of which could crystalise at any stage and in the very near term, may affect TWUL's ability to deliver the L&VW Proposal, or any other third party, market-led solution.

In parallel with the above, TWUL announced on 14 February 2025 that it had asked Ofwat to refer the Final Determination to the CMA for a full redetermination. On 18 March 2025, TWUL announced that it had agreed with Ofwat to defer making the CMA reference for a period of up to 18 weeks to explore the possibility of unlocking a market-led solution for the recapitalisation of the Company. On 18 July 2025, TWUL announced that it had agreed with Ofwat to further defer making the CMA reference until 22 October 2025 and, on 21 October 2025, TWUL announced that it had agreed with Ofwat to further defer making the CMA reference, and no deadline has been set for the end of the deferral period.

TWUL has continued to work on its statement of case such that it will be ready for submission if at any point in the process it determines that a CMA reference is required. The CMA must take into account the same statutory duties, strategic priorities and objectives (as set out in the Water Industry Act 1991) as Ofwat, including in relation to Ofwat's duty to exercise its powers in the manner which it considers is best calculated to (among other things) secure that water and sewerage undertakers are able (in particular, by securing reasonable returns on their capital) to finance the proper carrying out of their functions.

If there is no agreement in relation to the L&VW Proposal and TWUL does ultimately withdraw its agreement to defer the CMA reference, the CMA will determine at that point the process to be followed for the redetermination and TWUL would need to have sufficient funding to be able to complete that process and any recapitalisation transaction which followed. There can be no assurance that the CMA would make a redetermination that is more investible or financeable than Ofwat's PR24 FD, or that TWUL would have sufficient funding to enable completion of the process. An unfavourable CMA determination could increase the risk of a special administration outcome.

As a result, there can be no certainty that TWUL will be able to achieve an investible and financeable PR24 outcome or that any recapitalisation transaction will raise sufficient (or any) funds to deliver the turnaround, transformation and recapitalisation of TWUL for the benefit of customers, employees and the environment.

Other considerations

There is continued risk of non-compliance with TWUL's instrument of appointment.

On 24 July 2024 Moody's downgraded TWUL's corporate family rating to Ba2 with negative outlook (from Baa3) and on 31 July 2024 Standard & Poor's downgraded TWUL's Class A debt by two notches to BB with negative outlook (from BBB- with credit watch negative previously). As a result, both ratings then fell below the requirements set out in Condition P26 of TWUL's Licence requiring two ratings of investment grade to be held. During subsequent months both ratings were downgraded further, with Moody's Corporate Family rating now at Caa3 (stable outlook) and Standard & Poor's Class A rating now at CCC (negative outlook).

As a result of these downgrades by S&P and Moody's, TWUL does not currently hold any investment grade credit ratings and Ofwat has confirmed it is in breach of Condition P26 of its Licence. A package of undertakings was accepted by Ofwat in which TWUL committed to taking all reasonable steps to address the concerns raised by its credit rating agencies and to restore two investment grade credit ratings. The consultancy firm, L.E.K. Consulting, was appointed as an 'independent monitor' to review TWUL's progress and compliance with the undertakings it made to Ofwat. Successfully restoring its investment grade credit rating is reliant on securing an investible and financeable PR24 outcome (which may be subject to a CMA referral), securing new equity investment and completing a sustainable recapitalisation of the business. However, the Directors believe that TWUL is currently compliant with the undertakings.

On 28 May 2025, Ofwat issued two penalties to TWUL:

- a penalty notice for £18.2 million in respect of its finding of contravention by TWUL of Condition P30 of its Licence in relation to certain interim dividend payments made in October 2023 and March 2024. No enforcement order was issued, with Ofwat noting that credit rating downgrades subsequent to those interim dividend payments mean that TWUL is now in cash lock-up and is unable to declare or settle any future dividends (without Ofwat's prior consent) until such a time as its investment grade credit ratings have been restored. The inability of TWUL to pay a dividend as a result of the cash lock-up and the uncertainty that may arise in relation to future declaration of dividends could affect the equity proposition that TWUL represents; and

Material accounting policy information (continued)

Going concern (continued)

- an enforcement order which, among other things, required TWUL within 6 months to submit remediation plans to Ofwat, alongside a penalty notice which imposed a penalty of £104.5 million. On 28 November 2025, TWUL announced that it had submitted its remediation plans to Ofwat and in May 2026 TWUL provided its 6 monthly-update to Ofwat. As part of submitting these remediation plans, TWUL assessed the cost and timing of the capital investment required and identified significant costs which were not fully funded through the existing Final Determination. TWUL is continuing to assess the level of capital investment required as it carries out further investigations as part of the implementation of the remediation plans. It is noted that the parallel investigation into compliance with Environmental Permits at Sewage Treatment Works by the Environment Agency continues and there remains uncertainty as to the conclusion of such investigation and its potential impact on the financial position of TWUL.

On 27 August 2025, TWUL announced the agreement of a payment plan with Ofwat in respect of these penalties. Under this payment plan, TWUL agreed to pay 20% of the total combined penalties (being £24.5 million) by 30 September 2025 and the balance of the penalties upon the earliest of (i) 30 days after the implementation of RP2; (ii) 31 March 2030; and (iii) if a special administration of TWUL occurred under the Water Industry Act 1991, 30 days following TWUL's exit from special administration. On 22 September 2025, TWUL announced that its super senior creditors had approved the payment plan via a consent request process with a consent rate of over 99% (including deemed consents). TWUL has since paid the first instalment by the date on which it was due under the payment plan.

TWUL also faces a number of significant incomplete enquiries, investigations and litigation (as set out in further detail in the notes of the financial statements) that could lead to significant fines and penalties, unfunded expenditure costs and claims for damages. In addition, the triennial valuation of each of TWUL's defined benefit pension schemes (TWPS and MIPS) with an effective date of 31 March 2025 has been under discussion between the pension trustee and the Company. It is a requirement under UK regulations that triennial valuations of this type must be finalised within a period of 15 months from their effective date. This

requirement has not been met in relation to TWPS (but has been met in relation to MIPS). Where an actuarial valuation is not completed by the legislative deadline, the Pensions Regulator may open an investigation and consider using its enforcement powers. No such investigation has been launched at this stage. The impact of these, including any potential future enquiries, investigations and litigation, could place restraints on the financial resources available to TWUL (and consequently the timeline available to complete the recapitalisation), potential returns to equity investors and further affect the investibility and financeability of TWUL.

In the event that TWUL cannot implement the PR24 Business Plan in full, without revised regulatory arrangements, it is possible that it would over time breach the conditions of its Instrument of Appointment, the Water Industry Act 1991, its environmental permits and other legislation.

These could be breached (or be likely to be breached) in such a way that would be serious enough to make it inappropriate for TWUL to continue to hold its licence of appointment and give rise to a ground for the Secretary of State (or Ofwat, with the consent of the Secretary of State) to petition the court to evaluate a Special Administration Order (including through a significant adverse operational event, depending on its severity). A petition could also be made if TWUL is unable to pay its debts. Any or all of these factors, or analogous factors, singularly or in combination, may lead to a Special Administration Order. The purpose of the Special Administration Regime is to enable the functions of a water and sewage undertaker to be carried out whilst a special administrator seeks to rescue the business as a going concern and/or transfer, as a going concern, its undertaking to one or more other companies.

Conclusion related to the Company

Consequently, given the Company's clear dependency on the support of TWUL, the Directors have concluded that the material uncertainty disclosed for TWUL Group and TWUL in its Annual Report for 2025/26 is also applicable to the going concern assessment for the Company. As a result, these conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern.

The financial statements do not include the adjustments that would result if the Company were unable to continue as a going concern.

Financial reporting changes

This is the first period the Company has prepared financial statements for and therefore there are no financial reporting changes to disclose. The below material accounting policies have been applied consistently through out the reporting period.

Material accounting policy information (continued)

Future standards and amendments

IFRS 9 Recognition and derecognition of financial assets and liabilities (electronic cash payments)

The IASB has made amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7 to address diversity in accounting practice on the timing of de-recognition of financial liabilities settled through electronic payment systems. These amendments are effective for annual reporting periods beginning on or after 1 January 2026. Under the amendments financial liabilities are generally derecognised on settlement but provide an optional exception for earlier de-recognition if certain criteria are met.

The Company's current accounting policy is to de-recognise payables on settlement and therefore there will be an immaterial impact on initial application of amendment at the 1 April 2026.

IFRS 9 Contracts referencing nature-dependent Electricity

The IASB has made targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to help companies improve on their disclosure of the financial effects of nature-dependent electricity contracts. These amendments are effective for annual reporting periods beginning on or after 1 January 2026 and provide specific reliefs for the application of own use and hedge accounting.

As at 31 March 2026 the Company do not hold any contracts that fall within the scope of this amendment and there are no plans to enter contracts that do. As such, the impact on initial application of these amendments is expected to be immaterial to the financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements, sets out a new presentation requirement for the statement of profit or loss, and provides new definitions and disclosure related to non-IFRS performance measures. This standard is mandatory for annual reporting periods beginning on or after 1 January 2027. The Company will adopt IFRS 18 as at 1 April 2027 and apply the new rules retrospectively.

Management has considered the impact of IFRS 18 and expects the following impact on which further consideration is required:

- The format of the statement of profit or loss will change, and therefore further thought is required to determine if the current systems need to be adapted in order to comply with the new format per the standard. Particularly, where the standard could introduce variances between the Group consolidated and Company financial statements.
- Management-defined performance measures (MPMs) will need to be disclosed within the financial statements as part of the new disclosure requirements, so consideration will need to be given regarding appropriate MPMs that increase the transparency of the Company's financial statements. These will be disclosed in addition to alternative performance measures (APMs), unless the APM meets the definition of an MPM per IFRS 18.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 Subsidiaries without Public Accountability: Disclosures allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19 and is effective from 1 January 2027.

A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date:

- it does not have public accountability;
- its parent produces consolidated financial statements under IFRS Accounting Standards.

Management has considered the impact of IFRS 19 and have concluded that there is no impact on the Company, as it has public accountability due to some of its debt instruments being traded in public markets.

Financial guarantee contracts

TWUL and TWUHL guarantee the borrowings of the Company, under the Super Senior Guarantee dated 25 February 2025. TWSSI does not guarantee the obligations of any other company.

Finance income and finance expense

Finance income represents the recharge to TWUL of costs and interest incurred in respect of the raising of finance on that company's behalf (including 0.01% margin), recognised as it falls due. All interest and debt servicing costs are recharged to TWUL.

The Company's finance expense represents interest costs on borrowings and amortisation of borrowings related issuance costs.

Material accounting policy information (continued)

Non-derivative financial instruments

A financial instrument is any contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity. Non-derivative financial instruments comprise cash and cash equivalents, intercompany loans receivable, borrowings, amounts owed by group undertakings and other financial liabilities.

Cash and cash equivalents

Cash and cash equivalents represent cash at bank and in hand and deposits held at call with financial institutions, all of which are held at amortised cost, and money market funds held at fair value through profit or loss.

Intercompany loans receivable

Intercompany loans receivable are initially recognised at fair value less fees received or receivable that are directly attributable to the acquisition of the financial asset. They are subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment. The amortisation is included within finance income in the Income Statement and is calculated by taking into account any discount or premium on acquisition and fees or costs received or receivable that are an integral part of the effective interest rate.

The Company has considered the recoverability of the intercompany receivables as part of the annual impairment assessment under IFRS 9. Refer to the section - Accounting judgement and estimation – provision for expected credit losses on page 32 for further details.

Borrowings

Borrowings are financial liabilities recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition these are stated at amortised cost using the effective interest rate method. The amortisation is included within finance costs in the Income Statement and is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

When a loan is drawn down under an arm's length loan commitment, the resulting loan may be viewed as a continuation of the loan commitment and the fair value measurement of the loan on initial recognition would be based on circumstances on the commitment date. Therefore, the fair value of the loan on initial recognition would usually be considered to be the amount advanced, adjusted for fee paid, being the transaction price agreed on the commitment date.

An exchange or modification of borrowings with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of new financial liability, with any costs or fees incurred recognised as part of the gain or loss on the extinguishment. In the case of exchange or modification of borrowings without substantially different terms, the difference between net present value of existing contractual cash flows and modified contractual cash flows, both discounted at the original effective interest rate, is recognised as a modification gain or loss on the Income Statement.

The Company's accounting policy is to consider only quantitative factors when determining whether the terms are substantially different.

Amounts owed by group undertakings

Other financial assets include amounts owed by the immediate parent company TWUL and are recognised at amortised cost using the effective interest rate method.

Other financial liabilities

Other financial liabilities represent amounts owed to immediate parent company TWUL and bondholders, including facility related fees such as upfront costs and financing related accruals, and are recognised at amortised cost using the effective interest rate method.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if there is currently, and in all circumstances, an enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

Taxation

Tax on the profit or loss for the period comprises current and deferred tax. Tax is recognised in the Income Statement except to the extent that it relates to items recognised directly within equity, in which case it is recognised within the statement of other comprehensive income.

Current taxation

Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the Statement of Financial Position date, and any adjustments to tax payable in respect of previous periods.

Material accounting policy information (continued)

Taxation (continued)

Taxable profit differs from the profit on ordinary activities before tax as reported in the Income Statement as it excludes items of income or expense that are taxable or deductible in other periods and items that are never taxable or deductible. It also includes the effect of tax allowances.

Deferred taxation
Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the Statement of Financial Position liability method. Deferred tax is measured on a non-discounted basis using tax rates enacted or substantively enacted at the balance sheet date and that are expected to apply in the period when the deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are recognised only to the extent that it is probable that sufficient future taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off tax assets against tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Significant accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the Company to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty for the period ended 31 March 2026 are contained in the sections below.

Accounting judgement – provision for expected credit losses

Management makes a judgement of the recoverability of the loan receivables from TWUL in line with the provisions of IFRS 9. When assessing these receivables for expected credit losses, management considers factors driving recoverability such as the borrower's ability to pay, the credit rating, the net debt of the borrowing entity, seniority of debt and historical experience, among other factors. Key inputs into management's expected credit losses model include the forecast outcome of the discussions with Ofwat regarding their Final Determination for AMP8 (period from 1 April 2025 to 31 March 2030), the outcome of the consortium of London & Valley Water (the creditors') plan for Thames Water's restructuring plan, assumptions over equity and expected haircut on debt.

In accordance with the specific requirements of IFRS 9, the expected credit loss on the loan receivables from TWUL is determined by estimating the expected recoverability of these assets based on different scenarios considered by management, informed by available data. Three scenarios were considered in a multiple factor analysis by applying management's judgement to assign probabilities to possible outcomes regarding success of a market-led solution (i.e. creditors' plan) and the possibility of TWUL entering into a Special Administration Regime (SAR) where additional government funding is and it not sought.

Management have also exercised judgement over the probability weighting of the scenarios based on management's view about the likelihood of each scenario arising. The probabilities were assigned to the scenarios using the following as a base:

- A successful market-led solution, with new funding being received into TWUL.
- An unsuccessful market-led solution which results in SAR and funding being subsequently received into TWUL, but with a more negative impact on creditors of TWUL Group. Any government funding received will rank higher in seniority than other debts held.

These include two scenarios where the receivable is fully recoverable, and a scenario where a material portion of the receivable is recoverable, in the event where government funding is sought.

Any restructuring of debt will require the involvement of external parties and the Company expects that changes to any internal debt arrangements will be linked to any changes in its external debt. Management have concluded that the loans are in Stage 1 of the IFRS 9 Expected Credit Loss model because no amounts owing are in default, there is not enough objective evidence to confirm that the Company will write off the loans in their accounts and given the super senior ranking of TWUL's intercompany loan from the Company, management's judgement is that these receivables are recoverable.

Material accounting policy information (continued)

Significant accounting judgements and key sources of estimation uncertainty (continued)

Accounting judgement – provision for expected credit losses (continued)

Therefore, expected credit losses within 12 months are recognised, and £nil expected credit loss of the receivable has been recognised as at 31 March 2026.

Seasonality and cyclic nature of operations

Management have assessed the impact of any seasonality on the operations of the business and concluded that there is no impact.

Notes to the financial statements

1. Administrative expenses and auditors' remuneration

Administrative expenses

For the 16 months ended 31 March	2026 £m
Auditors' remuneration	0.1
Total	**0.1**

Auditors' remuneration

The remuneration of the auditors, PricewaterhouseCoopers LLP, of £118,000 was charged to the Company in the current period. The total amount payable relating to the Company was:

For the 16 months ended 31 March	2026 £m
Fees payable to the auditors	
Statutory audit fees	0.1
Fees payable to the auditors for other services	
Audit related assurance services	-
Total	**0.1**

No other fees, other than the statutory audit fees, were payable to PricewaterhouseCoopers LLP in respect of this Company during the period.

2. Employees and Directors

Employees

The Company had no employees during the period.

Directors

During the period, the Company had 10 Directors who received no remuneration from the Company in respect of their services to the Company. There were no retirement benefits accruing in the period. The services provided by the current Directors to the Company is inconsequential to the services provided by the Directors to TWUL, hence there is no recharge for the Directors' remuneration from TWUL.

3. Segmental analysis

The Company's results arise solely in the United Kingdom and are attributable to one principal activity of the Company, being the raising of finance and subsequent lending of debt to TWUL. Consequently, the Directors review the financial information of the Company as a whole and therefore have not included segmental analysis within these financial statements.

4. Finance income

For the 16 months ended 31 March	2026 £m
Interest receivable on intercompany loans receivable	115.0
Other finance fees recharged to TWUL	0.8
Interest income on bank deposits	7.6
Total	**123.4**

Notes to the financial statements (continued)

5. Finance expense

For the 16 months ended 31 March	2026 £m
Interest expense on borrowings	(138.2)
Other finance fees	(0.7)
Total	**(138.9)**

6. Tax charge on loss

For the 16 months ended 31 March	2026 £m
Current tax:	
Amounts payable in respect of corporation tax for the period	-
Current tax subtotal	-
Deferred tax:	
Origination and reversal of timing differences	-
One-off deferred tax charge arising from change of tax rate to 24%	-
Deferred tax subtotal	-
Tax charge on loss on ordinary activities	-

The tax charge for the period is lower than the standard rate of corporation tax in the UK of 25%. The differences are explained below:

For the 16 months ended 31 March	2026 £m
(Loss) on ordinary activities before tax	(15,6)
Corporation tax charge at 25% on profit on ordinary activities	(3.9)
Effects of:	
Tax losses for which no deferred tax asset has been recognised	3.9
Total tax charge for the period	-

The Company has unrecognised deferred tax asset in respect of tax losses of £15.6 million. The Company does not anticipate sufficient future taxable profits, against which these losses could be utilised. The amount of deferred tax asset not recognised was £3.9 million at 25%. These tax losses do not time expire.

The Company has considered its position under the OECDs Global Anti-Base Erosion Model Rules (Pillar Two) and the UK's implementation of Multinational Top-up Tax and Domestic Top-up Tax legislation. While the Company is of sufficient size that it will be required to make filings in compliance with these rules for FY26, no material liability to top-up tax (either multinational or domestic) is expected to arise.

7. Cash and cash equivalents

As at 31 March	2026[1] £m
Money market funds and short-term investments[1]	197.0
Total	**197.0**

[1]Cash and cash equivalents held by the Company are only available for debt servicing or lending to TWUL and can only be on-lent subject to creditor consent. The Company has no short-term cash commitments of its own other than debt servicing, and any investments held within the Company are held primarily for debt servicing or providing liquidity to TWUL as the operating entity.

Notes to the financial statements (continued)

8. Intercompany loans receivable

As at 31 March	2026[1] £m
Amounts owed by group undertakings	
Thames Water Utilities Limited	1,542.4
Interest receivable on amounts owed by group undertakings	
Thames Water Utilities Limited	0.6
Impairment on amounts owed by group undertakings	
Expected credit loss provision	-
Total	**1,543.0**
Disclosed within non-current assets	1,542.4
Disclosed within current assets	0.6

[1] There are no amounts past their due by dates.

The Company recognised an expected credit loss of £nil at 31 March 2026.

Refer to accounting judgement and estimation – provision for expected credit losses in the material accounting policy information section on page 32 for further details.

9. Borrowings

As at 31 March	2026 £m
Secured bank loans and private placements	269.7
Bonds	1,485.5
Amounts owed to group undertakings	2.1
	1,757.3
Interest payable on borrowings	0.5
Total	**1,757.8**
Disclosed within non-current liabilities	1,755.2
Disclosed within current liabilities	2.6
Total	**1,757.8**

All debt issued by the Company matures in 2027, although there is a mandatory early redemption requirement upon the occurrence of a recapitalisation transaction, which is subject to a make-whole element. The Company on-lends its debt proceeds to TWUL, a regulated utility company and the immediate parent company.

TWUL and TWUHL have guaranteed the principal and interest payments due under the terms of the secured bonds and loans issued by the Company.

Breakdown of secured bank loans and private placements:

As at 31 March	2026 £m
Super senior funding 9.750%	82.5
Accordion Funding 9.750%	187.2
Total secured bank loans	**269.7**

All loans are Super Senior in the TWUL Group debt waterfall.

Notes to the financial statements (continued)

9. Borrowings (continued)

Breakdown of secured bonds:

As at 31 March	2026 £m
Super senior funding 9.750%	1,278.8
Accordion Funding 9.750%	206.7
Total bonds	**1,485.5**

All loans are Super Senior in the TWUL Group debt waterfall.

Amounts owed to group undertakings:

As at 31 March	2026 £m
Super senior funding fees[1]	2.1
Total amounts owed to group undertakings	**2.1**

[1]TWUL paid, on behalf of TWSSI, a 3.5% upfront backstop fee on the £73.5 million undrawn super senior funding

10. Financial instruments

Categories of financial instruments

The table below sets out the valuation basis of financial instruments held at fair value as at 31 March 2026:

Financial assets:

As at 31 March	2026 £m
Fair value through profit and loss:	
Cash and cash equivalents – money market funds[1]	197.0
	197.0
Amortised cost:	
Prepayments and other assets	2.9
Intercompany loans receivable	1,543.0
	1,545.9
Total	**1,742.9**

[1]Cash and cash equivalents held by the Company are only available for lending to TWUL and can only be on-lent subject to creditor consent. The Company has no short-term cash commitments of its own other than debt servicing, and any investments held within the Company are held primarily for debt servicing or providing liquidity to TWUL as the operating entity.

Financial liabilities:

As at 31 March	2026 £m
Amortised cost:	
Borrowings[1]	(1,755.7)
Amounts owed to group undertaking	(2.1)
Other financial liabilities	(0.6)
Total	**(1,758.4)**

[1] Borrowings are level 2 with the exception of publicly traded underlying liquid bonds which are Level 1.

Notes to the financial statements (continued)

10. Financial instruments (continued)

Comparison of fair value of financial instruments with their carrying amounts

The fair values and carrying values of the Company's financial assets and financial liabilities are set out in the tables below.

As at 31 March	2026	
	Book value £m	Fair value £m
Financial assets:		
Intercompany loans receivable	1,543.0	1,801.5
Cash and cash equivalents – money market funds	197.0	197.0
Prepayments and other assets	2.9	2.9
	1,742.9	2,001.4

As at 31 March	2026	
	Book value £m	Fair value £m
Financial liabilities:		
Borrowings	(1,755.7)	(2,027.8)
Amounts owed to group undertakings	(2.1)	(2.1)
Other financial liabilities	(0.6)	(0.6)
	(1,758.4)	**(2,030.5)**

Intercompany loans receivable

The fair value of intercompany loans receivable represents the fair value of the underlying debt, adjusted for accrued interest receivable. These fair values are level 2 and based on the outstanding nominal value to which the weighted average price of publicly traded liquid bonds of the same ranking (Super senior) is applied.

Borrowings

The fair value of borrowings represents the market value, and for the publicly traded liquid bonds the price is observable (level 1 inputs to valuation technique). For all other debt instruments the fair value is level 2 and based on the outstanding nominal value to which the weighted average price of publicly traded liquid bonds of the same ranking (Super Senior) is applied. Accrued interest is then added.

Money market funds

Money market funds have a fair value which is a level one fair value measurement, as this is determined by utilising unadjusted quoted prices in active markets as at the balance sheet date.

Capital risk management

Capital risk primarily relates to whether the Company is adequately capitalised and financially solvent. The Board reviews the Company's exposure to these risks and actively oversees the treasury activities, reviewing the treasury policy and approving the treasury strategy and funding plan.

The TWUL Group's key objectives in managing capital are

- To maintain a broad portfolio of debt, diversified by source and maturity
- To regain and maintain TWUL Group's investment grade credit rating
- To provide liquidity sufficient to fund ongoing obligations for a minimum 15-month forward period on an ongoing basis
- To maintain TWUL's customer bills at a level that is both affordable and sustainable

It is recognised that at the date of signing the financial statements, the TWUL Group is not meeting its objectives to maintain a minimum of 15-months' liquidity. The going concern section provides further information on the assessment of access to funding and liquidity.

Notes to the financial statements (continued)

10. Financial instruments (continued)

Capital risk management (continued)

The details of the Group's capital structure are included within TWUL's financial statements, which may be obtained from the Company Secretary's Office at the address included in note 14. The capital structure of the Company consists of net debt and equity as follows:

As at 31 March	2026 £m
Secured bank loans and private placements	(269.7)
Secured Bonds	(1,485.5)
Amounts owed to group undertakings	(2.1)
Interest payable on borrowings	(0.5)
	(1,757.8)
Cash and cash equivalents[1]	197.0
Net debt (statutory basis)	(1,560.8)
Equity attributable to the owners of the Company	(15.5)

[1]Cash and cash equivalents held by the Company are only available for debt servicing or lending to TWUL and can only be on-lent subject to creditor consent. The Company has no short-term cash commitments of its own other than debt servicing, and any investments held within the Company are held primarily for debt servicing or providing liquidity to TWUL as the operating entity

Reconciliation of liabilities arising from financing activities

The reconciliation below between the opening and closing balances for liabilities arising from financing activities evaluates both changes in liabilities arising from cash flow and non-cash changes.

For the 16 months ended 31 March	2026 Borrowings £m
Opening balance	-
Non-current	-
Current	-
Cash flows	
New loans raised[1]	(1,725.0)
Interest paid	109.3
Fees paid	-
	(1,615.7)
Non-cash changes	
Interest accrued/fees amortised	(138.2)
	(138.2)
Closing balance[2]	**(1,753.9)**
Non-current	(1,753.9)
Current	-

[1] New loans and bonds raised are shown net of fees of £111.5 million.
[2] Difference of £1.8 million noted between closing balance and balance per Borrowings, Note 9. This relates to non-cashflow reconciling items of £2.5 million of backstop fees prepaid by TWUL on behalf of the Company and £0.7 million of treasury related accruals.

Notes to the financial statements (continued)

10. Financial instruments (continued)

Financial risk management

The Company's activities expose it to a number of financial risks: market risk - primarily interest rate risk, credit risk and liquidity risk. A detail of the nature of each of these risks along with the steps the Company has taken to manage them is described in the Strategic Report.

(a) Market risk

Market risk relates to fluctuations in external market interest rates that could affect the Company's income or the value of the financial instruments it holds and its intercompany loans to TWUL which mirror the external debt and include a 0.01% margin. All debt issued by the Company has the same terms; Sterling with a fixed rate of 9.75%, maturing in October 2027. As at 31 March 2026, £205 million of external borrowings had not been on-lent to TWUL.

(i) Interest rate risk sensitivity analysis

As the Company only holds fixed rate borrowings there will be no impact on the interest expense reported in the Income Statement by changes in interest rates. However, fixed rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. Such fair value changes do not impact the values reported on the balance sheet, as borrowings are subsequently measured at amortised cost. Interest on intercompany loans on-lent to TWUL is charged at the same rate as external borrowings plus a margin and will be subject to an offsetting interest rate risk versus external borrowings, aside from £205 million of external borrowings which had not been on-lent to TWUL as at 31 March 2026.

(b) Credit risk

The Company's maximum exposure to credit risk is the carrying amount of financial assets recorded in the financial statements, which is net of impairment losses; therefore, the maximum exposure to credit risk at the Statement of Financial Position date was £1,742.9 million as shown below:

As at 31 March	2026 £m
Intercompany loans receivable	1,543.0
Cash and cash equivalents[1]	197.0
Other financial assets	2.9
Total	1,742.9

[1]Cash and cash equivalents held by the Company are only available for debt servicing or lending to TWUL and can only be on-lent subject to creditor consent. The Company has no short-term cash commitments of its own, and any investments held within the Company are held primarily for debt servicing or providing liquidity to TWUL as the operating entity.

The Company is a financing subsidiary of TWUL. Its principal activity is to ensure the liquidity needs of the TWUL are met through continued access to funding from creditors whilst TWUL pursues its recapitalisation plan. Proceeds of funding activities are on lent to TWUL.

The amount due from TWUL, which is part of the Securitisation Group, as at 31 March 2026 (net of impairment losses) was £1,543.0 million. There are no amounts past their due dates.

As the external debt issuance and rating is based on the performance of the operating company, TWUL, the Directors believe it is acceptable to attribute the same credit standing to the loans receivable.

At a TWUL consolidated level an assessment was performed to consider if the TWUL Group can meet all liabilities due in the twelve months from date of signing of the consolidated financial statements, with material uncertainty in relation to the going concern basis identified. As required by IFRS 9 the Directors have also considered whether anything might happen that could cause the Company to be unable to pay the interest and principal on debt when it falls due.

For further information on the IFRS 9 assessment, see page 32.

Notes to the financial statements (continued)

10. Financial instruments (continued)

Financial risk management (continued)

The following table summarises cash at bank and in hand and money market funds by credit rating of the counterparty.

As at 31 March	2026 £m
AAA	197.0
A+	-
A	-
Total	197.0

Note: funds held in AAAmf, AAAm or AAAmmf rated money market funds are categorised as AAA in line with the fund rating, although the assets in these money market funds may have a lower rating.

(c) Liquidity risk

Details of the nature and management of the Company's liquidity risk is provided in the Strategic Report. The maturity profile of the interest bearing borrowings disclosed in the Statement of Financial Position mature in October 2027, which is between one and two years of the reporting date. Note that there are a number of factors which could significantly change the timing of the cashflows for borrowings, for example debt may be required to be repaid early in insolvency or SAR or under RP2 as disclosed within the Going Concern section.

Cash flows from non-derivative financial liabilities

The maturity profile of the anticipated future cash flows including interest in relation to the Company's non-derivative financial liabilities on an undiscounted basis, which, therefore, differs from both the carrying value disclosed in the Statement of Financial Position and fair values, is as follows:

As at 31 March	2026 £m
- Within one year	179.0
- Between one and two years	1,931.7
- Between two and three years	-
- Between three and four years	-
- Between four and five years	-
- After more than five years	-
Total	2,110.7

There is a mandatory early redemption of debt requirement upon the occurrence of a recapitalisation transaction, which is subject to a make-whole element, which could increase and accelerate the cash flows shown in the table above.

11. Called up share capital and other reserves

Called up share capital

As at 31 March	2026 £
Authorised Allotted, called-up and fully repaid	
50,000 ordinary shares of £1 each	50,000
Total	50,000

The Company's ordinary shares carry no right to fixed income. The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company.

Notes to the financial statements (continued)

12. Guarantees

TWUL and TWUHL guarantee the borrowings of the Company, under the Super Senior Guarantee dated 25 February 2025. The guaranteed debt as at 31 March 2026 was £1,836.5 million.

13. Related parties

The principal activity of the Company is to make certain financing arrangements on behalf of TWUL and as such the major transactions of the Company are the raising of finance and subsequent lending of the debt to TWUL.

Transactions and balances with related parties

Intercompany loans receivable

The proceeds from external debt issued by the Company are passed onto TWUL through intercompany loans with a margin of 0.01% charged, although as at 31 March 2026 £205 million of debt had not been on-lent. In addition, the Company charges TWUL a commitment fee to cover interest incurred on external loans less any interest income earned on investments in money market funds for the period between the Company drawing down funds and the on-lend of the funds to TWUL, which has been accounted for as part of intercompany loans receivable.

Details of intercompany loans receivable can be found in note 8. There are no amounts past their due dates.

Details of interest income earned on intercompany loans can be found in note 4.

Amounts owed to group undertakings

A £2.1 million balance with TWUL relates to the timing of backstop fees which have paid by TWUL on behalf of TWSSI in advance of the drawdown of committed loans.

Transactions with key management personnel

There are no transactions with key management personnel and the Company as all transactions are paid by TWUL and are not recharged to this Company.

14. Immediate and ultimate parent and controlling party

The immediate parent company of Thames Water Super Senior Issuer plc is Thames Water Utilities Limited, a company incorporated in the United Kingdom, which owns 100% of the issued share capital of the Company and is the smallest group to consolidate these financial statements. The Directors consider the ultimate parent company and controlling party to be Kemble Water Holdings Limited, a company incorporated in the United Kingdom, and the largest group to consolidate these financial statements.

Kemble Water Holdings Limited is owned by nine shareholders, of which the largest is Ontario Municipal Employees Retirement System (OMERS) with a 31.777% holding.

The address of the registered office of Thames Water Utilities Limited is Clearwater Court, Vastern Road, Reading, Berkshire, RG1 8DB and of Kemble Water Holdings Limited is 7th Floor 3 More London Riverside, London, SE1 2AQ. Copies of the financial statements for both entities may be obtained from The Company Secretary's Office at the relevant address.

15. Post Balance Sheet Events

On 24 April 2026 the Company on-lent the remainder of the first tranche of the accordion facility, being £196.8 million (net of fees of £8.2 million) to TWUL.

On 10 June 2026 the Company drew down the remaining committed accordion funding of £397.0 million (net of discount and fees of £16.5 million). On 22 June 2026 £192.0 million (net of discount and fees of £8.0 million) was on-lent to TWUL. On 14 July 2026 the residual £205.0 million (net of discount and fees of £8.5 million) was on-lent to TWUL.