

Registered number: 537456915 (England & Wales)

# **Thames Water Utilities Limited**

Interim report and financial statements

For the six month period ended 30 September 2023

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## Director's report

### Introduction

Thames Water Utilities Limited ("the Company") is a private limited company incorporated in England & Wales and domiciled in the United Kingdom. The trading address and address of the registered office is Clearwater Court, Vastern Road, Reading, RG1 8DB.

The Company's principal activity is that of an appointed water and wastewater services provider, including acting as a retailer for household customers in London, the Thames Valley and surrounding area in accordance with its licence of appointment. The Company is also an intermediate holding company within the Kemble Water Holdings Limited Group of companies ("the Group").

This report comprises a business and financial overview of Thames Water Utilities Limited for the six month period ended 30 September 2023 and constitutes unaudited key financial data and narrative review of performance over this period.

The Company is party to various financing agreements which require the Company to prepare unaudited financial statements. This interim report has been prepared to meet these requirements.

### Principal risks and uncertainties

On 10 July 2023 shareholders provided a letter setting out further funding support of £750 million during the remainder of AMP7, subject to specific conditions including Investment Committee approval by each shareholder. The Board continues to carefully monitor on a regular basis progress towards achieving the shareholder funding and satisfaction of the conditions for this and has undertaken prudent contingency planning to assess what options may be available to maintain services whilst seeking to restore financial resilience should this be required. In a scenario where the funding was not forthcoming, we would consider all options available at that time and could revise our business plan to fit within the then available funding. Implementing such a revised business plan would deliver less for customers, communities and the environment, and if that resulted in a failure to comply with relevant standards it could lead to enforcement action by regulators (including Ofwat).

On 2 October 2023, we submitted our business plan to Ofwat for AMP8 and this is now subject to their consideration. A draft determination is due in mid-2024, and in December 2024 we will receive the final determination which will confirm our funding allowances for AMP8. There is no assurance as to what funding will be allowed, although Ofwat is required to exercise and perform its duties in the manner which it considers is best calculated to ensure Thames Water is able to finance the proper carrying out of its functions.

The risk landscape remains challenging due to exposure to significant uncertainty and volatility due to concurrent macroeconomic and natural factors including energy prices, inflation (including construction prices), interest rates, currency exchange rates, and the possibility of extreme weather. The timing, volatility, unpredictability, and interaction of these factors alone and in combination creates uncertainty as well as additional stress on our water and wastewater networks. In particular, damage and flooding of the wastewater network and supply interruptions and visible leakage on our water network.

Looking ahead, from a commercial perspective, in current supply markets the biggest risk TWUL currently faces is around the sourcing of raw material and product shortages alongside inflation risks due to historically high energy and fuel costs. However, we continue to be exposed to inflationary pressures in FY24, which could impact our cost base and also increase the risk to cash collection rates.

### Going Concern

In assessing the appropriateness of the going concern basis, the Directors have considered the following factors.

In June 2022, to support Thames Water in the delivery of its updated business plan, Shareholders provided a commitment letter where they agreed to contribute, or cause to be contributed, an aggregate £500 million of funding, available to be drawn in full by the Group in March 2023. This funding was received on 30 March 2023. There has been a continual and constructive engagement with Shareholders on further support in AMP7 to enable Thames Water to deliver its business plan. Consequently, on 10 July 2023 shareholders provided a letter setting out further support totalling £750 million during the remainder of AMP7. This support is subject to specific conditions including Investment Committee approval by each Shareholder and, consequently, it has not been considered in the liquidity assessment for the going concern review. The Board continues at this time to have sufficient confidence that it remains the intention of the Shareholders to provide the additional funding and constructive discussions remain ongoing between Ofwat, Shareholders, Thames and other stakeholders, although the conditions have not yet been satisfied, Kemble Water Holdings Limited confirmed to Thames Water Utilities Limited on 1 December 2023 that the 10 July 2023 letter remains in effect subject to its terms and conditions. For the purposes of assessing covenant compliance, it is therefore reasonable to include the indicated level of support in the financial year ending 31 March 2024 for the purposes of calculating forecast covenant metrics.

The Board will continue to carefully monitor on a regular basis progress towards achieving the shareholder funding and satisfaction of the conditions for this and has undertaken prudent contingency planning to assess what options may be available to maintain services whilst seeking to restore financial resilience should this be required. The Board further notes that in the scenario where the funding was not forthcoming, Thames Water would consider all options available at that time and could revise its business plan to fit within the then available funding, and adjust total expenditure down accordingly. Implementing such a revised business plan would deliver less for customers, communities, and the environment and if that resulted in a failure to comply with relevant standards that could lead to enforcement action by regulators (including enforcement action by Ofwat). However, the Board considers even if the funding was not forthcoming the Group would continue to have 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.

## Going Concern (continued)

On 2 October 2023, TWUL submitted its business plan to Ofwat for AMP8 and this is now subject to consideration by Ofwat. In December 2024 Thames Water will receive its final determination which will confirm its funding allowances for AMP8, with a draft determination due in mid-2024. There is no assurance at this point in time as to what funding will be allowed. However, the Board notes that Ofwat is required to exercise and perform its duties in the manner which it considers is best calculated to ensure that Thames Water is able (in particular, by securing reasonable returns on its capital) to finance the proper carrying out of its functions and that Thames Water will need to secure a price control for AMP8 that, in the round, allows it to both deliver record levels of investment for the benefit of the customers, communities and environment it serves, and offer investors an opportunity to earn the returns required to finance it.

The Group's liquidity position and cashflow projections are closely monitored and updated regularly. Mitigating measures are also continually reviewed and actioned where appropriate. The Group has significant liquidity headroom based on financial resources in the form of cash and committed bank facilities. As of 30 September 2023, such liquidity consisted of £0.9 billion of available cash and cash equivalents, access to £3.1 billion of committed credit facilities of which £2.6 billion was undrawn, and £550 million of undrawn liquidity facilities (the latter of which can only be used in limited circumstances).

The terms and conditions of the Whole Business Securitisation ("WBS") provide a stable platform for Thames Water to finance its activities in the debt capital markets:

- It is based on a common set of terms for secured creditors that also facilitates debt raising across a range of facilities and debt instruments
- It establishes a contractual ringfence that enhances the licence ringfence and requires the Group to be clearly segregated from other parts of the Kemble Water Holdings Limited group and their financing arrangements
- There are controls on the Group's activities to ensure a focus is maintained on delivering its regulated business
- There is a framework of financial covenants, historical and prospective, requiring continual monitoring and these are underpinned by information undertakings requiring formal, bi-annual confirmation of compliance
- The WBS is designed to enable the Group to continue to operate through situations where there is financial stress and to maintain sufficient committed liquidity to service debt.

For financial covenants, the Group has undertaken to maintain compliance with specific covenants covering several interest cover and gearing ratios. With headroom being present under the gearing ratios, the interest cover ratios are more the limiting factor and are mainly affected by operational cashflows.

Given the economic uncertainty associated with various macro factors such as a decline in real wages, a reduction in economic activity and inflationary pressures on operating costs, a severe but plausible downside case has been considered where the ability of household customers to pay their bills has been adversely affected. This would result in lower collection rates, higher bad debt charges and lower billable volumes in the non-household sector due to reduced consumption. Furthermore, the downside case assumes higher operational costs associated with various efficiency programmes not being delivered, higher power prices and adverse weather. To mitigate the impact on operational cashflows, mitigations involving active working capital management and the release of contingencies embedded with the Business Plan have also been taken into account. Under a severe but plausible downside scenario, the business remains compliant with the relevant financial covenants and shows liquidity headroom for a period of 12 months from the date of signing of the financial statements.

The Directors have also considered the consequences of a Trigger Event, a feature of the Group's Whole Business Securitisation ("WBS") structure. Consequences include, but are not limited to, a cash lockup and a prohibition from incurring additional debt other than utilisations from the existing committed facilities. A Trigger Event acts as an early warning sign that is structured to provide additional creditor protections. It is designed to maintain the Group's creditworthiness as such, it does not affect the Group's continued access to its significant existing bank facilities nor would it disrupt the Group's ability to trade. A cash lockup prevents distributions from Thames Water Utilities Limited to protect the interests of creditors and customers.

Based on the above, the Board is satisfied that the Group 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. For this reason, the Board considers it appropriate to adopt the going concern basis in preparing the financial statements.

Alastair Cochran  
Interim Co-Chief Executive Officer and Chief Financial Officer

4 December 2023

## Condensed income statement

For the six-month period ended 30 September

	2023			2022		
	Underlying £m	BTL £m	Total £m	Underlying £m	BTL £m	Total £m
Revenue	1,210.9	58.8	1,269.7	1,092.8	42.4	1,135.2
Operating expenses excluding impairment losses on financial and contract assets	(1,026.5)	-	(1,026.5)	(957.0)	-	(957.0)
Impairment losses on financial and contract assets	(26.3)	(0.3)	(26.6)	(11.8)	(0.1)	(11.9)
<b>Total operating expenses</b>	<b>(1,052.8)</b>	<b>(0.3)</b>	<b>(1,053.1)</b>	<b>(968.8)</b>	<b>(0.1)</b>	<b>(968.9)</b>
Other operating income	69.7	-	69.7	50.3	-	50.3
<b>Operating profit</b>	<b>227.8</b>	<b>58.5</b>	<b>286.3</b>	<b>174.3</b>	<b>42.3</b>	<b>216.6</b>
Finance income	139.9	-	139.9	77.6	-	77.6
Finance expense	(392.2)	-	(392.2)	(388.0)	-	(388.0)
Net gains on financial instruments	39.2	-	39.2	246.7	-	246.7
<b>Profit on ordinary activities before taxation</b>	<b>14.7</b>	<b>58.5</b>	<b>73.2</b>	<b>110.6</b>	<b>42.3</b>	<b>152.9</b>
Tax (charge)/credit on profit on ordinary activities	(15.9)	(14.6)	(30.5)	(68.6)	23.6	(45.0)
<b>Profit/(loss) for the period</b>	<b>(1.2)</b>	<b>43.9</b>	<b>42.7</b>	<b>42.0</b>	<b>65.9</b>	<b>107.9</b>

## Condensed statement of other comprehensive income

For the six-month period ended 30 September

	2023			2022		
	Underlying £m	BTL £m	Total £m	Underlying £m	BTL £m	Total £m
<b>Profit for the period</b>	<b>(1.2)</b>	<b>43.9</b>	<b>42.7</b>	<b>42.0</b>	<b>65.9</b>	<b>107.9</b>
<b>Other comprehensive income</b>						
<i>Will not be reclassified to the income statement:</i>						
Net actuarial (loss)/gain on pension schemes	(11.9)	-	(11.9)	81.7	-	81.7
Deferred tax credit/(charge) on net actuarial (loss)/gain	4.4	-	4.4	(19.3)	-	(19.3)
<i>May be reclassified to the income statement:</i>						
Cash flow hedges transferred to income statement	9.3	-	9.3	11.5	-	11.5
Deferred tax charge on cash flow hedge transfer	(2.3)	-	(2.3)	(2.2)	-	(2.2)
<b>Other comprehensive (expense)/income for the period</b>	<b>(0.5)</b>	<b>-</b>	<b>(0.5)</b>	<b>71.7</b>	<b>-</b>	<b>71.7</b>
<b>Total comprehensive (expense)/income for the period</b>	<b>(1.7)</b>	<b>43.9</b>	<b>42.2</b>	<b>113.7</b>	<b>65.9</b>	<b>179.6</b>

The Company's activities underpinning the results above are derived from continuing activities.

Bazalgette Tunnel Limited ("BTL") is an independent company, appointed in 2015 to construct the Thames Tideway Tunnel. We have recognised revenue, cost and profit on the arrangement with BTL and have disclosed our underlying performance separately as required by some of our financial covenants.

## Condensed statement of financial position

As at

	30 September 2023			31 March 2023		
	Underlying £m	BTL £m	Total £m	Underlying £m	BTL £m	Total £m
<b>Non-current assets</b>						
Intangible assets	249.6	-	249.6	263.3	-	263.3
Property, plant and equipment	18,700.5	-	18,700.5	18,017.4	-	18,017.4
Investment property	2.0	-	2.0	2.0	-	2.0
Investment in subsidiaries	207.7	-	207.7	207.7	-	207.7
Right-of-use assets	36.5	-	36.5	39.8	-	39.8
Derivative financial assets	414.5	-	414.5	332.6	-	332.6
Intercompany loans receivable	1,549.1	-	1,549.1	1,549.1	-	1,549.1
Prepayments	-	429.8	429.8	-	377.9	377.9
Insurance, amounts owed to group undertakings and other receivables	50.9	-	50.9	61.8	-	61.8
Pension asset	-	-	-	6.0	-	6.0
	<b>21,210.8</b>	<b>429.8</b>	<b>21,640.6</b>	<b>20,479.7</b>	<b>377.9</b>	<b>20,857.6</b>
<b>Current assets</b>						
Inventories	28.6	-	28.6	20.9	-	20.9
Intercompany loans receivable	76.4	-	76.4	40.3	-	40.3
Contract assets	282.5	10.0	292.5	253.6	5.2	258.8
Trade and other receivables	679.6	34.1	713.7	315.9	16.8	332.7
Prepayments	66.9	-	66.9	48.8	-	48.8
Amounts owed to group undertakings and other receivables	58.3	-	58.3	156.5	(16.6)	139.9
Cash and cash equivalents	881.7	11.9	893.6	1,828.1	7.0	1,835.1
	<b>2,074.0</b>	<b>56.0</b>	<b>2,130.0</b>	<b>2,664.1</b>	<b>12.4</b>	<b>2,676.5</b>
<b>Current liabilities</b>						
Contract liabilities	(509.7)	(20.6)	(530.3)	(130.1)	-	(130.1)
Trade and other payables	(893.4)	(31.2)	(924.6)	(896.2)	-	(896.2)
Borrowings	(2,353.6)	-	(2,353.6)	(2,503.1)	-	(2,503.1)
Lease liabilities	(6.9)	-	(6.9)	(7.3)	-	(7.3)
Provisions for liabilities and charges	(40.7)	-	(40.7)	(35.0)	-	(35.0)
Derivative financial liabilities	-	-	-	(53.4)	-	(53.4)
	<b>(3,804.3)</b>	<b>(51.8)</b>	<b>(3,856.1)</b>	<b>(3,625.1)</b>	<b>-</b>	<b>(3,625.1)</b>
<b>Net current (liabilities)/assets</b>	<b>(1,730.3)</b>	<b>4.2</b>	<b>(1,726.1)</b>	<b>(961.0)</b>	<b>12.4</b>	<b>(948.6)</b>
<b>Non-current liabilities</b>						
Contract liabilities	(975.5)	-	(975.5)	(921.6)	-	(921.6)
Borrowings	(13,767.0)	-	(13,767.0)	(13,769.4)	-	(13,769.4)
Lease liabilities	(46.7)	-	(46.7)	(49.7)	-	(49.7)
Derivative financial liabilities	(1,458.7)	-	(1,458.7)	(1,495.7)	-	(1,495.7)
Deferred tax	(1,197.1)	-	(1,197.1)	(1,262.4)	-	(1,262.4)
Provisions for liabilities and charges	(198.9)	-	(198.9)	(192.7)	-	(192.7)
Pension deficit	(172.5)	-	(172.5)	(182.0)	-	(182.0)
	<b>(17,816.4)</b>	<b>-</b>	<b>(17,816.4)</b>	<b>(17,873.5)</b>	<b>-</b>	<b>(17,873.5)</b>
<b>Net assets</b>	<b>1,664.1</b>	<b>434.0</b>	<b>2,098.1</b>	<b>1,645.2</b>	<b>390.3</b>	<b>2,035.5</b>
<b>Equity</b>						
Called up share capital	49.4	-	49.4	29.0	-	29.0
Share premium	100.0	-	100.0	100.0	-	100.0
Cash flow hedge reserve	(9.1)	-	(9.1)	(16.1)	-	(16.1)
Revaluation reserve	783.2	-	783.2	795.5	-	795.5
Retained earnings	740.6	434.0	1,174.6	736.8	390.3	1,127.1
<b>Total equity</b>	<b>1,664.1</b>	<b>434.0</b>	<b>2,098.1</b>	<b>1,645.2</b>	<b>390.3</b>	<b>2,035.5</b>

Bazalgette Tunnel Limited ("BTL") is an independent company, appointed in 2015 to construct the Thames Tideway Tunnel. We have recognised amounts in the Statement of Financial Position in relation to the arrangement with BTL and have disclosed our underlying amounts separately as required by some of our financial covenants.

## Condensed statement of changes in equity

For the six month period ended 30 September 2023

	Share capital £m	Share premium £m	Cash flow hedge reserve £m	Revaluation reserve £m	Retained earnings £m	Total equity £m
<b>1 April 2022</b>	<b>29.0</b>	<b>100.0</b>	<b>(33.2)</b>	<b>820.1</b>	<b>1,337.8</b>	<b>2,253.7</b>
Loss for the year	-	-	-	-	(242.7)	(242.7)
Cash flow hedge transfer to the income statement	-	-	21.1	-	-	21.1
Deferred tax charge on cash flow hedge	-	-	(4.0)	-	-	(4.0)
Net actuarial gain on pension scheme	-	-	-	-	69.4	69.4
Deferred tax charge on net actuarial gain	-	-	-	-	(16.8)	(16.8)
<b>Total comprehensive income</b>	-	-	<b>17.1</b>	-	<b>(190.1)</b>	<b>(173.0)</b>
Transfer of depreciation <sup>1</sup>	-	-	-	(32.8)	32.8	-
Deferred tax on depreciation transfer <sup>1</sup>	-	-	-	8.2	(8.2)	-
Dividends paid	-	-	-	-	(45.2)	(45.2)
<b>31 March 2023</b>	<b>29.0</b>	<b>100.0</b>	<b>(16.1)</b>	<b>795.5</b>	<b>1,127.1</b>	<b>2,035.5</b>
Profit for the period	-	-	-	-	42.7	42.7
Cash flow hedge transfer to the income statement	-	-	9.3	-	-	9.3
Deferred tax on cash flow hedge	-	-	(2.3)	-	-	(2.3)
Actuarial loss on pension scheme	-	-	-	-	(11.9)	(11.9)
Deferred tax credit on actuarial loss	-	-	-	-	4.4	4.4
<b>Total comprehensive income</b>	-	-	<b>7.0</b>	-	<b>35.2</b>	<b>42.2</b>
Transfer of depreciation <sup>1</sup>	-	-	-	(16.4)	16.4	-
Deferred tax on depreciation transfer <sup>1</sup>	-	-	-	4.1	(4.1)	-
Share capital issued <sup>2</sup>	20.4	-	-	-	-	20.4
<b>30 September 2023</b>	<b>49.4</b>	<b>100.0</b>	<b>(9.1)</b>	<b>783.2</b>	<b>1,174.6</b>	<b>2,098.1</b>

<sup>1</sup> The movement between the revaluation reserve and retained earnings arising from the depreciation and associated deferred tax in the fair value uplift on assets.

<sup>2</sup> 20,428,000 shares with a nominal value of £1 each were issued during the reporting period to the immediate parent, Thames Water Utilities Holding Limited, for a total value of £20,428,000.

## Condensed statement of cash flows

For the six month period ended 30 September 2023

	2023			2022		
	Underlying £m	BTL £m	Total £m	Underlying £m	BTL £m	Total £m
<i>Operating activities:</i>						
Profit/(loss) for the period	(1.2)	43.9	42.7	42.0	65.9	107.9
Less finance income	(139.9)	-	(139.9)	(77.6)	-	(77.6)
Add finance expense excluding interest on lease liabilities	390.9	-	390.9	386.4	-	386.4
Add interest expense on lease liabilities	1.3	-	1.3	1.6	-	1.6
Less net gains on financial instruments	(39.2)	-	(39.2)	(246.7)	-	(246.7)
Add/(less) taxation on profit/(loss) on ordinary activities	15.9	14.6	30.5	68.6	(23.6)	45.0
<b>Operating profit</b>	<b>227.8</b>	<b>58.5</b>	<b>286.3</b>	<b>174.3</b>	<b>42.3</b>	<b>216.6</b>
Depreciation on property, plant and equipment	327.8	-	327.8	303.2	-	303.2
Amortisation of intangible assets	34.5	-	34.5	32.3	-	32.3
Depreciation of right of use assets	3.6	-	3.6	3.3	-	3.3
Impairment of property, plant and equipment	15.8	-	15.8	-	-	-
Less gain on sale of property, plant and equipment	(21.6)	-	(21.6)	-	-	-
Difference in pension charge and cash contribution	0.8	-	0.8	(5.9)	-	(5.9)
(Increase)/decrease in inventory	(7.7)	-	(7.7)	(4.0)	-	(4.0)
Increase in trade and other receivables	(374.3)	(69.3)	(443.6)	(381.3)	(49.6)	(430.9)
Decrease/(increase) in contract assets	(28.9)	(4.8)	(33.7)	0.6	0.2	0.8
Increase/(decrease) in trade and other payables	(56.2)	-	(56.2)	26.6	(5.7)	20.9
Increase in contract liabilities	450.2	20.5	470.7	417.9	13.4	431.3
Increase in provisions	11.9	-	11.9	14.0	-	14.0
<b>Net cash generated by operating activities<sup>1</sup></b>	<b>583.7</b>	<b>4.9</b>	<b>588.6</b>	<b>581.0</b>	<b>0.6</b>	<b>581.6</b>
<i>Investing activities:</i>						
Purchase of property, plant and equipment <sup>2</sup>	(952.1)	-	(952.1)	(786.0)	-	(786.0)
Purchase of intangible assets	(20.8)	-	(20.8)	(22.4)	-	(22.4)
Proceeds from sale of property, plant and equipment <sup>3</sup>	4.9	-	4.9	-	-	-
Interest received	94.5	-	94.5	43.5	-	43.5
<b>Net cash used in investing activities</b>	<b>(873.5)</b>	<b>-</b>	<b>(873.5)</b>	<b>(764.9)</b>	<b>-</b>	<b>(764.9)</b>
<i>Financing activities:</i>						
New loans raised	370.7	-	370.7	1,818.5	-	1,818.5
Repayment of borrowings	(716.4)	-	(716.4)	(1,598.6)	-	(1,598.6)
Repayment of lease principal	(5.1)	-	(5.1)	(4.7)	-	(4.7)
Interest paid	(180.2)	-	(180.2)	(120.6)	-	(120.6)
Payment for derivative settlement	(117.2)	-	(117.2)	(68.2)	-	(68.2)
Net fees paid	(8.4)	-	(8.4)	(3.9)	-	(3.9)
<b>Net cash used in financing activities</b>	<b>(656.6)</b>	<b>-</b>	<b>(656.6)</b>	<b>22.5</b>	<b>-</b>	<b>22.5</b>
Net (decrease)/increase in cash and cash equivalents	(946.4)	4.9	(941.5)	(161.4)	0.6	(160.8)
Net cash and cash equivalents at beginning of period	1,828.1	7.0	1,835.1	418.7	5.2	423.9
<b>Net cash and cash equivalents at end of period</b>	<b>881.7</b>	<b>11.9</b>	<b>893.6</b>	<b>257.3</b>	<b>5.8</b>	<b>263.1</b>

<sup>1</sup> Net cash generated by operating activities for the six months ended 30 September 2023 includes £5.7 million (30 September 2022: £nil) payments that are considered to be exceptional relating to restructuring and transformation. An exceptional outflow of £69.7 million was recognised in the year ended 31 March 2021 which related to defined benefit pension upfront deficit repayments for the remainder of AMP7. If this prepayment had not been made it would have resulted with a cash payment of £10.2 million for the six-month period ended 30 September 2023. A payment of £20.4 million for an internal inflation mechanism pension contribution payment was made on TWUL's behalf by Kemble Water Eurobond Plc. If both cash payments had been made, then the net cash generated by operating activities for the six-month period ended 30 September 2023 would be £558.0 million.

<sup>2</sup> Purchase of property, plant and equipment includes an adjustment to account for the cash on accruals relating to additions of capital investment in the period.

<sup>3</sup> Proceeds from sale of property, plant and equipment for the six months ended 30 September 2023 (30 September 2022: £nil) does not include £16.7 million of disposal presented in other operating income, which was in exchange for land (non-cash).

Bazalgette Tunnel Limited ("BTL") is an independent company, appointed in 2015 to construct the Thames Tideway Tunnel. Included in the cashflow are amounts in relation to arrangement with BTL and therefore our underlying amounts are disclosed separately as required by some of our financial covenants.



## Notes to the condensed company financial statements

### 1. Post Balance Sheet Events

In October 2023, the following transactions took place:

- a total of £530.0 million Class A Revolving Credit Facilities were drawn by Thames Water Utilities Finance plc. Thames Water Utilities Finance plc loaned the proceeds from the drawdowns to the Company on the same terms plus a margin;
- a total of £370.7 million Class B Revolving Credit Facilities were repaid by Thames Water Utilities Finance plc. Thames Water Utilities Finance plc received a total of £370.7 million from the Company as repayment of the related intercompany loans;
- a £98.5 million Class A loan agreement due 2029 and a £65.0 million Class B loan agreement due 2027 were fully drawn;
- a £100.0 million Class A RPI loan agreement originally due 2025 and with accreted principal of £144.8 million, and a £125.0 million Class A RPI loan agreement originally due 2026 and with accreted principal of £180.1 million, were both extended to 2033;
- a £300.0 million Class A bond due 2040 was issued by Thames Water Utilities Finance plc. Thames Water Utilities Finance plc loaned the proceeds (net of fees) from the issuance to the Company on the same terms plus a margin; and
- the Company paid a dividend of £37.5 million to Thames Water Utilities Holdings Limited. These proceeds were subsequently distributed by Thames Water Utilities Holdings Limited to Thames Water Limited and then through to Kemble Water Finance Limited. Kemble Water Finance Limited retained the proceeds to service its – and its subsidiary Thames Water (Kemble) Finance plc's - external debt obligations.