Section 4 – Additional regulatory information – service level

4B Analysis of debt

Analysis of debt

Instrument	Issuer	Category	Maturity type	Instrument identifier (e.g. ISIN)	Underlying instrument identifier	Underlying instrument type (Pre swap)	Post swap type (combined instruments)	Seniority	Long-term issue credit rating as at 31 March 2026	Original Currency	Amount in original acurrency m (nominal)	Issue date	Issue price	Maturity date	Years to maturity	Original issuance / facility size £m (nominal)	Principal sum outstanding as at 31 March 2026 (excluding debt issuance costs) £m (nominal)	Amount used to calculate nominal, long term and cash interest cost (GBP) £m (nominal)	Years to maturity + principal sum £m (nominal)	RPI interest rate %	CPI interest rate %	Reference benchmark	Reference interest rate %	Margin over reference rate %	Nominal Interest Rate %	Effective interest rate %	Nominal Interest Cost (Full year equivalent) £m (nominal)	Cash Interest Cost (Full year equivalent) £m (nominal)	Debt category for long term rate adjustment	Adjustment from actual to indicative long term rate %	Indicative interest rate in long term environment %	Long term nominal Interest cost (Full Year equivalent) £m (nominal)	Utilisation fee %	Commitment fee %	Issuance costs £m (nominal)	Value per balance sheet at 31 March 2026 £m (nominal)	Fair value of debt at 31 March 2026 £m (nominal)	Instrument included in average years to maturity pre swap calculation – Fixed Y/N	Instrument included in average years to maturity pre swap calculation – Floating Y/N	Instrument included in average years to maturity pre swap calculation – RPI Y/N	Instrument included in average years to maturity pre swap calculation – CPI/CPIH Y/N	Instrument included in average years to maturity post swap calculation – Fixed Y/N	Instrument included in average years to maturity post swap calculation – Floating Y/N	Instrument included in average years to maturity post swap calculation RPI Y/N	Instrument included in average years to maturity post swap calculation – CPI/CPIH Y/N	Category of instrument included at PR24 Y/N	Seniority of debt included at PR24 Y/N	Included in long term debt calculations Y/N	Swap category Text	Further information Text	RAG 4 reference
Debt instruments																																													
Debenture Stock	Various	Debenture	Perpetual			Fixed	Fixed	Junior/ Subordinated	N/A	GBP		pre-2002		n/a	25.0	0.283	0.283	0.283	7.075	(0.53%)	0.21%				3.52%	0.21%	0.010	0.010	Fixed	0.000%	0.000%	0.000	0.00%	0.0	0.3	0.3	Y	N	N	N	Y	N	N	N	N	N	N			4B.1
Intercompany Loan	Portsmouth Water Holdings Ltd	Intercompany Loan	Bullet			Fixed	Fixed	Junior/ Subordinated	N/A	GBP	45	2/3/2021		31/03/2028	2.0	45.0	0.0	0.0	0.000	(1.03%)	(0.29%)				3.00%		0.000	0.000	Fixed	0.000%	0.000%	0.000	0.00%	0.0	0.0	0.0	Y	N	N	N	Y	N	N	N	N	N	N			4B.2
Intercompany Loan	Portsmouth Water Holdings Ltd	Intercompany Loan	Bullet			Fixed	Fixed	Junior/ Subordinated	N/A	GBP	30	22/08/2024		31/03/2026	1.0	30.0	30.0	30.0	30.000	0.89%	1.65%				5.00%		1.500	1.500	Fixed	0.000%	0.000%	0.000	0.00%	0.0	30.0	30.0	Y	N	N	N	Y	N	N	N	N	N	N			4B.3
Revolving Loan Facility	Nat West Markets	Liquidity facility	Revolving			Floating	Floating	Senior	N/A	GBP		14/03/2023	100.0	14/03/2028	2.0	105.0	0.0	0.0	0.000	1.23%	1.98%	SONIA	3.73%	1.60%	5.35%		0.000	0.000	Floating	0.270%	0.270%	0.000	0.00%	0.35%	1.4	0.0	0.0	N	Y	N	N	N	Y	N	N	Y	Y	Y			4B.4
Term Loan Facility	Nat West Markets	Liquidity facility	Bullet			Floating	Floating	Senior	N/A	GBP		14/03/2023		14/03/2029	3.0	50.0	50.0	50.0	150.000	1.23%	1.98%	SONIA	3.73%	1.60%	5.35%		2.675	2.675	Floating	0.270%	0.270%	0.135	0.00%	0.35%	0.6	50.0	50.0	N	Y	N	N	N	Y	N	N	Y	Y	Y			4B.5
Bank Facility	Lloyds	Liquidity facility	Bullet			Floating	Floating	Senior	N/A	GBP		14/03/2023		31/03/2029	3.0	50.0	15.0	15.0	45.000	1.13%	1.89%	SONIA	3.73%	1.50%	5.25%		0.788	0.788	Floating	0.270%	0.270%	0.041	0.00%	0.35%	0.3	15.0	15.0	N	Y	N	N	N	Y	N	N	Y	Y	Y			4B.6
Finance Lease Liability	Pig Shed Trust	Finance lease	Other			Floating	Floating	Other	N/A	GBP		21/07/2023		21/07/2103	77.0	1.1	1.1	1.1	84.700	2.33%	3.10%	Other	4.90%	1.60%	6.50%		0.072	0.072	Floating	0.270%	0.270%	0.003	0.00%	0.00%	0.0	1.1	1.1	N	Y	N	N	N	Y	N	N	Y	Y	Y			4B.7
Interest Rate Swap	Lloyds/ING Bank	Swap - paying leg	Other			Fixed	Fixed	Other	N/A	GBP		27/03/2024		31/03/2028	2.0	99.0	0.0	0.0	0.000	0.00%	0.00%				0.00%		0.000	0.000	Fixed	0.000%	0.000%	0.000	0.00%	0.00%	0.0	0.0	0.0	N	N	N	N	N	Y	N	D					4B.8
Interest Rate Swap	Lloyds/ING Bank	Swap - receiving leg	Other			Fixed	Fixed	Other	N/A	GBP		27/03/2024		31/03/2028	2.0	(99.0)	0.0	0.0	0.000	0.00%	0.00%				0.00%		0.000	0.000	Fixed	0.000%	0.000%	0.000	0.00%	0.00%	0.0	(1.7)	(1.7)	N	N	N	N	N	Y	N	D					4B.9
Bank Loan (swapped)	Artesian Finance	Loan (non-EIB)	Bullet			RPI	CPI/CPIH	Senior	N/A	GBP		26/06/2002		30/09/2032	6.5	59.4	131.7	131.7	856.050	3.64%	4.41%				7.86%		10.349	5.811	RPI	(1.170%)	(1.170%)	(1.541)	0.00%	0.4	131.7	131.7	N	N	Y	N	N	N	Y	Y	Y	Y				4B.10
Bank Loan (unswapped)	Artesian Finance	Loan (non-EIB)	Bullet			RPI	RPI	Senior	N/A	GBP		26/06/2002		30/09/2032	6.5	71.1	22.9	22.9	148.850	3.64%	4.41%				7.86%		1.799	0.834	RPI	(1.170%)	(1.170%)	(0.268)	0.00%	0.0	22.9	22.9	N	N	Y	N	N	N	Y	N	Y	Y	Y				4B.11
RPI-CPI Swap	Lloyds	Swap - paying leg	Other			CPI/CPIH	CPI/CPIH	Other	N/A	GBP		04/12/2023		30/09/2032	6.5	131.7	131.7	131.7	856.050	0.51%	1.26%				4.61%		6.965	1.664	CPI/CPIH	(1.300%)	(1.300%)	(1.732)	0.00%	0.0	1.6	1.6	N	N	N	N	N	N	N	N	N	N	Y	N	D			4B.12
RPI-CPI Swap	Lloyds	Swap - receiving leg	Other			CPI/CPIH	RPI	Other	N/A	GBP		04/12/2023		30/09/2032	6.5	(131.7)	(131.7)	(131.7)	(856.050)	0.00%	0.75%				4.07%		(5.360)	0.000	CPI/CPIH	(1.300%)	(1.300%)	1.712	0.00%	0.0	0.0	0.0	N	N	N	N	N	N	N	N	N	N	Y	N	D			4B.13
CPI Bond	Assured Guarantee UK Ltd	Loan (non-EIB)	Bullet			CPI/CPIH	CPI/CPIH	Senior	N/A	GBP		03/01/2023		03/01/2037	11.0	75.0	82.8	82.8	910.800	1.87%	2.63%				6.02%		4.982	2.178	CPI/CPIH	(1.300%)	(1.300%)	(1.076)	0.00%	2.8	82.8	82.8	N	N	N	N	N	N	N	N	Y	Y	Y	Y				4B.14
																			0.000	0.00%	0.00%						0.000	0.000		0.000%	0.000%	0.000																		4B.15
																			0.000	0.00%	0.00%						0.000	0.000		0.000%	0.000%	0.000																		4B.16
																			0.000	0.00%	0.00%						0.000	0.000		0.000%	0.000%	0.000																		4B.17
Totals for all instruments																**421.783**	**333.783**	**333.783**	**2232.475**								**22.879**	**15.530**				**(2.707)**			**5.500**	**333.700**	**333.700**														**4B.401**

Date Assumptions

Reporting date	31/03/2026

Assumptions (rates)

RPI % (latest March, annualised)	4.07%
CPI % (latest March, annualised)	3.30%
RPI % (long term)	2.90%
CPI % (long term)	2.00%
Bank Base Rate (reporting date)	3.75%
Bank Base Rate (long term)	4.02%

PR24 Inclusion of instruments

Bond	Y
Debenture	Y
Debenture stock or irredeemable	Y
EIB loan	Y
Finance lease	Y
Intercompany loan	N
Loan (non-EIB)	Y
Liquidity facility	Y
Overdraft	Y
Preference shares	N
Private placement	Y
RCF	Y
Swap – paying leg	N
Swap – receiving leg	N
Wrapping fees	N
Other – included	Y
Other – excluded	N

PR24 Inclusion of instruments

Super-senior	Y
Senior	Y
Mezzanine/2nd Lien	Y
Junior/Subordinated	N
Other	Y

Indicative interest rates

Indicative weighted average nominal interest rate	6.85%
Indicative weighted average cash interest rate	4.65%

Indicative debt portfolio breakdown

Floating rate debt as percentage of total debt (gross)	19.80%
Fixed rate debt as percentage of total debt (gross)	9.07%
RPI linked debt as percentage of total debt (gross)	46.32%
CPI/CPIH linked debt as percentage of total debt (gross)	24.81%
All index (CPI/CPIH and RPI) linked debt as percentage of total debt (gross)	71.12%
Fixed rate debt and index linked debt as percentage of total debt (gross)	80.20%
Weighted average years to maturity	6.7

Cost of debt breakdown: Pre swap	Fixed	Floating	RPI	CPI/CPIH	Indexed	ALL
Nominal interest cost - full year equivalent	1.5	3.5	12.1	5.7	17.8	22.9
Nominal interest cost using PR24 inclusion criteria - full year equivalent	0.0	3.5	12.1	5.0	17.1	20.7
Nominal long-term indicative interest cost using PR24 inclusion criteria – full year equivalent	0.0	0.2	(1.8)	(1.1)	(2.9)	(2.7)
Principal sum outstanding as at 31 March 2024 (excluding debt issuance costs)	30.3	66.1	154.6	82.8	237.4	333.8
Principal sum outstanding as at 31 March 2024 using PR24 inclusion criteria	0.0	66.1	154.6	82.8	237.4	303.5
Proportions	**9.07%**	**19.80%**	**46.32%**	**24.81%**	**71.12%**	**1.0**
Nominal cost of debt	4.99%	5.35%	7.65%	6.87%	7.51%	6.85%
Nominal cost of debt using PR24 inclusion criteria	0.00%	5.35%	7.86%	6.02%	7.22%	6.81%
Indicative nominal rate in a long term environment using PR24 inclusion criteria	0.00%	0.27%	(1.17%)	(1.30%)	(1.22%)	(0.81%)
Average years to maturity		1.22	4.23	6.50	11.00	8.07	6.69

Cost of debt breakdown: Post swap	Fixed	Floating	RPI	CPI/CPIH	Indexed	ALL
Nominal interest cost - full year equivalent	1.5	3.5	(3.6)	21.4	17.8	22.9
Nominal long-term indicative interest cost all instruments - full year equivalent	0.0	0.2	1.4	(4.3)	(2.9)	(2.7)
Principal sum outstanding as at 31 March 2024 (excluding unamortised debt issue costs)	30.1	66.1	(108.8)	346.2	237.4	333.8
Proportions	9.07%	19.80%	(32.60%)	103.72%	71.12%	100.00%
Nominal cost of debt	4.99%	5.35%	3.27%	6.18%	7.51%	6.85%
Indicative rate in a long term environment using all instruments	0.00%	0.27%	(1.33%)	(1.25%)	(1.22%)	(0.81%)
Average years to maturity		1.22	4.23	6.50	8.24	7.37

SUMMARY

Using reporting year debt costs	
Nominal cost of debt - pre swap	6.85%
Nominal cost of debt using PR24 inclusion criteria	6.81%
Nominal cost of debt - post swap	6.85%
Using long term indicative rates	
Nominal cost of debt - using PR24 inclusion criteria	(0.81%)
Nominal cost of debt - post swap using all instruments	(0.81%)