Yorkshire Water Financing Group

Investors Report

For the period ended 30 September 2025

YorkshireWater

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- For the purposes of the financial promotions regime under the Financial Services and Markets Act 2000, this report is given on the basis of the exemption provided in Article 69 of the Financial Services and Markets Act 2000 (Financial Promotion Order 2005 as it relates to bonds which are already admitted to trading on a relevant market).
- A copy of this report may be obtained at www.keldagroup.com.

Contents

1. General

The information provided in this report for the Yorkshire Water Financing Group (YWFG) is sourced primarily from the unaudited Yorkshire Water Services Limited (YW or the Company) Condensed Interim Report and Financial Statements (Interims) for the six months ended 30 September 2025.

2. Business overview

This is the first interim report of Asset Management Period 8 (AMP8), a five-year period that will see Yorkshire Water deliver a record £8.3bn programme of investment across the region. It has been good to be able to get this huge programme underway and to make strong progress in the first six months.

Particular highlights in the period have included getting 85% of the AMP8 programme into design, starting on site on some of the early storm overflow discharge reduction projects, replacing more than 100km of water main and installing more than 50,000 smart meters as part of the upgrade programme.

Investment

Over the next five years, Yorkshire Water will invest in areas such as, new water mains to reduce leakage, increasing clean water supply through additional boreholes, reducing discharges at more than 400 storm overflows, and delivering improvements to water quality at coastal and inland bathing waters. Investments like these will enable Yorkshire Water to reduce pollution and strengthen the resilience of the regional water supply.

Given the significant step-up in investment over the next five years, a big focus for Yorkshire Water over the first six months has been making sure that the teams are in place to deliver the programme successfully. YW has made a great start in a number of areas, including the mains renewal programme, which is now replacing five kilometres of pipework each week. The fact that teams have delivered more mains renewal in the first six months than in the previous five years demonstrates the scale and pace of delivery. This will help deliver the benefits of investment sooner, with fewer bursts, faster repairs and better water quality across the network.

Yorkshire Water is committed not only to the scale of investment, but also to its quality. For example, at 18 wastewater treatment works, the company will introduce wetlands to improve the quality of treated effluent returned to the environment. These nature-based solutions deliver broader benefits, including carbon reductions and biodiversity gains, compared to traditional grey infrastructure.

Given the scale and complexity of these improvements, Yorkshire Water recognises the importance of delivering projects efficiently, on time, and within budget. This is particularly critical as customers are paying higher bills to fund better outcomes, and the company has a responsibility to deliver the improvements in the plan.

Yorkshire Water understands that stakeholders and customers will want to track progress in delivering this investment and performance over the next five years. To support this, YW has committed to providing twice-yearly performance updates that will show how the company is doing on a range of performance metrics and progress in delivering key investment programmes.

To address the impact of higher bills, additional support is being provided for the most vulnerable customers. Between 2025 and 2030, 100,000 more households will benefit from Yorkshire Water's financial assistance schemes compared to the previous five years. It is encouraging that during the first six months, Yorkshire Water has already managed to increase the number of households receiving support by more than 20,000.

The investment programmes already underway are laying the foundation for improved performance for both customers and the environment.

With a renewed focus on quality, efficiency, and resilience - supported by a strengthened team and enhanced processes - the company is confident that the coming years will deliver significant improvements in performance and meet the high standards that stakeholders rightly expect.

Regulatory reform

Yorkshire Water has continued to engage with the Government since the Independent Water Commission, chaired by Sir Jon Cunliffe, published its final report in July. The Commission recommended 88 changes to the regulatory framework for the Water sector. YW was particularly pleased to see the recommendation to establish a new integrated water regulator to bring together the work of the three core water regulators – Ofwat, the Drinking Water Inspectorate, and the Environment Agency. We look forward to the Government's forthcoming White Paper which will set out the approach that it intends to take to implement the recommendations.

Financial resources

Total dividends of £42.6m were paid in the six months to September 2025 (H1 2025: £37.5m). This equates to a dividend yield of approximately 1.5% based on regulatory equity at 30 September 2025. None of the dividends paid by YW were distributed to the ultimate shareholders.

YW's liquidity has been strengthened in the financial year to date through a dual tranche £700m UK public bond issuance in July. As at 30 September, YW held liquidity across cash balances and revolving credit facilities totalling

£1,522.7m and in excess of the internal target to maintain at least 15 months of forecast future requirements.

YW has no significant debt maturities falling due in this financial year, with the next debt maturity being due in November 2026.

Ofwat published the Monitoring Financial Resilience Report for the year ended March 2025 during November. YW remains at elevated concern as Ofwat continues to monitor delivery of the intercompany loan undertakings. A final £437m repayment, settling the remaining loan, is planned by March 2027, satisfying in full an undertaking agreed by YW with Ofwat.

3. Business strategy

To execute the AMP8 investment programme, Yorkshire Water has implemented changes to ensure that teams have the resources they need and are structured to deliver the best results possible.

In particular, YW has recruited around 500 people to join the team and they are already delivering improved service for customers. For example, 100 new leakage inspectors have been helping protect water resources during the drought. This expansion also creates new opportunities to develop people within the region, and the company has begun the selection process for 65 graduates to join the business in 2026, building on the 24 graduates who started this September.

Changes are also being made to internal structures to improve planning and delivery processes. This has included some senior changes, where new members have been added to the executive team.

- **Matt Pinder**, previously previous Chief of Staff, has become Director of Customer, Distribution and Collection.

- **Steph Pullan**, previously Head of Wastewater Asset Management has taken the post of our new Director of Asset Management.

- **Tim Hawkins**, previously Interim Director of Strategy & Regulation has moved to the new role of Director of Corporate Affairs and Partnerships.

In October, the company informed colleagues that after a long and productive period with headquarters in Bradford, YW will be relocating the operational support centre to a new site south of Leeds city centre in Summer 2026. This move will enable YW to improve the working environment, bring teams together in a single building to support collaboration, and maintain a location at the centre of Yorkshire, allowing for engagement with teams and attract people to join us from across the county.

4. Operational performance

The Spring and Summer months were exceptionally dry and hot, and on 12 June the Environment Agency officially declared Yorkshire as being in drought. Yorkshire Water is very grateful to customers who reduced their water consumption over the summer period. Together with the introduction of a Temporary Use Ban in July, this helped conserve water stocks with domestic customers using 10% less water over the summer. At the same time, YW teams have used the water grid to distribute water around Yorkshire, enabling the protection of supplies for the whole region and minimisation of harm to the environment.

As part of the AMP8 regulatory framework, Ofwat has established 24 Operational Delivery Incentive arrangements based around performance targets for individual water companies. YW is performing as expected in the vast majority of areas, but continues to need to improve on pollution, serious pollution and customer service.

YW has action plans in place to drive performance in these areas and it has been good to see early signs that these plans are delivering, with pollution incidents decreasing week-on-week towards the end of the six-month period, and customer satisfaction rising in the second quarter. Nevertheless, Yorkshire Water is clear that there remains significant work to do before being able to say that it has delivered on the commitment to achieve 'A Thriving Yorkshire: Right for Customers. Right for the Environment'.

The company has a firm focus on ensuring long-term resilience to drought. Overall leakage was reduced by 15% between 2020 and 2025, and YW is targeting a further 15% reduction by 2030. These activities are part of the YW long-term Water Resources Management Plan, which is reviewed and updated every five years to take account of changes in long-term supply and demand forecasts for water. The current plan is available to read on the YW website and includes borehole construction, improving raw water pipes and £34m to be invested over the next five years to introduce new resources and enhanced treatment works.

In October, Ofwat and the Environment Agency published reports about the performance of the water sector across a range of metrics. The reports highlighted a number of areas where Yorkshire Water's performance has fallen short of regulatory targets and requirements.

Ofwat's Performance Report assesses performance across the previous financial year across twelve key metrics. While YW performance improved in nine of the twelve performance areas during the course of the year, the company only met the regulator's performance target in four areas. This led to Yorkshire Water being categorized by Ofwat as a 'lagging' company.

The annual Environmental Performance Assessment, published by the Environment Agency, evaluates performance across the previous calendar year. Each company is awarded a star rating based on their performance with four stars meaning a company is industry leading. Yorkshire Water were a two star company for 2024, the same as in 2023.

5. Financial performance

The key financial performance indicators for the six months ended 30 September 2025 are as follows:

	Period ended 30 September 2025	Period ended 30 September 2024	Change
Revenue	£833.0m	£653.1m	27.5%
Operating costs	£(554.3)m	£(479.2)m	15.7%
Operating profit	£278.7m	£173.9m	60.3%
Profit after tax	£141.9m	£150.6m	(5.8)%
Adjusted profit[1]	£83.3m	£40.2m	107.2%
EBITDA[2]	£471.6m	£358.6m	31.5%

[1] *Adjusted profit (profit after tax adjusted for fair value derivative movements) is reconciled to profit before taxation in the appendix*

[2] *EBITDA (earnings before interest, tax, depreciation, amortisation, and exceptional items) is reconciled to profit before taxation in the appendix*

Revenue has increased by 27.5% to £833.0m (six month period ended 30 September 2024: £653.1m) which is a result of the higher price allowance for the first year of AMP8.

Operating costs have increased by 15.7% (from £479.2m to £554.3m). This is predominantly driven by growth in colleague headcount to support business activities, the impact of drought related expenditure and increased supply demand over the summer period, coupled with general inflationary cost pressures.

Consequently, operating profit for the period amounted to £278.7m, compared with £173.9m for the six months ended 30 September 2024.

Net interest payable rose to £156.0m (six month period ended 30 September 2024: £116.0m) driven partly by interest on new fixed rate debt issued in the period and partly by the impact of higher inflation rates on inflation linked bonds.

Excluded within EBITDA and adjusted profit after taxation is the net fair value movement on financial instruments of £78.1m credit (six month period ended

30 September 2024: £147.2m credit) which has largely arisen due to a non-cash decrease in the net liability valuation of inflation linked swaps.

YW is reporting a profit for the period of £141.9m, a decrease of 5.8% (six month period ended 30 September 2024: £150.6). This corresponds to an adjusted profit of £83.3m (six month period ended 30 September 2024: £40.2m).

6. Director and Leadership Team changes

There has been a number of Director and Leadership Team changes during the period.

- Paul Inman retired from his role as CFO at YW, leaving the business on 31 May 2025.

- Martin Gee was appointed as the CFO of YW on 1 June 2025. Martin joined YW from Lanes Group, where he held roles as both COO and CFO, having previously worked in various finance roles within United Utilities for over 18 years. Martin brings strong financial, operational and infrastructure experience to the Board and is a member of the Institute of Chartered Accountants in England and Wales.

- One of our investors directors, Russ Houlden, stepped down from the Board in June 2025, following a change of fund management for one of our ultimate shareholders. Russ has brought much sector expertise to the business and made a significant contribution to our PR24 Business Plan, for which we are very grateful.

- Nicola Medalova joined the Board of YW as an Independent Non-Executive Director in September 2025. Nicola is a director at National Grid, having worked with them since 2007 in various roles. Most recently she was in New England as the Chief Operating Officer, covering parts of the USA and Canada. She is an engineer by background and a Chartered Environmental Health Officer. Nicola brings significant experience of engineering, utilities, and environmental protection to the Board.

- Ray O'Toole rejoined the Board of YW as a Non-Executive Director in September 2025, having previously been an Independent Non-Executive Director for Yorkshire Water from June 2014 to July 2023.

Following the period end, Imran Patel, Group Director of Customer Experience decided to move on. YW is grateful to Imran for the contribution that he has made to the business. Additionally, as described above, changes to internal structures to improve planning and delivery processes have included the addition of new members to the executive team.

7. Permitted Subsidiaries acquired pursuant to a Permitted Acquisition

There were no Permitted Subsidiaries acquired pursuant to a Permitted Acquisition during six months to 30 September 2025.

8. Regulated capital investment

Capital expenditure in the six month period to 30 September 2025 was in line with management expectation at £395.8m (six month period ended 30 September 2024 £404.3m). Approximately 85% of AMP8 projects are now in design or delivery, including 100% in relation to storm overflow investment.

9. Outsourcing

YW continues to monitor and comply with its Outsourcing Policy as detailed under the CTA which states, amongst other things, that YW will act as reasonably prudent water and sewerage undertaker and in accordance with good industry practice.

10. Financing

The Company received net proceeds from £700m sustainability bond issuances in July 2025, with £375m maturing in 2033 and £325m in 2040.

As noted in the previous Investor Report, during July 2025 the Company entered into new RPI to CPI swaps with a notional value of £600m, maturing in 2030, to hedge basis risk exposure on RCV indexation. Total RPI to CPI/CPIH hedging undertaken by the Company amounts to £1,250m.

Also during July 2025 the Company entered into a new fixed to floating interest rate swap with a notional value of £1bn, maturing in 2026, which has the impact of fixing the floating receive legs of the Company's inflation linked swaps. Consequently the current level of fixed and inflation linked debt held by the Company has reduced to approximately 105%.

Sustainable Finance

YW launched its Sustainable Finance Framework (the Framework) in January 2019 and subsequently published an updated version in November 2023. Since launch the Company has raised £3.35bn in sustainability loans and bonds from the platform. The majority of YW's debt will continue to be issued in accordance with the framework.

The Allocation Report for the Framework for the year ended 31 March 2025 was released during October 2025. The key information contained within the

Allocation Report is assured by a third party, DNV Business Assurance Services UK Limited.

Derivatives Portfolio

YW has the following portfolios of derivatives at 30 September 2025 (excluding energy swaps):

Swap Type	Notional Value	MtM	Fair Value	Hedging	Designated Hedge
Inflation Linked	£1,088.6m	£(1,437.4)m	£(1,134.2)m[1]	Inflation linked income	No
RPI to CPI	£1,250.0m	£(4.9)m	£(4.6)m	Inflation basis risk	No
Fixed to Floating Interest Rate	£1,000.0m	£(1.7)m	£(1.7)m	Fixed debt	No
Fixed to Floating Interest Rate	£430.0m	£(27.9)m	£(27.0)m	Fixed rate bonds	Yes
Floating to Fixed Interest Rate	£45.0m	£(3.9)m	£(3.8)m	N/A[2]	No
	Total	**£(1,475.8)m**	**£(1,171.3)m**		

[1] *Fair Value of Inflation Linked swaps includes net assets of £58.8m unamortised 'day one' deferred losses arising from historic restructures*

[2] *Floating to Fixed Interest Rate swaps are legacy instruments that economically hedged early repaid finance leases*

At 30 September 2025, the total Mark to Market (MtM) was £(1,475.8)m, reflecting a reduction of £4.6m since the valuation of £(1,480.4)m at 31 March 2025.

Derivatives are held with eligible counterparties in accordance with the CTA's Hedging Policy.

The maturity profile of the non-inflation linked portfolios is:

RPI to CPI Swaps (no breaks)	Notional Value	MtM
by Maturity		
2030	£1,250.0m	£(4.9)m
Total RPI to CPI/(H) swaps	**£1,250.0m**	**£(4.9)m**

Interest Rate Swaps (no breaks)	Notional Value	MtM
by Maturity		
2026[1]	£1,000.0m	£(1.7)m
2029[2]	£340.0m	£(20.0)m
2030[3]	£20.0m	£(1.8)m
2032[3]	£25.0m	£(2.1)m
2033[2] (Class B)	£90.0m	£(7.9)m
Total £ vanilla swaps	**£1,475.0m**	**£(33.5)m**

[1] *Fixed to Floating – Not Designated Hedges*
[2] *Fixed to Floating – Designated Hedges*
[3] *Floating to Fixed – Not Designated Hedges*

The maturity profile of the inflation linked portfolio is:

Break Date	Maturity Date	Notional	MtM	Accretion
None				
	2038	£144.5m	£(132.6)m	£(138.3)m
	2041	£15.4m	£(18.3)m	£(19.3)m
	2043	£318.6m	£(428.4)m	£(376.0)m
	2048	£225.5m	£(334.0)m	£(345.6)m
	2063	£115.5m	£(289.0)m	£(105.7)m
		£819.6m	*£(1,202.4)m*	*£(984.9)m*
2028				
	2043	£57.4m	£(74.2)m	£(53.4)m
	2048	£7.2m	£(7.8)m	£(9.1)m
	2058	£22.6m	£(36.0)m	£(26.1)m
	2063	£23.0m	£(39.8)m	£(27.5)m
		£110.2m	*£(157.8)m*	*£(116.1)m*
2030				
	2038	£19.4m	£(3.6)m	£(16.9)m
	2043	£31.3m	£(1.0)m	£(27.9)m
	2048	£41.0m	£3.2m	£(36.3)m
	2058	£12.8m	£2.8m	£(11.1)m
	2063	£13.0m	£5.5m	£(11.3)m
		£117.5m	*£6.8m*	*£(103.4)m*
2033				
	2048	£5.1m	£(11.4)m	£(8.1)m
	2058	£18.0m	£(34.4)m	£(32.8)m
	2063	£18.2m	£(38.3)m	£(35.6)m
		£41.3m	*£(84.1)m*	*£(76.5)m*
		£1,088.6m	**£(1,437.4)m**	**£(1,281.0)m**

Inflation Linked Swaps (ILS)

YW's portfolio of ILS has the following cash flow characteristics:

1) YW pays semi-annual coupons linked to movements in RPI; and
2) YW receives semi-annual Sterling Overnight Index Average (SONIA) linked coupons; and
3) YW pays RPI-linked accretion on maturity (bullet); or
4) YW pays RPI-linked accretion at specific intervals, known as pay as you go (PAYG).

At 30 September 2025, the total MtM of ILS was £(1,437.4)m, of which £(1,281.0)m (89.1%) represented the present value of forecast accretion payments calculated with reference to prevailing market rates. Historical unpaid accretion to date on ILS's is reported in YW's statutory financial statements and included as indebtedness when calculating gearing for covenants reported under the Finance Documents.

The ratio of ILS MtM to RCV was 14.4% at 31 March 2025, down from 15.2% at 31 March 2025.

Commodity Price Risk

YW is exposed to commodity price risk, especially energy prices. The risk is managed by fixing contract prices where possible and operating within an energy purchasing policy designed to manage price volatility risk. As at the date of this report, YW has fully hedged forecast baseload wholesale energy requirements for AMP8 through a combination of forward commodity hedges, financial energy swaps and forecast self generation. YW leaves up to an additional 10% of the total purchased electricity volume to the Day Ahead index to make allowances for variations in volume due to operational factors.

11. Ratings

YW and its financing subsidiaries have credit ratings assigned by three rating agencies, Fitch Ratings (Fitch), Moody's Investors Service (Moody's) and S&P Global Ratings (S&P). The latest published ratings in relation to the YWFG are shown in the table below:

Rating Agency	Class A rating	Class B rating	Outlook	Date of latest publication
Fitch	BBB+	BBB-	Stable	April 2025
Moody's	Baa2	Ba1	Stable	February 2025
S&P Global	BBB+	BBB-	Stable	February 2025

There were no changes to the credit ratings in the six months ended 30 September 2025.

The credit ratings reports for all three of the ratings agencies that assign credit ratings to the YWFG can be found within the Investors section of the Kelda Group website at www.keldagroup.com.

12. Surplus

YW has a dividend policy, in compliance with Condition P30 of it's Instrument of Appointment, that requires that distributions will only be made after an appropriate financial resilience analysis has been undertaken, that dividends will be adjusted to reflect and recognise company performance and benefit sharing from service and efficiency performance. The policy ensures that delivery for customers and the environment is not just considered but factored into any amounts that are to be paid out as dividends.

When approving dividends to be paid in a financial year, the Board assesses both company performance to date and that which is expected for the whole of the AMP. As such, dividend payments are considered within the longer-term context of the business and not just on the basis of the previous 12 months. There is explicit consideration of the ability of the business to be able to deliver into the future.

The company's approach to recommending the dividend included the following steps:

- Determining an appropriate base dividend level reflecting the company's actual capital structure;

- Applying an 'in-the-round' adjustment to reflect the wider considerations required by our dividend policy and Condition P30; and

- Ensuring that the company remains financially resilient and that there are sufficient profits available for distribution in the foreseeable future.

During the six month period to 30 September 2025, YW paid dividends totalling £42.6m (2024 £37.5m), equating to a dividend yield of approximately 1.5% based on regulatory equity at 30 September 2025. All dividends paid during the year were compliant with the current Board approved dividend policy and Condition P30.

None of the dividends in the current year were paid to the shareholders of Kelda Holdings Limited (2024: £nil), YW's ultimate parent company, as they continue to support the company's financial resilience and improvement plan.

13. Bank and liquidity facilities held by the YWFG

YWFG had a combination of cash and committed undrawn revolving credit facilities totalling £1,524.2m at 30 September 2025. This comprised £710.0m undrawn revolving credit facilities and £814.2m of cash and bank deposits. The cash and bank deposits balance comprised £809.3m Authorised Investments and £4.9m operating bank account balances.

At 30 September 2025, no amounts were drawn on either the Company's £630.0m RCF or the £80.0m committed credit facility.

At 30 September 2025, no amounts were drawn against the YWFG standby credit facilities, being the £148.5m O&M liquidity facility and £220.0m DSR liquidity facility.

14. Non-Participating YWSF Bond Reserve

The balance on the Non-Participating YWSF Bond Reserve at 30 September 2025 was £0.6m.

15. Authorised Investments

Authorised Investments at 30 September 2025 totalled £809.3m. This comprised £495.5m invested in various AAA rated low volatility net asset value money market funds, £313.2m on term deposit with A rated or above relationship banks and £0.6m on term deposit with an A rated bank standing to the credit of the Non-Participating YWSF Bond Reserve. Term deposits totalling £97.8m with initial maturity periods of six month at placement had between three month to four months to maturity at 30 September 2025, with all other term deposits having a maturity of less than three months.

16. Ratios

The YWFG confirms that in respect of the Calculation Date on 30 September 2025, by reference to the most recent financial statements that the YWFG is obliged to deliver in accordance with Paragraph 1 (Financial Statements) of Part 1 (Information Covenants) of Schedule 4 (Covenants) to the Common Terms Agreement, the Ratios are as detailed in the tables below.

Date	30/09/2025 Actual	31/03/2026 Forecast	31/03/2027 Forecast	31/03/2028 Forecast	31/03/2029 Forecast	31/03/2030 Forecast
Class A RAR	70.7%	69.8%	66.3%	66.4%	66.0%	64.7%
Senior RAR	74.2%	73.3%	69.5%	69.4%	68.9%	67.3%

Test Period	31/03/2026 Forecast	31/03/2027 Forecast	31/03/2028 Forecast	31/03/2029 Forecast	31/03/2030 Forecast
Class A ICR	4.36x	4.07x	4.29x	3.91x	4.09x
Class A Adjusted ICR	4.36x	4.07x	4.29x	3.91x	4.09x
Senior Adjusted ICR	4.04x	3.85x	4.08x	3.75x	3.93x
Class A Average Adjusted ICR	4.24x	4.09x	4.10x	4.10x	4.10x
Senior Average Adjusted ICR	3.99x	3.89x	3.92x	3.92x	3.92x
Conformed Class A Adjusted ICR	1.57x	1.83x	2.05x	1.95x	2.14x
Conformed Senior Adjusted ICR	1.46x	1.73x	1.95x	1.87x	2.06x
Conformed Class A Average Adjusted ICR	1.82x	1.94x	2.05x	2.05x	2.05x
Conformed Senior Average Adjusted ICR	1.71x	1.85x	1.96x	1.96x	1.96x
Re-profiled Class A ICR	4.36x	4.07x	4.29x	3.91x	4.09x
Re-profiled Class A Adjusted ICR	1.57x	1.83x	2.05x	1.95x	2.14x
Re-profiled Senior Adjusted ICR	1.46x	1.73x	1.95x	1.87x	2.06x
Re-profiled Class A Average Adjusted ICR	1.82x	1.94x	2.05x	2.05x	2.05x
Re-profiled Senior Average Adjusted ICR	1.71x	1.85x	1.96x	1.96x	1.96x

The YWFG confirms that each of the above ratios has been calculated in respect of each of the relevant periods for which it is required under the CTA and has not breached the Trigger Event Ratio Levels and has not caused

Paragraph 17 (Ratios) of Part 2 (Events of Default - Non-YWH) of Schedule 6 (Events of Default) to the CTA to be breached.

For information, the computations of the ratios are shown on the following pages.

Test Period Class A and Adjusted ICR		31/03/2026 Forecast	31/03/2027 Forecast	31/03/2028 Forecast	31/03/2029 Forecast	31/03/2030 Forecast
Net Cash Flow divided by	£m	745.6	944.2	1,082.5	1,204.2	1,329.8
Class A Debt Interest	£m	170.9	232.2	252.5	307.8	324.8
Class A ICR	**times**	**4.36**	**4.07**	**4.29**	**3.91**	**4.09**
Net Cash Flow	£m	745.6	944.2	1,082.5	1,204.2	1,329.8
Less CCD and IRC	£m	0.0	0.0	0.0	0.0	0.0
Adjusted Cash Flow divided by	£m	745.6	944.2	1,082.5	1,204.2	1,329.8
Class A Debt Interest	£m	170.9	232.2	252.5	307.8	324.8
Class A Adjusted ICR	**times**	**4.36**	**4.07**	**4.29**	**3.91**	**4.09**
Net Cash Flow	£m	745.6	944.2	1,082.5	1,204.2	1,329.8
Less CCD and IRC	£m	0.0	0.0	0.0	0.0	0.0
Adjusted Cash Flow divided by	£m	745.6	944.2	1,082.5	1,204.2	1,329.8
Senior Debt Interest	£m	184.5	245.1	265.5	321.1	338.0
Senior Adjusted ICR	**times**	**4.04**	**3.85**	**4.08**	**3.75**	**3.93**
Year 1 Class A Average Adjusted ICR	times	4.36	4.07	4.29	4.29	4.29
Year 2 Class A Average Adjusted ICR	times	4.07	4.29	3.91	3.91	3.91
Year 3 Class A Average Adjusted ICR	times	4.29	3.91	4.09	4.09	4.09
Class A Average Adjusted ICR	**times**	**4.24**	**4.09**	**4.10**	**4.10**	**4.10**
Year 1 Senior Average Adjusted ICR	times	4.04	3.85	4.08	4.08	4.08
Year 2 Senior Average Adjusted ICR	times	3.85	4.08	3.75	3.75	3.75
Year 3 Senior Average Adjusted ICR	times	4.08	3.75	3.93	3.93	3.93
Senior Average Adjusted ICR	**times**	**3.99**	**3.89**	**3.92**	**3.92**	**3.92**

Test Period Conformed ICR		31/03/2026 Forecast	31/03/2027 Forecast	31/03/2028 Forecast	31/03/2029 Forecast	31/03/2030 Forecast
Net Cash Flow	£m	745.6	944.2	1,082.5	1,204.2	1,329.8
Less RCV run off (Depreciation)	£m	(476.8)	(519.3)	(564.3)	(605.0)	(634.1)
Less IRE not already deducted in the calculation of Net Cash Flow or Depreciation	£m	0.0	0.0	0.0	0.0	0.0
Fast/Slow Adjustment	£m	0.0	0.0	0.0	0.0	0.0
Adjusted Cash Flow divided by	£m	268.9	425.0	518.1	599.3	695.7
Class A Debt Interest	£m	170.9	232.2	252.5	307.8	324.8
Conformed Class A Adjusted ICR	**times**	**1.57**	**1.83**	**2.05**	**1.95**	**2.14**
Net Cash Flow	£m	745.6	944.2	1,082.5	1,204.2	1,329.8
Less RCV run off (Depreciation)	£m	(476.8)	(519.3)	(564.3)	(605.0)	(634.1)
Less IRE not already deducted in the calculation of Net Cash Flow or Depreciation	£m	0.0	0.0	0.0	0.0	0.0
Fast/Slow Adjustment	£m	0.0	0.0	0.0	0.0	0.0
Adjusted Cash Flow divided by	£m	268.9	425.0	518.1	599.3	695.7
Senior Debt Interest	£m	184.5	245.1	265.5	321.1	338.0
Conformed Senior Adjusted ICR	**times**	**1.46**	**1.73**	**1.95**	**1.87**	**2.06**
Year 1 Conformed Class A Average Adjusted ICR	times	1.57	1.83	2.05	2.05	2.05
Year 2 Conformed Class A Average Adjusted ICR	times	1.83	2.05	1.95	1.95	1.95
Year 3 Conformed Class A Average Adjusted ICR	times	2.05	1.95	2.14	2.14	2.14
Conformed Class A Average Adjusted ICR	**times**	**1.82**	**1.94**	**2.05**	**2.05**	**2.05**

Test Period Conformed ICR		31/03/2026 Forecast	31/03/2027 Forecast	31/03/2028 Forecast	31/03/2029 Forecast	31/03/2030 Forecast
Year 1 Conformed Senior Average Adjusted ICR	times	1.46	1.73	1.95	1.95	1.95
Year 2 Conformed Senior Average Adjusted ICR	times	1.73	1.95	1.87	1.87	1.87
Year 3 Conformed Senior Average Adjusted ICR	times	1.95	1.87	2.06	2.06	2.06
Conformed Senior Average Adjusted ICR	**times**	**1.71**	**1.85**	**1.96**	**1.96**	**1.96**

Test Period Re-profiled Class A ICR		31/03/2026 Forecast	31/03/2027 Forecast	31/03/2028 Forecast	31/03/2029 Forecast	31/03/2030 Forecast
Net Cash Flow	£m	745.6	944.2	1,082.5	1,204.2	1,329.8
Profiling (Revenue Re-profiling) Adjustment	£m					
Re-profiled Net Cash Flow	£m	745.6	944.2	1,082.5	1,204.2	1,329.8
Class A Debt Interest	£m	170.9	232.2	252.5	307.8	324.8
Re-profiled Class A ICR	**times**	**4.36**	**4.07**	**4.29**	**3.91**	**4.09**
Net Cash Flow	£m	745.6	944.2	1,082.5	1,204.2	1,329.8
Less Depreciation (RCV run off)	£m	(476.8)	(519.3)	(564.3)	(605.0)	(634.1)
Less IRE not already deducted in the calculation of Net Cash Flow or Depreciation	£m	0.0	0.0	0.0	0.0	0.0
Fast/Slow (PAYG) Adjustment	£m	0.0	0.0	0.0	0.0	0.0
Profiling (Revenue Re-profiling) Adjustment	£m	0.0	0.0	0.0	0.0	0.0
Re-profiled Adjusted Net Cash Flow divided by	£m	268.9	425.0	518.1	599.3	695.7
Class A Debt Interest	£m	170.9	232.2	252.5	307.8	324.8
Re-profiled Class A Adjusted ICR	**times**	**1.57**	**1.83**	**2.05**	**1.95**	**2.14**

Test Period Re-profiled Class A ICR		31/03/2026 Forecast	31/03/2027 Forecast	31/03/2028 Forecast	31/03/2029 Forecast	31/03/2030 Forecast
Net Cash Flow	£m	745.6	944.2	1,082.5	1,204.2	1,329.8
Less Depreciation (RCV run off)	£m	(476.8)	(519.3)	(564.3)	(605.0)	(634.1)
Less IRE not already deducted in the calculation of Net Cash Flow or Depreciation	£m	0.0	0.0	0.0	0.0	0.0
Fast/Slow (PAYG) Adjustment	£m	0.0	0.0	0.0	0.0	0.0
Profiling (Revenue Re-profiling) Adjustment	£m	0.0	0.0	0.0	0.0	0.0
Re-profiled Adjusted Net Cash Flow divided by	£m	268.9	425.0	518.1	599.3	695.7
Senior Debt Interest	£m	184.5	245.1	265.5	321.1	338.0
Re-profiled Senior Adjusted ICR	**times**	**1.46**	**1.73**	**1.95**	**1.87**	**2.06**
Year 1 Re-profiled Class A Average Adjusted ICR	times	1.57	1.83	2.05	2.05	2.05
Year 2 Re-profiled Class A Average Adjusted ICR	times	1.83	2.05	1.95	1.95	1.95
Year 3 Re-profiled Class A Average Adjusted ICR	times	2.05	1.95	2.14	2.14	2.14
Re-profiled Class A Average Adjusted ICR	**times**	**1.82**	**1.94**	**2.05**	**2.05**	**2.05**
Year 1 Re-profiled Senior Average Adjusted ICR	times	1.46	1.73	1.95	1.95	1.95
Year 2 Re-profiled Senior Average Adjusted ICR	times	1.73	1.95	1.87	1.87	1.87
Year 3 Re-profiled Senior Average Adjusted ICR	times	1.95	1.87	2.06	2.06	2.06
Reprofiled Senior Average Adjusted ICR	**times**	**1.71**	**1.85**	**1.96**	**1.96**	**1.96**

Test Period Gearing		30/09/2025 Actual	31/03/2026 Forecast	31/03/2027 Forecast	31/03/2028 Forecast	31/03/2029 Forecast	31/03/2030 Forecast
Class A debt	£m	7,851.2	7,896.0	7,922.2	8,728.4	9,230.1	9,757.4
Less Cash balances	£m	(813.6)	(654.3)	(400.0)	(575.0)	(600.0)	(1,000.0)
Class A Net Debt	£m	7,037.6	7,241.7	7,522.2	8,153.4	8,630.1	8,757.4
Class B debt	£m	355.3	356.9	363.0	369.8	377.1	340.0
Senior Net Debt	£m	7,392.9	7,598.6	7,885.2	8,523.2	9,007.2	9,097.4
Regulatory Capital Value (RCV)	£m	9,959.7	10,370.8	11,344.9	12,274.6	13,077.5	13,525.6
Class A RAR	**%**	**70.7%**	**69.8%**	**66.3%**	**66.4%**	**66.0%**	**64.7%**
Senior RAR	**%**	**74.2%**	**73.3%**	**69.5%**	**69.4%**	**68.9%**	**67.3%**

Under the terms of the CTA, Compliance Certificates are completed for the whole YWFG and therefore certain adjustments that are required to be made to the financial information contained within YW's financial statements when calculating the current period ratios as reported in the above tables. The tables below detail these adjustments.

Net debt	Reference	30/09/2025 Actual
		£m
YWS net debt at 30 September 2025	Note 5 to YWS's Interims	6,217.7
Net amounts owed from group companies	Note 5 to YWS's Interims	437.2
Fair value adjustment to amounts owed to subsidiary companies	Note 5 to YWS's Interims	26.1
Unamortised issue costs	Note 5 to YWS's Interims	132.5
Intercompany loans to / (from) other members of the YWFG that reverse on consolidation	Note 5 to YWS's Interims	(6.4)
RPI-accretion accrued on swaps	Note 7 to YWS's Interims	586.7
Yorkshire Water Finance Plc cash at bank		(0.9)
Senior Net Indebtedness		**7,392.9**
of which Class A Net Indebtedness		***7,037.6***

The YWFG certifies that on 30 September 2025 the Annual Finance Charge for the twelve months to 30 September 2026 is forecast at £193.4m. Excess Funds of £42.9m were held in the Debt Service Payment Account (DSP Account) as at 31 March 2025. Monthly Payment Amounts totalling £82.2m were credited to the DSP Account in the six months ended 30 September 2025. Therefore, the Monthly Payment Amount is forecast at £11.4m for the remaining six months of the year to 31 March 2026.

This Investors Report also confirms that:

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

(b) that YW's insurances are being maintained in accordance with:

    (i) the CTA; and

    (ii) the provisions of the Finance Leases.

Yours faithfully

For and on behalf of
Yorkshire Water Services Limited

Martin Gee
Chief Financial Officer

For and on behalf of
Yorkshire Water Services Finance Limited

Martin Gee
Director

For and on behalf of
Yorkshire Water Finance Plc

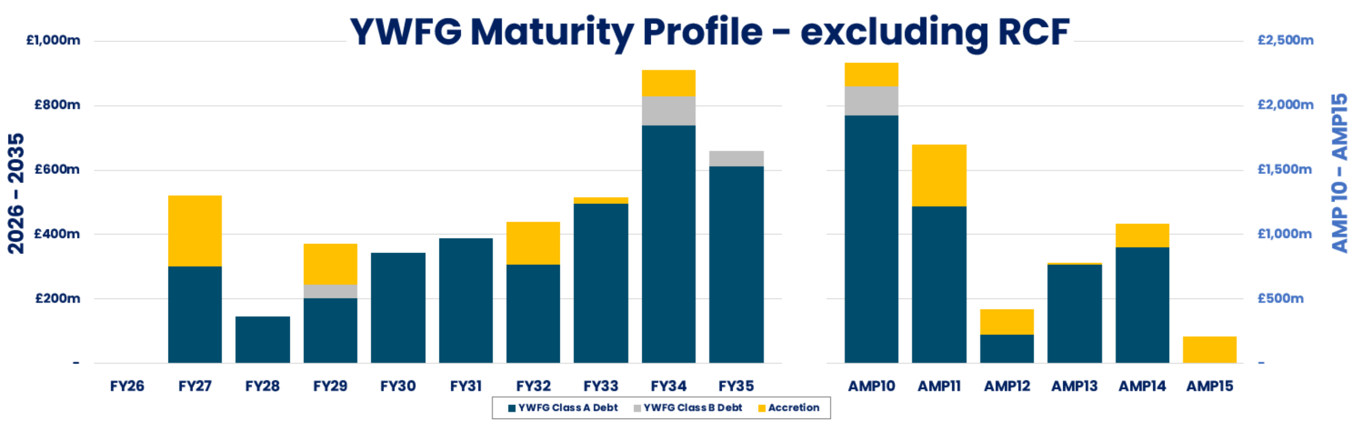
Martin Gee
Director

17. Appendix

17.1 YWFG Capital Structure at 30 September 2025

*Source: Management analysis as at 30 September 2025. * Outstanding at time of issue.*

17.2 YWFG Debt Maturity Profile at 30 September 2025



Source: Management analysis as at 30 September 2025

1. Proforma analysis assuming long term CPI and RPI at 2%
2. Includes existing and forecast inflation on IL Bonds and IL Swaps through to maturity (assumes mandatory breaks are managed)
3. Excludes amounts drawn on committed bank and liquidity facilities

Note: The above is not representative of Financial Indebtedness as calculated in accordance with Schedule 4 Covenants, Part 3 General Covenants, Clause 11 Financial Indebtedness of the Common Terms Agreement

17.3 Reconciliations to EBITDA and Adjusted profit

Earnings before interest, tax, depreciation and amortisation (EBITDA)

EBITDA is calculated as follows:

	Period ended 30 September 2025 £m	Period ended 30 September 2024 £m
Profit before taxation	**200.8**	205.1
Add back net interest payable	**156.0**	116.0
Deduct fair value movements	**(78.1)**	(147.2)
Operating profit	**278.7**	173.9
Add back depreciation and impairment	**160.3**	158.1
Add back amortisation of intangible assets	**32.6**	26.6
EBITDA	**471.6**	358.6

Adjusted profit after taxation

Adjusted profit after taxation excludes fair value derivative movements. This excludes volatile balances and provides a more stable view of profitability to management.

Adjusted profit for the period is calculated as follows:

	Period ended 30 September 2025 £m	Period ended 30 September 2024 £m
Profit before taxation	**200.8**	205.1
Deduct fair value movements	**(78.1)**	(147.2)
Adjusted profit before the effects of taxation	**122.7**	57.9
Effects of taxation*	**(39.4)**	(17.7)
Adjusted profit after taxation	**83.3**	40.2

* Effects of taxation represents the total tax charge (current and deferred tax) on adjusted profit before the effects of taxation. This is calculated by adjusting the total tax charge included in the profit and loss account as shown in the Financial Statements for the deferred tax associated with the fair value movements items noted above.

Contact Details

For further information regarding this Investors Report please contact:

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YorkshireWater