

THIS ANNOUNCEMENT RELATES TO THE DISCLOSURE OF INFORMATION THAT QUALIFIED OR MAY HAVE QUALIFIED AS INSIDE INFORMATION WITHIN THE MEANING OF ARTICLE 7(1) OF THE MARKET ABUSE REGULATION (EU) 596/2014, AS AMENDED BY THE MARKET ABUSE (AMENDMENT) (EU EXIT) REGULATIONS 2019 (SI 2019/310) (“MAR”), AS IT FORMS PART OF UK DOMESTIC LAW (“UK MAR”) BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018, ENCOMPASSING INFORMATION RELATING TO THE CONSENT SOLICITATIONS AND THE PROPOSALS DESCRIBED BELOW.



ANGLIAN WATER (OSPREY) FINANCING PLC

(incorporated with limited liability under the laws of England and Wales under registered number 7476767)

(Legal Entity Identifier: 21380072JDZ74GW9ZY87)

announces the Consent Solicitations in relation to the Series of Notes (listed in the table below) issued by it pursuant to its £10,000,000,000¹

Guaranteed Secured Medium Term Note Programme

unconditionally and irrevocably guaranteed by

OSPREY ACQUISITIONS LIMITED

(incorporated with limited liability under the laws of England and Wales under registered number 5915896)

(“OAL”)

Issuer	ISIN	Description	Principal amount outstanding ⁽¹⁾
Anglian Water (Osprey) Financing Plc	XS1223283091	£210,000,000 5.00 per cent. Guaranteed Secured Fixed Rate Notes due 30 April 2023 unconditionally and irrevocably guaranteed by OAL (“2023 Notes”)	£210,000,000
Anglian Water (Osprey) Financing Plc	XS1732478000	£240,000,000 4.00 per cent. Guaranteed Secured Notes due March 2026 unconditionally and irrevocably guaranteed by OAL (“2026 Notes”)	£240,000,000

(the 2023 Notes and the 2026 Notes together, the “Notes” and each a “Series”)

(1) No Notes of any Series are owned or controlled, directly or indirectly, by the Issuer.

London, 16 August 2021

Anglian Water (Osprey) Financing Plc (the “Issuer”) today announces invitations to holders of the outstanding Notes in each Series to consent to, *in respect of each Series of Notes*: (i) the migration of the Notes from the existing financing platform to the Issuer and OAL’s recently established ring-fenced investment grade financing platform (the “Migration Proposal”) and to make changes to the Trust Deed (including to the Conditions of the Notes) in order to effect such Migration Proposal, and (ii) the submission by the Issuer of a request to Moody’s Investors Service Limited (“Moody’s”) to discontinue rating the respective Series of Notes (the “Ratings Proposal”, and together with the Migration Proposal, the

¹ Please note that the programme size was £1,000,000,000 at the time of the issuance of the Notes and this has subsequently been increased to £10,000,000,000.

“Proposals” and each a **“Proposal”**), each by way of approving a separate extraordinary resolution in respect of each Proposal (each an **“Extraordinary Resolution”**), all as further described in the Consent Solicitation Memorandum prepared by the Issuer dated 16 August 2021 (the **“Consent Solicitation Memorandum”** and each such invitation in respect of a Series, a **“Consent Solicitation”** and together, the **“Consent Solicitations”**). Capitalised terms used in this announcement and not otherwise defined shall have the meanings given to them in the Consent Solicitation Memorandum.

Participation Fee

Pursuant to each Consent Solicitation, in respect of each Series, each Noteholder who submits a valid Consent Instruction or a valid Ineligible Noteholder Instruction voting in favour of or against the Extraordinary Resolution relating to the Migration Proposal and which is validly received by the Tabulation Agent by the Expiration Deadline will be eligible, subject to the further terms set out herein and in the Consent Solicitation Memorandum, to receive a payment of 0.05 per cent. of the Outstanding Principal Amount of Notes of such Series that is the subject of the relevant valid Consent Instruction or valid Ineligible Noteholder Instruction (in the case of Eligible Noteholders, the “**Participation Fee**”). An amount equivalent to the relevant Participation Fee will be paid to the relevant Ineligible Noteholders on the terms, and subject to the conditions as further described in the Consent Solicitation Memorandum (the “**Ineligible Noteholder Fee**”). A separate Consent Instruction (or Ineligible Noteholder Instruction) should be delivered by a Noteholder in respect of its holding in each Series of Notes (if applicable).

In this announcement, any references to “Participation Fee” should, in the context of Ineligible Noteholders, be construed as references to “Ineligible Noteholder Fee”. However, further details on the Ineligible Noteholder Fee are set out in the section entitled “*Annexure – Form of Notice of Meetings*” in the Consent Solicitation Memorandum.

Each Consent Solicitation is expected to expire at 4:00 p.m. (London time) on 2 September 2021 (such time and date with respect to each Series, as the same may be extended or amended, the “**Expiration Deadline**”).

In respect of each Series, payment of the relevant Participation Fee or Ineligible Noteholder Fee, as applicable, is subject to (i) delivery of a valid Consent Instruction by an Eligible Noteholder or a valid Ineligible Noteholder Instruction by an Ineligible Noteholder in favour of or against the Extraordinary Resolution relating to the Migration Proposal and which is validly received by the Tabulation Agent by the Expiration Deadline and not revoked (in the limited circumstances in which such revocation is permitted), (ii) the Consent Conditions relating to the Migration Proposal having been satisfied, and (iii) the other terms as set out in the Consent Solicitation Memorandum.

Payment of the relevant Participation Fee or Ineligible Noteholder Fee in respect of a Consent Solicitation of a particular Series is not conditional on the approval of: (i) the Ratings Proposal in respect of such Series, or (ii) any Extraordinary Resolution in respect of the other Series of Notes.

Furthermore, in respect of each Series, implementation of the Proposed Amendments/Instructions with regards to the Migration Proposal and the Ratings Proposal are not conditional upon each other.

The Issuer will pay the relevant Participation Fee to the relevant Noteholders by no later than the fifth Business Day following the announcement of the satisfaction of the Consent Conditions relating to the Migration Proposal.

Background to the Consent Solicitations

A. Background to Migration Proposal

Each Series of Notes was issued pursuant to the £10,000,000,000² guaranteed secured medium term note programme established by the Issuer (the “**Programme**”). The intercreditor arrangements between the

² Please note that the programme size was £1,000,000,000 at the time of the issuance of the Notes and this has subsequently been increased to £10,000,000,000.

existing secured creditors of the Issuer (including the Noteholders) (the “**Existing Secured Creditors**”) prior to the establishment of the New Financing Platform (as defined below) are governed by the amended and restated intercreditor agreement dated 6 January 2011 between *inter alios* the Issuer, OAL, the existing security trustee and the existing note trustee (the “**Existing Financing Platform**”).

On 16 June 2021, the Issuer, OAL and Osprey Investco Limited (“**OIL**” and together with OAL, the “**Guarantors**”) established a new secured common debt platform (the “**New Financing Platform**”). The Issuer and the Guarantors also entered into the following documents in relation to the New Financing Platform, each dated 16 June 2021, which set out the framework under which the Guarantors and the Issuer may raise debt and contain common representations, warranties, covenants and events of default, as well as intercreditor arrangements:

- (a) the security trust and intercreditor deed (the “**STID**”);
- (b) the common terms agreement (the “**CTA**”);
- (c) the account bank agreement (the “**ABA**”);
- (d) the master definitions agreement (the “**MDA**”); and
- (e) the MidCo Obligors Security Agreement (the “**MidCo Obligors Security Agreement**”, together with the STID, the CTA, the ABA and the MDA, the “**Common Debt Documents**”).

On 16 June 2021, the Issuer announced that it would like to offer the Noteholders an opportunity to move to the New Financing Platform. As such, the Issuer proposes pursuant to the Consent Solicitations, by way of separate Extraordinary Resolutions, to amend the Conditions of each Series of Notes to allow the Noteholders to benefit from the New Financing Platform, including the common representations and warranties, covenants and events of default package, the intercreditor arrangements under the STID and the security created under the MidCo Obligors Security Agreement. The commercial terms of the Notes, including coupon, maturity date and other commercial terms in the applicable final terms for each Series of Notes would remain the same.

B. Background to Ratings Proposal

The Notes are currently rated Ba1 by Moody’s Investors Service Limited (“**Moody’s**”) and BBB- by Fitch Ratings Ltd (“**Fitch**”). Given the sub-investment grade level of Moody’s rating, the Issuer is launching the Ratings Proposal following feedback from certain Noteholders that they would prefer that the rating of the Notes by Moody’s is withdrawn and discontinued. As part of its policy on ratings, Moody’s has informed the Issuer that although it cannot commit to the withdrawal and discontinuance of its rating of the Notes, it will take into account any instruction the Issuer receives from the Noteholders in deciding whether to continue to rate the Notes until their maturity.

With this in mind, the Issuer wishes to provide the Noteholders of each Series the opportunity to vote on whether they wish for the Moody’s rating applicable to the respective Series of Notes to be withdrawn and discontinued. Should the Ratings Proposal pass in respect of a particular Series, the Issuer will inform Moody’s that this is the case and request that Moody’s considers withdrawing and discontinuing its rating in respect of that Series. Notwithstanding the approval (if it is so approved) of the Ratings Proposal by way of Extraordinary Resolution at the relevant Meeting, there can be no assurance from any person that Moody’s will in fact withdraw and discontinue their rating of that Series, and notwithstanding the outcome of the Extraordinary Resolution in respect of the Ratings Proposal, Moody’s may continue to rate the Notes (or a Series of Notes) until their maturity date(s) irrespective of the outcome of the Extraordinary Resolution in respect of the Ratings Proposal for each Series.

Consent Conditions

In respect of each Extraordinary Resolution of a Series of Notes, the implementation of the Proposed Amendments/Instructions

will be conditional on:

- (a) the relevant Consent Solicitation not having been terminated;
- (b) the passing of the relevant Extraordinary Resolution;
- (c) in respect of the Extraordinary Resolution relating to the Migration Proposal only, the execution and delivery of the relevant Supplemental Trust Deed and accession memorandum implementing the Migration Proposal; and
- (d) the quorum required for, and the requisite majority of votes cast at, the relevant Meeting being satisfied by Eligible Noteholders, irrespective of any participation at the Meeting by Ineligible Noteholders (including the satisfaction of such condition at an adjourned Meeting as described in "*Meeting*" below) (the "**Eligibility Condition**"),

(in respect of each Consent Solicitation, each a "**Consent Condition**" and together, the "**Consent Conditions**").

The Issuer will announce the results of each Meeting and (i) whether each Extraordinary Resolution has been passed; and (ii) the satisfaction (or otherwise) of the relevant Consent Conditions, as soon as reasonably practicable after the relevant Meeting and following such satisfactions (or otherwise).

Meetings

The notice convening the Meetings of each Series of Noteholders (the "**Notice of Meetings**") to be held via teleconference on 7 September 2021 has been given to Noteholders in accordance with the applicable Conditions on the date of the Consent Solicitation Memorandum.

The Meeting for the 2023 Notes will commence at 9:30 a.m. (London time) and the Meeting for the 2026 Notes will commence at 9:45 a.m. (London time) or after the completion of the preceding Meeting (whichever is later).

To be eligible to receive the relevant Participation Fee, each Noteholder who submits a valid Consent Instruction or valid Ineligible Noteholder Instruction must not attend, or seek to attend, (in each case via teleconference or otherwise) the relevant Meeting or make any other arrangements to be represented at the relevant Meeting (other than by way of its Consent Instruction or Ineligible Noteholder Instruction).

Noteholders may choose to attend (via teleconference) the relevant Meeting or make other arrangements to be represented at the relevant Meeting in accordance with the provisions for meetings of Noteholders set out in the Trust Deed, and as described in the relevant Notice of Meetings without submitting a Consent Instruction or Ineligible Noteholder Instruction. However, any such Noteholder will not be eligible to receive the relevant Participation Fee in respect of such Notes, irrespective of whether such Noteholder has also delivered a Consent Instruction or an Ineligible Noteholder Instruction or such other arrangements are made by the Expiration Deadline.

In light of the ongoing developments in relation to the Covid-19 pandemic, the Issuer believes it to be inadvisable to hold the relevant Meeting at a physical location. Accordingly, in accordance with the provisions of the Trust Deed it has been agreed that further regulations regarding the holding of the relevant Meeting will be prescribed providing that each Meeting (and any relevant adjourned Meeting or Meetings)

will be held via teleconference, but such Noteholders or their representatives will not be permitted to speak or vote at any such Meeting. In such circumstances, those Noteholders who have indicated that they wish to attend the relevant Meeting or Meetings will be provided with further details about attending the relevant Meeting or Meetings (and any adjourned Meeting(s)) via teleconference. None of the Meetings will be convened at a physical location.

Noteholders should refer to the Notice of Meetings for full details of the procedures in relation to the Meetings.

General

Please also note that Anglian Water Services Financing Plc (“Anglian Water Services”) has today announced that it is conducting separate consent solicitations in order to solicit consents from holders of certain Class B bonds issued by Anglian Water Services to re-designate their bonds to Class A bonds (the “OpCo Consent Solicitations”). The OpCo Consent Solicitations are not conditional on the implementation of the Proposed Ratings Instructions and/or the Proposed Migration Amendments (or any of the other terms of the Consent Solicitations) set out in this announcement or the Consent Solicitation Memorandum.

For the avoidance of doubt, the implementation of the Consent Solicitations set out in this announcement and the related Consent Solicitation Memorandum are not conditional on the success (or otherwise) of the OpCo Consent Solicitations.

It is a term of each Consent Solicitation that Consent Instructions shall be irrevocable (save in certain limited circumstances as described in the Consent Solicitation Memorandum).

The above provisions relating to Consent Instructions do not affect the rights of Noteholders to attend (via teleconference) the relevant Meeting or to make other arrangements to be represented at the relevant Meeting in accordance with the relevant Meeting Provisions. However, such Noteholders will not be eligible to receive the applicable Participation Fee other than by submitting a valid Consent Instruction or a valid Ineligible Noteholder Instruction by the Expiration Deadline. Noteholders who wish to attend a Meeting will be entitled to do so to observe proceedings only and will not be permitted to speak or vote at the relevant Meeting. A separate Consent Instruction must be completed in respect of each Series of Notes.

The Issuer may, at its option and in its sole discretion, extend or amend each Consent Solicitation at any time (subject in each case to applicable law and the relevant Meeting Provisions and as provided in the Consent Solicitation Memorandum, and provided that no amendment may be made to the terms of the relevant Extraordinary Resolution). Details of any such extension, amendment or termination will be announced as provided in the Consent Solicitation Memorandum as promptly as practicable after the relevant decision is made.

Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold their Notes when such intermediary would need to receive instructions from a Noteholder in order for such Noteholder to participate in, or (in the limited circumstances in which revocation is permitted) to validly revoke their instruction to participate in, a Consent Solicitation by the deadlines specified in the Consent Solicitation Memorandum. **The deadlines set by any such intermediary and each Clearing System for the submission and (where permitted) revocation of Consent Instructions will be earlier than the relevant deadlines specified in the Consent Solicitation Memorandum.**

Questions and requests for assistance in connection with (i) the Consent Solicitations may be directed to the Solicitation Agents and (ii) the delivery of Consent Instructions may be directed to the Tabulation Agent, the contact details for which are on the last page of this announcement.

Indicative Timetable

Set out below is an indicative timetable showing one possible outcome for the timing of the Consent Solicitations, which will depend, among other things, on timely receipt (and non-revocation) of instructions, the rights of the Issuer (where applicable) to extend, amend and/or terminate any Consent Solicitation (other than the terms of the relevant Extraordinary Resolution) as described in the Consent Solicitation Memorandum and the passing of each Extraordinary Resolution at the initial Meeting for the relevant Series. Accordingly, the actual timetable may differ significantly from the timetable below.

Event

Announcement of Consent Solicitations

Announcement of Consent Solicitations

16 August 2021

Notice of Meetings delivered to the Clearing Systems for communication to Direct Participants

The Consent Solicitation Memorandum and documents referred to under “General” in the relevant Notice of Meetings are made available from the Tabulation Agent and from the specified office of the Paying Agent

Expiration Deadline

Final deadline for receipt by the Tabulation Agent of valid Consent Instructions from Noteholders for such Noteholders to be represented at the relevant Meeting

4:00 p.m. (London time) on 2 September 2021 (unless extended or amended)

This will also be the deadline for (i) the issuance, amendment or revocation of a voting instruction given other than by way of a Consent Instruction; and (ii) making any other arrangements to attend (via teleconference) or be represented at any Meeting

However, Noteholders making such other arrangements or submitting Consent Instructions after the Expiration Deadline will not be eligible to receive the applicable Participation Fee

Meetings

Meetings to be held via teleconference

In respect of the 2023 Notes, 9:30 a.m. (London time) on 7 September 2021; and
in respect of the 2026 Notes, 9:45 a.m. (London time) on 7 September 2021 or after the completion of the preceding Meeting (whichever is later).

Announcement of results of Meetings and satisfaction of the relevant Consent Conditions

Announcement of the results of the Meetings and whether each Extraordinary Resolution has been passed and the relevant Consent Conditions satisfied (or otherwise)

7 September 2021 (as soon as reasonably practicable after the Meetings)

Effective Date

In respect of a Proposal or Proposals, for each Series of Notes, if a relevant Extraordinary Resolution is passed and subject to the satisfaction of the relevant Consent Conditions, the date on which, in respect of the applicable Migration Proposal, the relevant Supplemental Trust Deed and accession memorandum will be executed and, in respect of the applicable Ratings Proposal, the date on which the Issuer submits a written request to Moody's to consider withdrawing and discontinuing its rating of the relevant Series (however, as set out herein, there can be no assurance from any person that Moody's will in fact withdraw and discontinue their rating of that Series, and Moody's may continue to rate the Notes (or a Series of Notes) until their (respective) maturity date(s))

7 September 2021

Payment Date

Subject to the satisfaction of the Consent Conditions relating to the Migration Proposal and the other terms set out herein, payment of the applicable Participation Fee in respect of the applicable Migration Proposal

No later than the fifth Business Day following the date of the announcement of the satisfaction of the relevant Consent Conditions.

The Effective Date and the Payment Date in respect of each, or both, Series of Notes, are subject to change in the case of an adjourned Meeting or Meetings.

Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold their Notes when such intermediary would need to receive instructions from a Noteholder in order for such Noteholder to participate in, or (in the limited circumstances in which revocation is permitted) to validly revoke their instruction to participate in, the relevant Consent Solicitation(s) and/or the relevant Meeting(s) by the deadlines specified above. The deadlines set by any such intermediary and each Clearing System for the submission and (where permitted) revocation of Consent Instructions will be earlier than the relevant deadlines above.

Investor Presentation

An investor presentation prepared in connection with the Consent Solicitations is available to Noteholders via Deal Roadshow at <https://dealroadshow.com/e/Anglian21>, or by visiting <https://dealroadshow.com> and entering the entry code: Anglian21

Further Information

A complete description of the terms and conditions of the Consent Solicitations is set out in the Consent Solicitation Memorandum. A copy of the Consent Solicitation Memorandum is available to eligible persons upon request from the Tabulation Agent.

Before making a decision with respect to the Consent Solicitations, Noteholders should carefully consider all of the information in the Consent Solicitation Memorandum and, in particular, the risk factors described in the section entitled "*Certain Considerations relating to the Consent Solicitations*".

For the purposes of UK MAR, this announcement is made by Jane Pilcher.

Further details about the transaction can be obtained from:

The Solicitation Agents

Barclays Bank PLC
5 The North Colonnade
Canary Wharf
London E14 4BB
United Kingdom

Telephone: +44 20 3134 8515
Attention: Liability Management Group
Email: eu.lm@barclays.com

Lloyds Bank Corporate Markets plc
10 Gresham Street
London EC2V 7AE
United Kingdom

Telephone: +44 20 7158 1726 / 1719
Attention: Liability Management Group
Email: liability.management@lloydsbanking.com

Copies of the Consent Solicitation Memorandum can be obtained from, and requests for information in relation to the procedures for participating in the Consent Solicitations, and the submission of a Consent Instruction (or Ineligible Noteholder Instruction, as applicable) should be directed to:

Tabulation Agent

Lucid Issuer Services Limited

Tankerton Works
12 Argyle Walk
London WC1H 8HA
United Kingdom

Tel: +44 20 7704 0880
Attention: Arlind Bytyqi / Jacek Kusion
Email: anglanwater@lucid-is.com

DISCLAIMER This announcement must be read in conjunction with the Consent Solicitation Memorandum. This announcement and the Consent Solicitation Memorandum contain important information which should be read carefully before any decision is made in respect of the relevant Proposed Amendments/Instructions. If any Noteholder is in any doubt about any aspect of these proposals and/or the action it should take, it is recommended to seek its own financial, legal, regulatory or other advice immediately, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000, as amended (if in the United Kingdom) or from another appropriately authorised independent financial adviser and such other professional advice from its own professional advisers as it deems necessary. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to participate in the relevant Consent Solicitation(s) relating to its Notes.

The Note Trustee has not been involved in the formulation of the Extraordinary Resolutions and the Note Trustee expresses no opinion on the merits of any Extraordinary Resolution or on whether the Noteholders would be acting in their best interests in approving the Extraordinary Resolution and nothing in this Notice of Meeting should be construed as a recommendation to the Noteholders from the Note Trustee to vote in favour of, or against, any Extraordinary Resolution. If any Noteholder is in any doubt as to any aspect of the Proposals in the Consent Solicitation Memorandum and/or the action it should take, it is recommended to seek its own financial, legal or other advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant, independent financial adviser authorised under the Financial Services and Markets Act 2000, as amended (if in the United Kingdom) or other appropriately authorised financial adviser.

None of the Issuer, OAL, the Solicitation Agents, the Tabulation Agent, the Note Trustee, or any director, officer, employee, agent, representative or affiliate of any such person, is acting for any Noteholder, or will be responsible to any Noteholder for providing any protections which would be afforded to its clients or for providing advice in relation to any Consent Solicitation or any Extraordinary Resolution, and accordingly none of the Issuer, OAL, the Solicitation Agents, the Tabulation Agent, the Note Trustee or any director, officer, employee, agent, representative or affiliate of any such person, makes any recommendation as to whether or not or how Noteholders should participate in the relevant Consent Solicitation(s) or otherwise participate at the relevant Meeting(s). The Solicitation Agents, the Tabulation Agent and the Note Trustee do not take any responsibility for the contents of this announcement or the Consent Solicitation Memorandum.

IMPORTANT INFORMATION

This announcement is for informational purposes only and does not constitute or form part of an offer to sell or the solicitation of an offer to buy or subscribe to any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This announcement is not an offer of securities for sale into the United States.

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which this announcement is released, published or distributed should inform themselves about and observe such restrictions.

No solicitation will be made in any jurisdiction in which the making or acceptance thereof would not be in compliance with the laws of such jurisdiction.

This announcement does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to purchase. It is not an advertisement and not a prospectus for the purposes of Regulation (EU) 2017/1129 (including as it forms part of domestic law by virtue of the EUWA).

UK MIFIR product governance / Professional investors and ECPs only target market – Manufacturer target market (if any) is eligible counterparties and professional clients (all distribution channels). No key information document (KID) pursuant to Regulation (EU) No 1286/2014 as it forms part of UK domestic law by virtue of the EUWA (UK PRIIPs Regulation) has been prepared as the Notes referred to in this Notice are not available to retail investors in the UK.