

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 PROPOSAL DESCRIBED BELOW.



ANGLIAN WATER SERVICES FINANCING PLC

(incorporated with limited liability under the laws of England and Wales under registered number 4330322)

(Legal Entity Identifier: 213800DL377MH46PDY63)

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

Global Secured Medium Term Note Programme

unconditionally and irrevocably guaranteed by

ANGLIAN WATER SERVICES LIMITED

(incorporated with limited liability under the laws of England and Wales under registered number 2366656)

(“AWS”)

ANGLIAN WATER SERVICES HOLDINGS LIMITED

(incorporated with limited liability under the laws of England and Wales under registered number 04330144)

(“UK Holdco”)

and

ANGLIAN WATER SERVICES UK PARENT CO LIMITED

(an exempted company incorporated under the laws of England and Wales under registered number

11294507)

(“UK Parent Co” and, together with AWS and UK Holdco, the “Obligors” and each, an “Obligor”)

Issuer	ISIN	Description	Principal amount outstanding ⁽¹⁾
Anglian Water Services Financing Plc	XS0890564544	£200,000,000 4.50 per cent. Guaranteed Class B Unwrapped Bonds due February 2026 unconditionally and irrevocably guaranteed by the Obligors (“ 2026 Bonds ”)	£200,000,000
Anglian Water Services Financing Plc	XS1577797456	£200,000,000 2.625 per cent. Guaranteed Class B Unwrapped Bonds due June 2027 unconditionally and irrevocably guaranteed by the Obligors (“ 2027 Bonds ”)	£200,000,000

(the 2026 Bonds and the 2027 Bonds together, the “**Bonds**” and each, a “**Series**”)

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

London, 16 August 2021

Anglian Water Services Financing Plc (the “**Issuer**”) today announces invitations to holders of the

outstanding Bonds in each Series to consent to, *in respect of each Series of Bonds*, the re-designation of each Series to class A bonds (the “**Proposal**”) and to make changes to the Applicable Final Terms in order to effect the Proposal by approving an extraordinary resolution (each such resolution in respect of a Series, an “**Extraordinary Resolution**” and together, the “**Extraordinary Resolutions**”), 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.

Background to the Proposal

Each Series of Bonds was issued pursuant to the €10,000,000,000 global secured medium term note programme established by the Issuer (the “**Programme**”) which forms part of Issuer’s and the Obligors’ wider secured financing platform (the “**Financing Platform**”). Under the Programme, the Issuer has the ability to issue class A bonds (“**Class A Bonds**”) and class B bonds (“**Class B Bonds**”). The Class A Bonds, *among other things*, rank senior to the Class B Bonds under the Financing Platform. AWS and its affiliates recently implemented a new three-tiered financing structure which was announced on 17 June 2021. As part of the implementation of the new financing structure, the Issuer and AWS entered into a deed poll pursuant to which both the Issuer and AWS undertook not to issue, raise, borrow or otherwise be a debtor in respect of any new Class B debt (including any Class B Bonds) (“**Class B Debt**”) on and from the date of the deed poll. As a result, the Anglian Water Group structure will not have any Class B Debt once these Series of Bonds mature by 2027.

The Issuer proposes, by way of a separate Extraordinary Resolution for each Series, to amend the Applicable Final Terms of each Series of Bonds to allow the existing Bondholders to re-designate their Bonds from Class B Bonds to Class A Bonds and benefit from enhanced seniority in the payment priorities under the Financing Platform, *pari passu* ranking with other Class A debt (including any Class A Bonds) (“**Class A Debt**”), the same voting rights as existing holders of Class A Bonds and an expected alignment of ratings to the existing Class A Bonds. If the Extraordinary Resolution for a given Series passes and the related Proposal is implemented, the commercial terms of the Bonds of that Series, including coupon, maturity date and other commercial terms in the Applicable Final Terms for that Series of Bonds, would remain the same.

Consent Conditions

In respect of each Series of Bonds, the implementation of the Proposed Amendments will be conditional on:

- (a) the relevant Consent Solicitation not having been terminated;
- (b) the passing of the Extraordinary Resolution;
- (c) the execution and delivery of the relevant Amended Final Terms and Permitted Non-Core Document Amendment Certificate; and
- (d) the quorum required for, and the requisite majority of votes cast at, the relevant Meeting being satisfied by Eligible Bondholders, irrespective of any participation at the Meeting by Ineligible Bondholders (including the satisfaction of such condition at an adjourned Meeting as described in “*Meeting*” below, if applicable) (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 Bondholders (the “**Notice of Meetings**”) to be held via teleconference on 14 September 2021 has been given to Bondholders in accordance with the applicable Conditions on the date of the Consent Solicitation Memorandum.

The Meeting for the 2026 Bonds will commence at 9:30 a.m. (London time) and the Meeting for the 2027 Bonds will commence at 9:45 a.m. (London time) or after the completion of the preceding Meeting (whichever is later).

Bondholders 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 Bondholders set out in the Applicable Trust Deed, and as described in the relevant Notice of Meetings.

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 Applicable 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 Bondholders or their representatives will not be permitted to speak or vote at any such Meeting. In such circumstances, those Bondholders 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.

Bondholders 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 (Osprey) Financing Plc (“Anglian Water (Osprey)”) has today announced that it is conducting separate consent solicitations in order to solicit consents from holders of certain notes (the “Notes”) issued by Anglian Water (Osprey) to consent to (i) the migration of the Notes from their existing financing platform to Anglian Water (Osprey) and Osprey Acquisitions Limited’s recently established ring-fenced investment grade financing platform (the “Migration Proposal”) and (ii) the submission by Anglian Water (Osprey) of a request to Moody’s Investors Service Limited to consider withdrawing and discontinuing its rating each series of Notes (the “Ratings Proposal”, and together with the Migration Proposal, the “MidCo Consent Solicitations”). The MidCo Consent Solicitations are not conditional on the implementation of the Proposed 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 MidCo 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 Bondholders 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. Bondholders 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 Bonds.

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.

Bondholders are advised to check with any bank, securities broker or other intermediary through which they hold their Bonds when such intermediary would need to receive instructions from a Bondholder in order for such Bondholder 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 the 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 Bondholders for such Bondholders to be represented at the relevant Meeting

4:00 p.m. (London time) on 9 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

Meetings

Meetings to be held via teleconference

In respect of the 2026 Bonds, 9:30 a.m. (London time) on 14 September 2021; and in respect of the 2027 Bonds, 9:45 a.m. (London time) on 14 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 the relevant Extraordinary Resolution has been passed and the relevant Consent Conditions satisfied (or otherwise)

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

Effective Date

In respect of each Series of Bonds, if the relevant Extraordinary Resolution is passed and subject to the satisfaction of the relevant Consent Conditions, the date on which the relevant Amended Final Terms will be executed

14 September 2021

The Effective Date in respect of each, or both, Series of Bonds, is subject to change in the case of an adjourned Meeting or Meetings.

Bondholders are advised to check with any bank, securities broker or other intermediary through which they hold their Bonds when such intermediary would need to receive instructions from a Bondholder in order for such Bondholder 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 Bondholders 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, Bondholders 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 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. If any Bondholder is in any doubt about any aspect of the proposal 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 Bonds 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 Bonds.

The Bond Trustee has not been involved in the formulation of the Extraordinary Resolutions and the Bond Trustee expresses no opinion on the merits of any Extraordinary Resolution or on whether the Bondholders 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 Bondholders from the Bond Trustee to vote in favour of, or against, any Extraordinary Resolution. If any Bondholder is in any doubt as to any aspect of the Proposal 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, the Obligors, the Solicitation Agents, the Tabulation Agent, the Bond Trustee, or any director, officer, employee, agent, representative or affiliate of any such person, is acting for any Bondholder, or will be responsible to any Bondholder 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, the Obligors, the Solicitation Agents, the Tabulation Agent, the Bond Trustee or any director, officer, employee, agent, representative or affiliate of any such person, makes any recommendation as to whether or not or how Bondholders should participate in the relevant Consent Solicitation(s) or otherwise participate at the relevant Meeting(s). The Solicitation Agents, the Tabulation Agent and the Bond 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 Bonds referred to in this Notice are not available to retail investors in the UK.