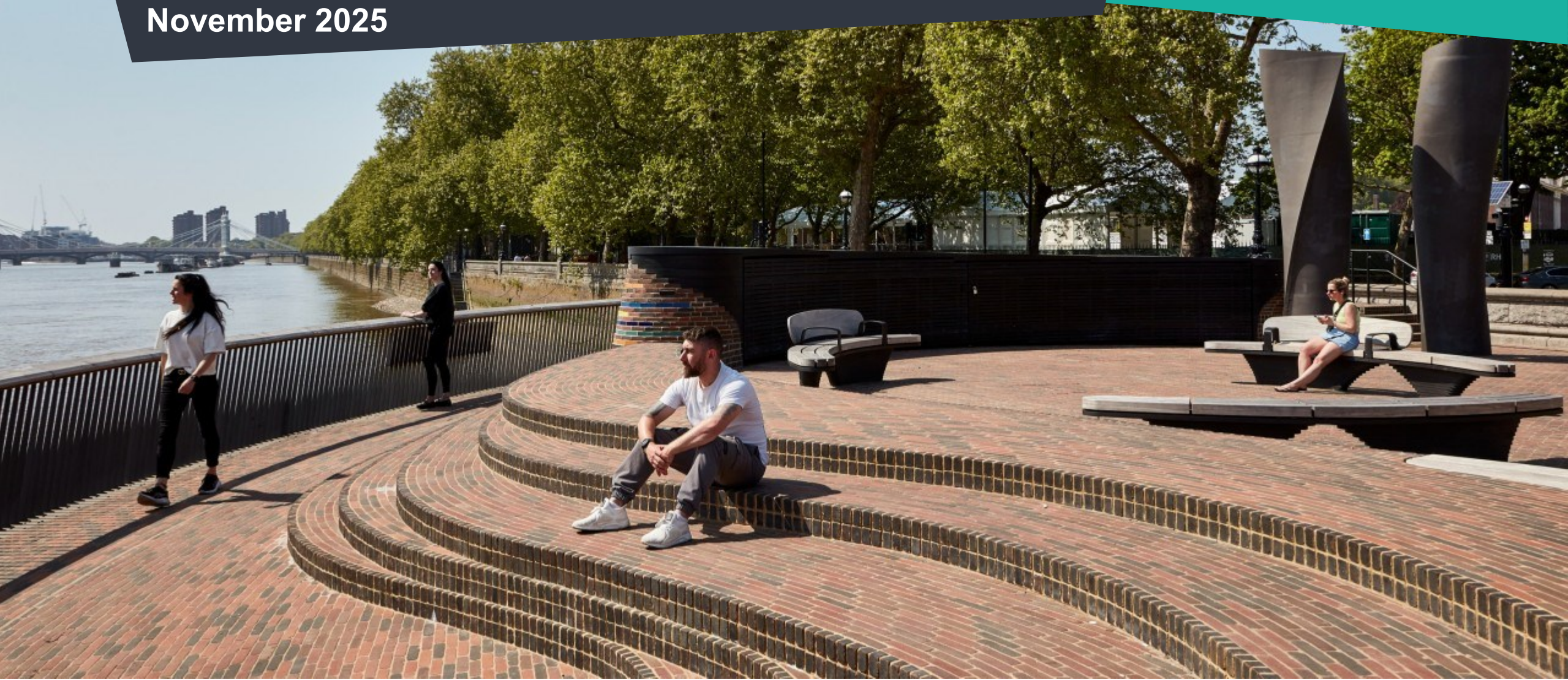


TIDEWAY – HOLDCO GROUP INVESTOR REPORT H1 2025/26

November 2025



Tideway



Notice

IMPORTANT NOTICE

This Investor Report is being distributed by Bazalgette Tunnel Limited (“BTL” “Tideway” or “the Borrower”) (as ‘Holdco Group Agent’) on behalf of each Obligor pursuant to the Common Terms Agreement (CTA). BTL trades as “Tideway”.

This Investor Report contains forward looking statements that reflect the current judgment of the management of the Obligors regarding conditions that it expects to exist in the future. Forward looking statements involve risks and uncertainties because they relate to events and depend on circumstances that will occur in the future and, accordingly, are not guarantees of future performance. Management’s assumptions rely on its operational analysis and expectations for the operating performance of each of the Obligor’s assets based on their historical operating performance and management expectations as described herein. Factors beyond management’s control could cause events to differ from such assumptions and actual results to vary materially from the expectations discussed herein. Investors are cautioned that the assumptions and forecast information included herein are not fact and should not be relied upon as being necessarily indicative of future results and are cautioned not to place undue reliance on such assumptions and forecast information. It should also be noted that the information in this Investor Report has not been reviewed by the Obligors’ auditors.

BASIS OF PREPARATION

Investor Reports relate to the performance of the Holdco Group which includes Bazalgette Holdings Limited (“BHL” or “Holdco”), Bazalgette Finance plc (“Finco”) and BTL. This Investor Report comments on the historical financial performance of the Holdco Group for the period to 30 September 2025.

Defined terms used in this document have the same meanings as set out in the Master Definitions Agreement unless otherwise stated.

This Investor Report provides an update of the Holdco Group’s activities for the period to 30 September 2025 with some information as of 13 November 2025 or as indicated. It covers business, regulatory and financing developments. This Investor Report should be read in conjunction with the Interim Report and Accounts for the 6 months ended 30 September 2025.

Contents

- Overview
- Business Update
 - Health, Safety, and Wellbeing & Vision, Legacy, and Reputation
 - Regulatory Update & Interface with Thames Water
- Delivery Update
- Financing Activity and Sustainable Finance
- Financial ratios
- Other Reportable Matters
- Appendixes
 - Debt portfolio
 - Swap Portfolio
 - CTA Confirmation



Overview – H1 Highlights

Storm Tests 1 & 2 complete

Storm Tests 1& 2 successfully completed in July 2025

12.4m m³ sewage intercepted

As of 13th November 2025

Storm Tests 3 & 4

Storm tests 3 and 4 when the necessary weather conditions prevail

Handover in H1 of 2026

Fully Operational

EAC at £4.6bn

TWUL customers annual bill within the range set out in 2015

Credit rating affirmed

Fitch: BBB+ and Moody's: Baa1, with stable outlook

- As of 13th November 2025, the tunnel has captured around 12.4 million tonnes of sewage that would otherwise have polluted the river.
- Two successful storm tests were completed during a significant rainfall event in July 2025, validating system functionality and leading to full operational settings. Preparations and readiness are now focused on Storm Tests 3 and 4, which will be completed when the necessary weather conditions prevail. Handover is expected in the first half of 2026.
- The ambition of both Tideway and Thames Water is to achieve System Acceptance by August 2027, in line with the Planned System Acceptance Date as set out in Tideway's licence.
- Our liquidity horizon is 25 months. Net Debt to RCV at 68.2% and interest coverage ratio (FFO ICR) at 4.41x.



Business Update – Health, Safety, and Wellbeing & Vision, Legacy, and Reputation

- We remain committed to completing the programme with zero fatalities or serious injuries, and none were recorded in the period. Accident Frequency Rates (AFRs), which measure lost-time injuries over a rolling 12-month period, increased marginally during the first half of 2025/26, as a result of 2 lost time injuries together with a reduction in working hours.



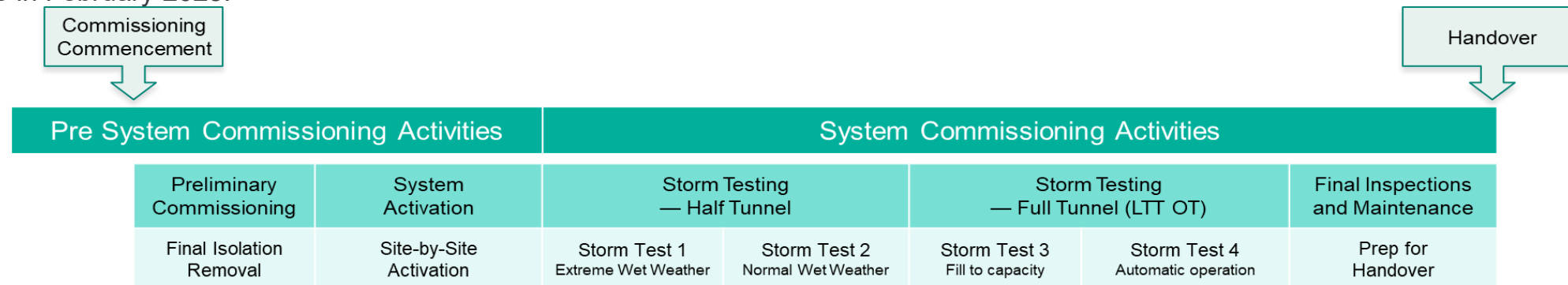
- With worksite testing and commissioning ongoing, dedicated working groups have continued to ensure collaboration and safe and effective management of these works. This includes the Marine Logistics Safety Forum which continues to meet covering marine works required as part of site demobilisation.
- Tideway continues to be supported by the Mates in Mind charity.
- Milestones during the period include the public opening of Effra Quay and the Isle of Effra (new public spaces created at our Albert Embankment site), officiated by local MP Florence Eshalomi; the substantial completion of works at King Edward Memorial Park in Wapping, marked with a visit by HRH the Duke of Gloucester; and the public opening of Heathwall Quay in Battersea, officiated by the Mayor of London Sir Sadiq Khan.
- In May, His Majesty King Charles III visited Bazalgette Embankment to meet members of the workforce. In September, around 800 people who had contributed to the project attended commemorative events. HRH The Princess Royal, Secretary of State Emma Reynolds MP, and the Mayor of London attended.
- We closed out a further 3 commitments in our Legacy programme during the period taking the total number of commitments closed out to 46 out of 54. In September we published our final [Legacy Report](#) with a detailed summary of our performance against all 54 original commitments.

Regulatory Update & Interface with Thames Water

- During the period, the Independent Water Commission (“Cunliffe Review”) published its final recommendations. The Government is expected to publish a consultation on sector reform in late 2025 and bring forward legislation in 2026; some reforms such as the creation of a single, merged water regulator are likely to directly or indirectly impact Tideway. We continue to engage proactively with policymakers and regulators to advocate for any reforms to be applied appropriately to Tideway, and to ensure that we maintain positive relationships and open communication with key stakeholders during the transition period.
- Tideway continues to monitor the impact of Thames Water’s corporate position. As noted in previous reports, we have received confirmation from Ofwat that the existing statutory and regulatory protections would continue to apply should Thames Water’s status change. There has been no impact on our revenue to date. Discussions continue between Thames, Ofwat and the company’s senior creditors regarding a proposed recapitalisation; Thames has agreed with Ofwat that it will further defer its appeal in relation to its PR24 price review determination to allow these talks to progress.
- As noted in the H2 2024/25 report, in making certain cross-company modifications to Thames Water’s Appointment conditions on charging in 2024, Ofwat erroneously removed certain provisions in relation to Tideway’s charge. Ofwat consulted on reinstating these provisions in May 2025 and the changes came into effect on 18 July 2025.
- Acknowledging Thames Water as integral in the review and validation of commissioning the LTT System, the collaborative approach between Tideway, the contracting organisations and Thames Water has been maintained during storm testing.
- Considering the below average rainfall observed during commissioning and extrapolating to the System Acceptance period an alternative streamlined approach to System Acceptance is being explored with Thames Water. The ambition of the parties is to achieve System Acceptance by August 2027, in line with the Planned System Acceptance Date as set out in Tideway’s licence, with all operational and critical scope work completed at the time of Handover, whilst achieving the quality and fitness for purpose objectives of the Project Documents.
- Tideway continues to have the support of Thames Water, the Environment Agency, Ofwat, and Department for Environment, Food & Rural Affairs in achieving the associated successful project outcomes.

Delivery Update

- We continue to be in the commissioning phase with the tunnel now in full operation and subject to ongoing validation and storm testing. Construction activity is now limited to reinstatement, architectural and landscaping finishes and demobilising temporary marine works in the river.
- Two successful storm tests were completed during a significant rainfall in July 2025, capturing Combined Sewer Overflows (CSO) and validating system functionality of hydraulic, ventilation and control systems under real storm flow conditions. The system responded as designed with the penstocks closing across all sites at different tunnel setting levels.
- For both storm tests, the system responses were predominantly as expected. As a result, Tideway and Thames Water agreed to move the tunnel set points to the full tunnel fill level settings to provide the full system capacity to protect the river going forward.
- With the completion of Storm Test 1 and Storm Test 2 the Tideway commissioning team is focussed on preparations and readiness for Storm Test 3 (full tunnel fill event) and Storm Test 4 (30-day automatic operation). The continued below average rainfall over spring and summer has meant that a Storm Test 3 level storm has not been observed since the start of full operations in February 2025.
- Following Storm Test 3 a post storm test inspection of the tunnel is planned, requiring an outage. Planning for a safe, efficient tunnel inspection is underway with a targeted inspection approach, using remote drone technologies for near-surface assets to enhance the safety and efficiency of the inspections, while deep tunnel inspections are limited to reduce exposure to confined space risks and environmental disruption. This approach also improves the accuracy and speed of asset assessments, supporting Tideway's broader goals of innovation and operational excellence in managing the London Tideway Tunnel (LTT) infrastructure. Inspection of the near surface assets using drones has commenced in the period and the quality of the data being collected is excellent.
- Remaining works within the river that require consent from the Port of London Authority (PLA) include demobilising temporary marine structures and installing a permanent CSO discharge warning system. Obtaining consents from the PLA has been challenging and has had an impact on this element of the programme and on the remaining costs. Reviews of the remaining programme to secure the necessary PLA consents are ongoing, with mitigations being identified to prevent any material impact on the completion of the works.



Delivery update (continued)

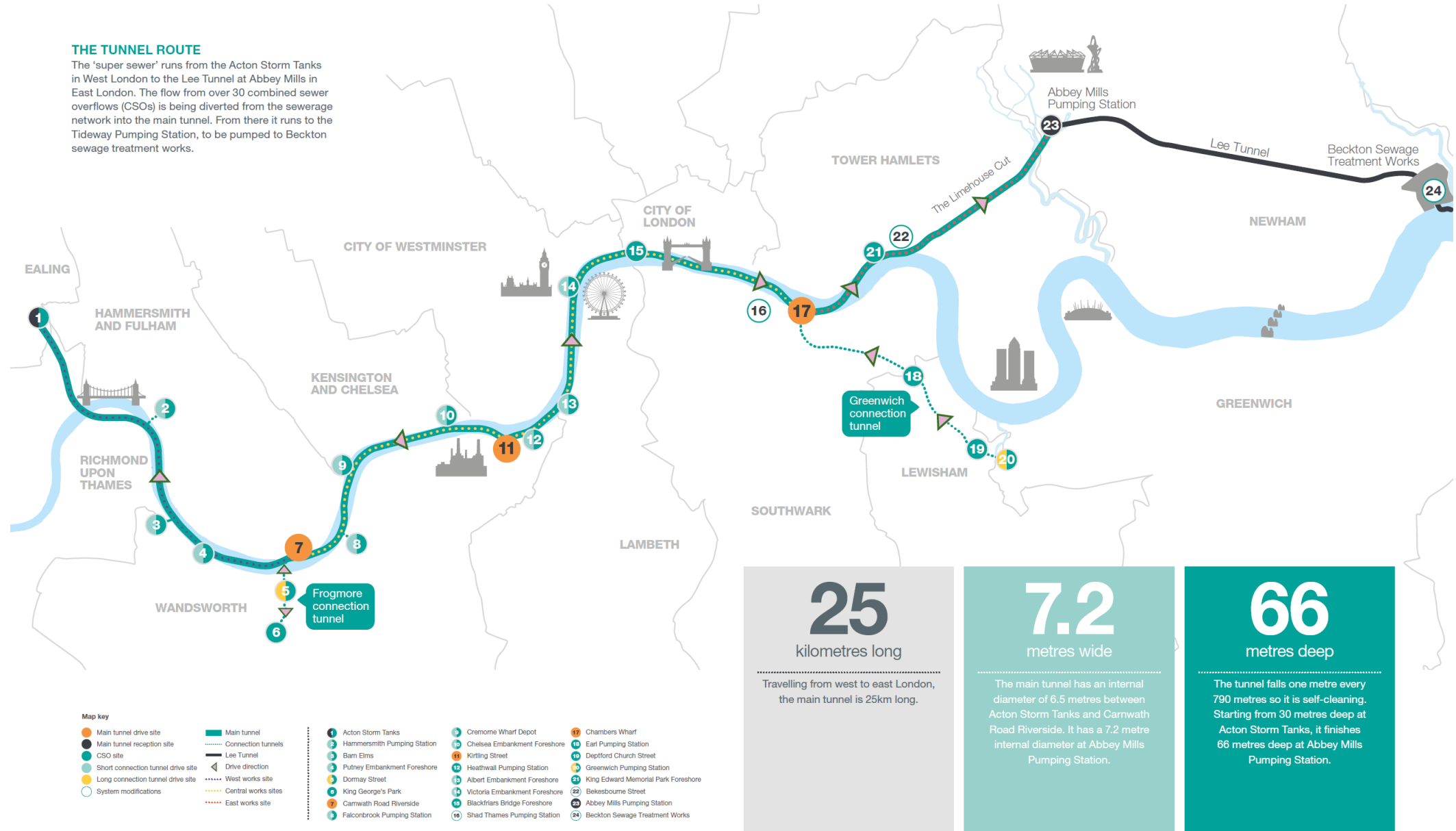
- Physical completion of permanent works in the Central and East areas was achieved in the period with the Main Works Contractors in all 3 delivery areas now focused on finalising certification, as-built drawings and Operational & Maintenance documentation. With works complete on 13 out of 21 sites, the remaining 8 sites are now in the process of final snagging and demobilisation. Remaining works within the river are associated with reinstatement and removal of temporary works (piles) at 3 sites. 8 out of 13 public spaces are now open to the public under the stewardship of Tideway and the remaining sites are due to open in the next period.
- Planning for the System Acceptance Phase is well progressed with Tideway's System Acceptance and Service Manager teams mobilised and are finalising a suite of service contracts that underpin operational readiness, including tunnel access, monitoring, maintenance, and rapid response capabilities. The System Acceptance Phase maintenance contractor has commenced mobilising ready to take over maintenance duties from the three Main Work Contractors at completion.
- Tideway has begun the process of transition from a project delivery organisation to an asset ownership company, with key leadership appointments made during the period and a plan in place for the transition between the current executive team and the new appointees. Andy Mitchell will step down as CEO once Handover has been met, with Matt Parr to succeed him.
- Total project costs incurred for the six-month period were £195.5m (2024 £212.7m), taking the total capitalised costs incurred on 30 September 2025 to £5,971.4m (2024: £5,615.9m)
- Our estimate at completion (EAC) is £4.6bn. The impact on customer bills remains unchanged and well within the range set out when the project began in 2015. Tideway continues to maintain strong financial oversight during project completion.



The Tunnel Route

THE TUNNEL ROUTE

The 'super sewer' runs from the Acton Storm Tanks in West London to the Lee Tunnel at Abbey Mills in East London. The flow from over 30 combined sewer overflows (CSOs) is being diverted from the sewerage network into the main tunnel. From there it runs to the Tideway Pumping Station, to be pumped to Beckton sewage treatment works.



25

kilometres long

Travelling from west to east London,
the main tunnel is 25km long.

7.2

metres wide

The main tunnel has an internal
diameter of 6.5 metres between
Acton Storm Tanks and Carnwath
Road Riverside. It has a 7.2 metre
internal diameter at Abbey Mills
Pumping Station.

66

metres deep

The tunnel falls one metre every
790 metres so it is self-cleaning.
Starting from 30 metres deep at
Acton Storm Tanks, it finishes
66 metres deep at Abbey Mills
Pumping Station.

Financing Activity and Sustainable Finance

- As of 30 September 2025, we had total liquidity of £585m, comprising £425m of unrestricted cash and the £160m undrawn RCF.
- A £250 million 8-year blue bond was issued in July 2025 through our bond programme. This debt issuance has strengthened Tideway's liquidity position and provides liquidity in excess of our 12-month target, including all liquidity required to cover all remaining anticipated costs for the delivery of the project.
- Historical Financial Performance can be found in our [Interim Report](#).
- Partial distribution payments of a total amount of £33m were made during the 6 months, with the remaining £6m of accrued interest being capitalized taking the shareholder loan balance to £978.7m.
- We increased the liquidity under our liquidity facilities by £20m to £95m.

£3.5bn long term debt raised (£4.2bn including total accretion)

£160m RCF
£95m Liquidity Facilities

25 months liquidity

Refinancing from 2025 (EIB) and 2027 (bond)

September 2025

Index Linked debt as % of RCV

51%

Index Linked debt as % of total debt

68%

Gearing remains below the covenant trigger / default levels (70%/80%)

Net debt/RCV
68%

Interest coverage ratio remains well above the covenant trigger / default levels (1.30x / 1.10x)

ICR
4.4x

- Our credit ratings were affirmed at Baa1 by Moody's in June 2025 and BBB+ by Fitch in May 2025, both with a stable outlook.
- Tideway's total green debt issuance stands at £2,407m, which includes the 18 green bonds and 1 blue bond totalling £2,082m, and £325m of green US private placements. The £160m RCF is structured as a sustainability-linked loan.
- S&P Global Ratings provides a [Second Party Opinion](#) with Dark Green status on the use of proceeds issuance, which was updated in June 2025.
- Our [Sustainable Finance Framework](#) was published in June 2025.

Financial Ratios

We confirm that in respect of this Investor Report as of 30 September 2025, by reference to the most recent Financial Statements that we are obliged to deliver in accordance with paragraph 1 (Financial Statements) of Part A (Information Covenants) of Schedule 3 (Holdco Group Covenants) of the CTA:

- a) the Senior RAR⁽¹⁾ in respect of the relevant Test Period is equal to 68.2%
- b) The FFO ICR⁽²⁾ in respect of the relevant Test Period is equal to 4.41x
- c) The average FFO ICR in respect of the relevant Test Period is equal to 4.24x

(together ***the Ratios***)

We confirm that the above Ratios have been calculated in respect of the Test Period(s) or as at the Test Dates for which it is required to be calculated under the CTA.

Description of ratios

(1) Senior RAR measures at a test date, the ratio of Senior Net Indebtedness to RCV

(2) FFO ICR measures in respect of a test period, the ratio of Net Cash Flow to Senior Debt Interest

Other Reportable Matters

Significant management and board changes H1 2025/26

- In September, we announced the resignation of Chris Morgan as a Non-Executive Shareholder Director for Amber Infrastructure Group from the Board with effect from 29 August 2025. He has been succeeded by Edward Randolph, who has joined the Board in the same capacity.

Acquisitions and disposals H1 2025/26

- None

Current Hedging Position

- The current swap portfolio can be found on page 15.

Transition to Operational Phase

- As the Company and TTT transition from construction to operation, there will be a point when the Company ceases to capitalise costs into an asset under construction (“AUC”) and the AUC will subsequently be converted into other non-current assets in the Company’s statement of financial position.

Confirmation

We confirm that:

- a) no Default or Trigger Event has occurred and is continuing;
- b) the Borrower is in compliance with the Hedging Policy;
- c) the statements set out in this Investor Report are accurate in all material respects; and
- d) the insurances are being maintained in accordance with paragraph 28 (Insurance) of Part C (General Covenants) of Schedule 3 (Holdco Group Covenants) to the CTA.

A handwritten signature in black ink, appearing to read 'M. Duncan', written in a cursive style.

Mathew Duncan,

Chief Financial Officer

For and on behalf of Bazalgette Tunnel Limited as Holdco Group Agent

Debt Portfolio – September 2025

BTL Debt Portfolio

Facility	Amount (£m)	Type	Drawdown date	Maturity (CY)
£80m Tranche 1	87	EIB loan	Jul-18	2051
£80m Tranche 2	111	EIB loan	Jan-19	2051
£80m Tranche 3	110	EIB loan	Jul-19	2051
£80m Tranche 4	109	EIB loan	Jan-20	2051
£80m Tranche 5	108	EIB loan	Jul-20	2051
£80m Tranche 6	108	EIB loan	Jan-21	2051
£80m Tranche 7	107	EIB loan	Mar-21	2051
£60m Tranche 8	79	EIB loan	Jul-21	2051
£40m Tranche 9	51	EIB loan	Jan-22	2051
£40m Tranche 10	47	EIB loan	Jul-22	2051
Subtotal EIB Loan	917			
£300m 2.86%	319	USPP Loan Note	Sep-17	2032
£75m 2.418%	75	Green USPP Loan Note	Sep-21	2041
£250m 6.02%, 6.05%, 6.11%	250	Green USPP Loan Note	Oct-23	2033, 2035, 2038
Subtotal Nominal	644			
£100m RPI + 0.01%	140	Loan	Sep-19	2049
Subtotal RPI Loan	140			
TOTAL	1701			
RCF	160	Sustainability-linked Revolver	N/A	2027

Drawn facilities
Undrawn facilities

Debt £m	Principal	Accretion	Total Drawn
RPI	1,110	382	1,492
CPI	350	79	429
Nominal	2,033		2,033
Total	3,493	460	3,954

Note: The table shows the debt position before hedging.

BFP Debt Portfolio

Facility	Amount (£m)	Type	Drawdown date	Maturity (CY)
£75m CPI + 0.828%	101	Green Bond	Aug-17	2047
£200m CPI+ 0.74%	239	Green Bond	Nov-17	2042
£75m CPI + 0.949%	89	Green Bond	May-22	2052
Subtotal CPI	429			
£100m RPI + 0.688%	144	Green Bond	Jun-18	2050
£100m RPI + 0.249%	141	Green Bond	Dec-18	2040
£100m RPI + 0.755%	140	Green Bond	Jun-19	2051
£125m RPI + 0.192%	186	Green Bond	Jul-19	2049
£25m RPI + 1.035%	34	Green Bond	Jun-20	2048
£50m RPI + 0.787%	69	Green Bond	Jun-20	2052
£25m RPI + 0.951%	34	Green Bond	Jun-20	2054
£25m RPI + 1.042%	34	Green Bond	Jul-21	2048
£25m RPI + 0.954%	34	Green Bond	Jul-21	2054
£75m RPI + 0.01%**	100	Green Bond	Aug-21	2036
£150m RPI + 0.01%*	191	Green Bond	Apr-22	2032
£50m RPI + 0.074%	72	Green Bond	May-22	2049
£50m RPI + 0.174%	72	Green Bond	May-23	2049
Subtotal RPI	1254			
£250m 2.375%	250	Green Bond	Nov-17	2027
£300m 2.75%	300	Green Bond	Mar-22	2034
£250m 5.5%	250	Blue Bond	Jul-25	2033
Subtotal Nominal	800			
Total	2482			

(*) re-offer price of 100.24% reflecting negative yield of -0.014%

(**) re-offer price of 112.157% reflecting negative yield of -0.754%

BTL & BFP

Facility	Amount (£m)	Drawdown date	Maturity
Liquidity Facility	95	N/A	Annual renewal for a 4 year period

Swap Portfolio — September 2025

- During FY16/17 Tideway swapped tranches 1-8 of the EIB loan with various banks to index linked (RPI) format. These swaps mirror the amortisation schedule of the loan. Tranches 9-10 were drawn in index linked format directly from the EIB.
- In September 2017 Tideway swapped £70m notional of the 2017 USPP.
- The swaps mature in 2030-2032, in the early years of the next regulatory period when the regulatory framework is expected to change from RPI to CPIH.
- There were no new hedging transaction in the period.

Swap	Facility	Notional (£m)	Swap maturity	Interest rate
Swap 1	EIB	80	Mar-30	RPI - 0.125%
Swap 2	EIB	80	Mar-30	RPI - 0.122%
Swap 3	EIB	80	Mar-30	RPI - 0.018%
Swap 4	EIB	80	Jan-31	RPI - 0.750%
Swap 5	EIB	80	Jan-31	RPI - 0.484%
Swap 6	EIB	80	Jan-31	RPI - 0.573%
Swap 7	EIB	80	Jan-32	RPI - 0.468%
Swap 8	EIB	60	Jan-32	RPI - 0.550%
Swap 9	USPP	70	Mar-30	RPI - 0.455%

Reference to the CTA

The table below summarises the requirements of the Investor Report as per Schedule 6 of the CTA and references in this document.

Requirement	Reference
General overview	Page 4, Overview
Regulatory and Business update	Pages 5-6, Business Update Pages 7-9, Delivery Update
Capital Expenditure	Pages 7 Delivery Update
Financing	Page 10, Financing Activity Page 14, Debt Portfolio
Acquisitions or Disposals	Page 12, Other Reportable Matters
Current Hedging Position	Page 15, Swap Portfolio
Ratios	Page 11, Ratios



Tideway

RECONNECTING LONDON WITH THE RIVER THAMES

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