



Your Gas Network

CADENT FINANCE PLC

(incorporated with limited liability in England and Wales under registered number 5895068)

(Legal Entity Identifier: 5493005M8TJ0J6IMUF67)

£7,000,000,000

Euro Medium Term Note Programme

unconditionally and irrevocably guaranteed by

CADENT GAS LIMITED

(incorporated with limited liability in England and Wales under registered number 10080864)

(Legal Entity Identifier: 549300KCZ04E6ZUCZ288)

This supplement (the “**Supplement**”) to the prospectus dated 6 December 2024 (the “**Prospectus**”) (which comprises a base prospectus) constitutes a supplementary prospectus for the purposes of Article 23 of Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**EUWA**”) (the “**UK Prospectus Regulation**”) and is prepared in connection with the £7,000,000,000 Euro Medium Term Note Programme for the issuance of guaranteed bonds (the “**Programme**”) established by Cadent Finance plc (the “**Issuer**”) and unconditionally and irrevocably guaranteed by Cadent Gas Limited (“**Cadent**”). This Supplement is supplemental to, and should be read in conjunction with, the Prospectus and any other supplements to the Prospectus subsequently issued by the Issuer.

This Supplement also operates as a supplement to the listing particulars dated 6 December 2024 (“**Listing Particulars**”) for the purposes of LR 4.4.1 of the Listing Rules of the Financial Conduct Authority (“**FCA**”) and section 81 of the Financial Services and Markets Act 2000 (as amended) in relation to the PSM Instruments as defined in the Listing Particulars. For the purpose of any PSM instruments issued under the Programme, this document does not constitute a supplemental prospectus within the meaning of Article 23 of the UK Prospectus Regulation. This Supplement is supplemental to, and should be read in conjunction with, the Listing Particulars and any other supplements to the Listing Particulars subsequently issued by the Issuer.

The purpose of this Supplement is to:

- (I) incorporate by reference the audited consolidated financial statements of the Issuer and Guarantor for the financial year ended 31 March 2025, together with an audit report thereon. The Issuer and Guarantor, being the persons responsible for the audited consolidated financial information included in the financial results, approve such financial information as described further below; and
- (II) to announce that the RIIO-GD3 draft determination has been released.

Unless otherwise defined in this Supplement, terms defined in the Prospectus have the same meaning when used in this Supplement.

The Issuer and Cadent accept responsibility for the information contained in this Supplement. To the best of the knowledge of each of the Issuer and Cadent the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

1. Financial Results

The Issuer and Guarantor have prepared their audited consolidated financial statements for the year ended 31 March 2025, together with an audit report thereon. A copy of such financial results has been filed with the FCA and, by virtue of this Supplement, those financial results are incorporated in, and form part of, the Prospectus. These financial results have been properly prepared on the basis stated and the basis of accounting is consistent with the accounting policies of the Issuer and the Guarantor. Copies of all documents incorporated by reference in the Prospectus can be obtained from the Cadent Gas headquarters at Cadent, Pilot Way, Ansty Park, Coventry, England, CV7 9JU and from the specified offices of the Paying Agents for the time being, as described in the Prospectus.

2. RIIO-GD3 draft determination – supplemental disclosure

The RIIO-GD3 draft determination by Ofgem was published on 1 July 2025 and is available at <https://www.ofgem.gov.uk/sites/default/files/2025-06/Draft-Determinations-Cadent.pdf>.

In the draft determination Ofgem provides an initial view on Cadent's business plan (as submitted in December 2024). Ofgem, in providing such an initial view has indicated that the determinations provided in the draft determination are not

final and that Ofgem expects variation between the draft determinations and the final determinations to be published by Ofgem at a later date (provisionally December 2025).

Key areas covered in the draft determination include the following:

- Ofgem indicates the cost of equity is estimated at 6.04% (CPIH real) and cost of debt forecast at 3.01% (CPIH real) which includes a 25bps allowance for the additional cost of borrowing, in line with RIIO2.
- Ofgem plan to adopt the accelerated depreciation of new assets to 2050.
- Ofgem have indicated that the semi-nominal return on RAV will be implemented in line with the notional company assumptions (60% net debt to RAV, 30% inflation-linked debt) with a nominal return on the fixed rate portion of RAV (42%).
- The draft determination proposed a headline reduction to Cadent's RIIO3 Totex of 22% which is marginally less than the GDN sector average at 23% and energy sector average of 26%. This includes an ongoing efficiency of 1% per annum where Cadent had committed to 0.5% in Cadent's business plan submission.
- The reduced RIIO3 Totex is attributable to a combination of (i) modelling errors by Ofgem, (ii) applying uncertainty mechanisms, (iii) rejecting workloads which are incremental to Cadent's core deliverables, and (iv) other factors, for which Cadent has submitted additional evidence in its response to the draft determination.

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Prospectus and/or Listing Particulars by this Supplement and (b) any other statement in or incorporated by reference in the Prospectus and/or Listing Particulars, the statements in (a) above will prevail. Save as disclosed in this Supplement, no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus and/or Listing Particulars has arisen or been noted, as the case may be, since the publication of the Prospectus and/or Listing Particulars.

An investor should be aware of its rights arising pursuant to Article 23 of the UK Prospectus Regulation.

This Supplement has been approved by the FCA, which is the United Kingdom competent authority for the purposes the UK Prospectus Regulation and relevant implementing measures in the United Kingdom, as a base prospectus supplement issued in compliance with the UK Prospectus Regulation and relevant implementing measures in the United Kingdom.

This Supplement has been approved by the FCA, which is the United Kingdom competent authority for the purposes of LR 4.1.3 of the Listing Rules for listing particulars for the professional securities market and certain other securities, as supplementary listing particulars issued in compliance with the Listing Rules.

If documents which are incorporated by reference to this Supplement themselves incorporate any information or other documents therein, either expressly or implicitly, such information or other documents will not form part of this Supplement for the purposes of the UK Prospectus Regulation except where such information or other documents are specifically incorporated by reference or where this Supplement is specifically defined as including such information.