

SGX release

25 February 2025

Transurban Finance Company 1H25 Interim Report

Attached is an announcement made by Transurban Finance Company Pty Ltd (ASX: TA1) (**Transurban Finance**) which is provided for the information of Transurban Finance noteholders.

Transurban Finance has notes listed on the Singapore Exchange.

Investor enquiries

Craig Stafford, CFA
General Manager Investor Relations
+61 401 109 842

Media enquiries

James Richards
Corporate Manager Media
+61 459 812 770

Classification

Public

Transurban

Transurban Finance Company Pty Ltd
ABN 65 098 539 452
corporate@transurban.com
www.transurban.com

Level 31
Tower Five, Collins Square
727 Collins Street
Docklands
Victoria 3008 Australia
Telephone +613 8656 8900
Facsimile +613 8656 8585

ASX release

25 February 2025

Transurban Finance Company 1H25 Interim Report

Please see attached the Interim Report of Transurban Finance Company Pty Ltd for the half year ended 31 December 2024.

Investor enquiries

Craig Stafford, CFA
General Manager Investor Relations
+61 401 109 842

Media enquiries

James Richards
Corporate Manager Media
+61 459 812 770

This announcement is authorised by the Board of Transurban Finance Company Pty Ltd.

Classification

Public

Transurban

Transurban Finance Company Pty Ltd
ABN 65 098 539 452
corporate@transurban.com
www.transurban.com

Level 31
Tower Five, Collins Square
727 Collins Street
Docklands
Victoria 3008 Australia
Telephone +613 8656 8900
Facsimile +613 8656 8585

Transurban Finance Company Pty Ltd

Interim report for the half-year ended
31 December 2024

Contents

4 Directors' report

8 Section A: Interim financial statements

Statement of comprehensive income
Balance sheet
Statement of changes in equity
Statement of cash flows

12 Section B: Notes to the interim financial statements

Basis of preparation and significant changes

B1 Corporate information	B2 Summary of significant changes in the current reporting period	B3 Basis of preparation
---------------------------------------	---	--------------------------------------

Operating performance

B4 Income tax

Capital and borrowings

B5 Net finance (costs)/income	B6 Borrowings	B7 Financial risk management and derivatives
---	-------------------------	---

Items not recognised

B8 Contingencies	B9 Commitments	B10 Subsequent events
----------------------------	--------------------------	---------------------------------

Other

B11 Related party transactions

21 Section C: Signed reports

Directors' declaration
Independent auditor's review report to the members

Directors' report

The Directors of Transurban Finance Company Pty Ltd (the Company or TFC) present their Directors' report on the Company for the half-year ended 31 December 2024 (HY25).

Directors

The following persons were Directors of the Company during the six months ended 31 December 2024 and up to the date of this report, unless otherwise stated:

Executive Directors

Current

- Henry Byrne
- Nicole Green

Former

- Hugh Wehby (until 13 September 2024)

Principal activities

The principal activities of the Company are to obtain and manage the external funding requirements of the Transurban Group¹ (the Group). Funding is sourced both from domestic and international debt capital markets, as well as through bank debt facilities. All borrowings are secured by first ranking charges granted by the Company, Transurban Finance Trust, Transurban Holdings Limited, Transurban Holding Trust, Transurban International Limited and Transurban Limited. There has been no significant change in the nature of these activities during the reporting period.

TFC has a credit rating of 'BBB+' (S&P) / 'Baa1' (Moody's) / 'A-' (Fitch). External borrowings are on-lent to related parties within the Group to fund the Group's development projects and for general corporate purposes. All related party loans advanced by TFC are at arms-length and are interest bearing, with interest typically charged on terms equivalent to the rate at which TFC has borrowed from external financiers.

1. Transurban Holdings Limited and its controlled entities, which includes the other members of the stapled group being Transurban Infrastructure Management Limited as responsible entity of Transurban Holding Trust and its controlled entities, and Transurban International Limited and its controlled entities.

Review of results and operations¹

Financial performance

The Company recorded a loss before tax of \$10 million for the half-year ended 31 December 2024 (half-year ended 31 December 2023: profit before tax of \$43 million).

The following tables summarise the Company's financial performance and key financial measures:

Financial metrics	HY25 \$M	HY24 \$M	Movement \$M	Movement %
Finance income	347	274	73	26.6%
Finance costs	(357)	(231)	(126)	54.5%
Net finance (costs)/income	(10)	43	(53)	N.M.²

Debt metrics	HY25	HY24
FFO/Debt ³	11.2%	12.1%
Senior Interest Coverage Ratio (SICR) (historical ratio for 12 months)	3.9x	4.6x
Weighted average maturity (years)	5.3	5.2
Weighted average cost of debt		
AUD debt	4.7%	4.5%
USD debt	4.1 %	4.1%
CAD debt	4.6 %	4.6%

The unfavourable movement in net finance costs of \$53 million was primarily due to unrealised remeasurement impacts on derivative financial instruments due to hedge accounting ineffectiveness that is recognised in profit or loss. For further information, refer to Note B5 Net finance (costs)/income.

The Company's main source of income is finance income received on loans advanced to related parties, with the interest typically charged on terms equivalent to the rate at which TFC has borrowed from external financiers. All of the Company's foreign currency capital markets debt is at fixed rates, most of which are swapped to fixed interest rate Australian dollar debt.

Financing arrangements and credit facilities

No new debt issuances occurred during the reporting period.

1. Figures used for calculating percentage movements in the Directors' report are based on whole numbers.

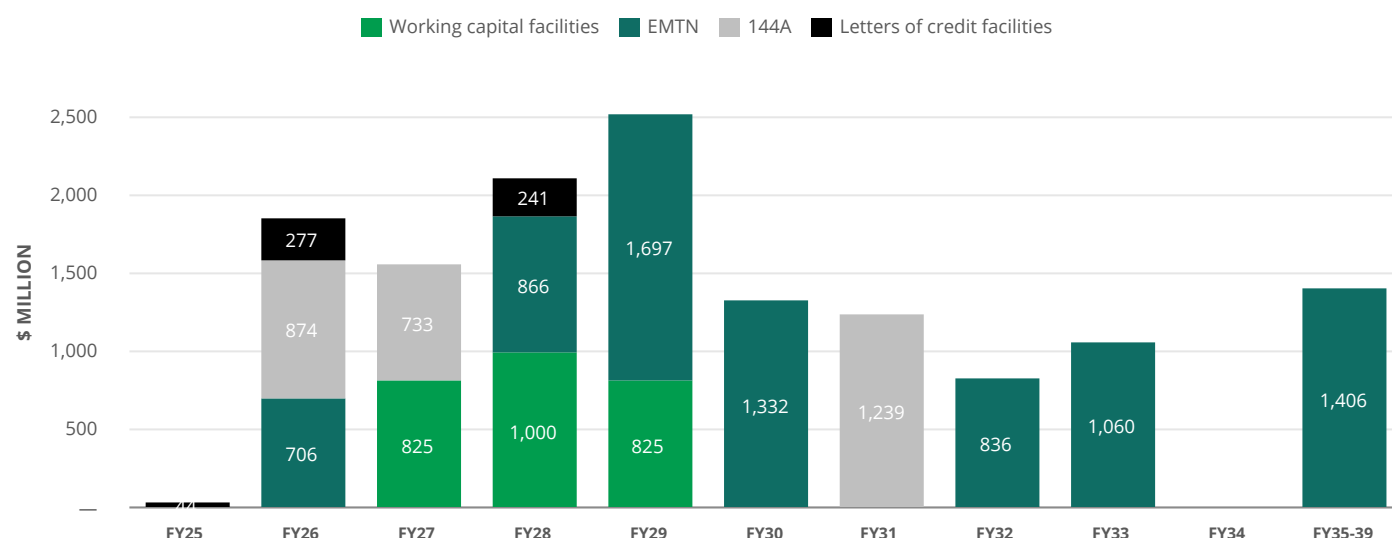
2. N.M.—not meaningful.

3. Based on S&P methodology as calculated for the Transurban Group. FFO is calculated as statutory revenue minus operating expenses, net of maintenance provision of the Transurban Group, plus distributions from investments; minus interest paid, tax paid, and stock compensation expense. Debt is calculated as statutory drawn debt net of cash, foreign currency hedging and other liquid investments. FFO/Debt calculation methodology may be subject to adjustments in future periods.

Capital summary

The Company's weighted average cost of AUD debt decreased during the period to 4.7% (30 June 2024: 4.8%), and the weighted average debt maturity decreased to 5.3 years (30 June 2024: 5.4 years). Planned refinancing in the next 12 months comprises \$706 million of TFC's Euro Medium Term Notes (EMTN), \$6 million of general credit facilities and \$150 million of letter of credit facilities. The Company manages funding and liquidity risks, in accordance with policies approved by the Transurban Board, with the objective of maintaining its investment grade credit metrics and maintaining or growing diversity of funding sources.

Figure 1: Maturity of TFC's debt by financial year as at 31 December 2024^{1,2}



1. The full value of debt facilities is shown. Debt is shown in the financial year in which it matures.

2. Debt values are shown in AUD as at 31 December 2024. CAD, EUR, NOK and USD debt are converted at the hedged rate where cross currency swaps are in place. USD debt is converted at the spot exchange rate (0.6217 at 31 December 2024) where no cross currency swaps are in place. CAD debt is converted at the spot exchange rate (0.8920 at 31 December 2024) where no cross currency swaps are in place.

Events subsequent to the end of the half-year

There has not arisen in the interval between the end of the financial period and the date of this report any matter or circumstance that has significantly affected, or may significantly affect, the Company's operations, the results of those operations, or the Company's state of affairs, in future years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* (Cth) is set out on page 7.

Rounding of amounts

The Company has applied the Australian Securities and Investments Commission ('ASIC') Corporations (*Rounding in Financial Directors' Reports*) Instrument 2016/191 to this report, and amounts in the financial statements have been rounded to the nearest million dollars, unless stated otherwise.

The Directors' report is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the Directors.

Henry Byrne
Director

Melbourne
25 February 2025



Auditor's Independence Declaration

As lead auditor for the review of Transurban Finance Company Pty Ltd for the half-year ended 31 December 2024, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

A handwritten signature in black ink, appearing to read 'Ewan Barron', with a stylized flourish at the end.

Ewan Barron
Partner
PricewaterhouseCoopers

Melbourne
25 February 2025

Section A: Interim financial statements

Transurban Finance Company Pty Ltd

Statement of comprehensive income for the half-year ended 31 December 2024

		Half-year ended 31 December 2024	Half-year ended 31 December 2023
	Note	\$M	\$M
Finance income	B5	347	274
Finance costs	B5	(357)	(231)
Net finance (costs)/income		(10)	43
(Loss)/profit before income tax		(10)	43
Income tax benefit/(expense)	B4	3	(13)
(Loss)/profit for the half-year		(7)	30
Other comprehensive income/(loss)			
Items that may be reclassified to the profit and loss in the future			
Changes in the fair value of cash flow hedges, net of tax		66	55
Changes in the fair value of cost of hedging, net of tax		(26)	(14)
Other comprehensive income for the half-year, net of tax		40	41
Total comprehensive income for the half-year		33	71
Total comprehensive income for the half-year is attributable to:			
Owners of Transurban Finance Company Pty Ltd		33	71
Total comprehensive income for the half-year		33	71

The above statement of comprehensive income should be read in conjunction with the accompanying notes.

Transurban Finance Company Pty Ltd

Balance sheet as at 31 December 2024

	Note	As at 31 December 2024 \$M	As at 30 June 2024 \$M
Assets			
Current assets			
Cash and cash equivalents		1	1
Trade and other receivables		—	11
Related party loans and other receivables	B11	897	980
Derivative financial instruments	B7	124	129
Total current assets		1,022	1,121
Non-current assets			
Related party loans receivable	B11	10,257	10,782
Derivative financial instruments	B7	506	300
Deferred tax assets		—	3
Total non-current assets		10,763	11,085
Total assets		11,785	12,206
Liabilities			
Current liabilities			
Trade and other payables		202	153
Borrowings	B6	837	968
Derivative financial instruments	B7	—	5
Related party loans payable	B11	2	—
Total current liabilities		1,041	1,126
Non-current liabilities			
Borrowings	B6	10,635	10,831
Derivative financial instruments	B7	92	270
Deferred tax liabilities		5	—
Total non-current liabilities		10,732	11,101
Total liabilities		11,773	12,227
Net assets/(liabilities)		12	(21)
Equity			
Reserves		(52)	(92)
Retained earnings		64	71
Total equity		12	(21)

The above balance sheet should be read in conjunction with the accompanying notes.

Transurban Finance Company Pty Ltd

Statement of changes in equity for the half-year ended 31 December 2024

	Reserves \$M	Retained earnings \$M	Total equity \$M
Balance at 1 July 2024	(92)	71	(21)
Loss for the half-year	—	(7)	(7)
Other comprehensive income	40	—	40
Total comprehensive income	40	(7)	33
Balance at 31 December 2024	(52)	64	12
Balance at 1 July 2023	(103)	42	(61)
Profit for the half-year	—	30	30
Other comprehensive income	41	—	41
Total comprehensive income	41	30	71
Balance at 31 December 2023	(62)	72	10

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Transurban Finance Company Pty Ltd

Statement of cash flows for the half-year ended 31 December 2024

	Half-year ended 31 December 2024 \$M	Half-year ended 31 December 2023 \$M
Cash flows from operating activities		
Finance fees recovered from related parties	7	5
Interest received	211	198
Interest paid	(215)	(197)
Finance fees paid	(8)	(5)
Net cash (outflow)/inflow from operating activities	(5)	1
Cash flows from financing activities		
Proceeds from borrowings	350	—
Repayment of borrowings	(1,083)	(10)
Proceeds from loans from related parties	5	9
Loans issued to related parties	(350)	—
Related party loan repayments received	1,083	—
Net cash inflow/(outflow) from financing activities	5	(1)
Net increase/(decrease) in cash and cash equivalents	—	—
Cash and cash equivalents at the beginning of the half-year	1	1
Cash and cash equivalents at the end of the half-year	1	1

The above statement of cash flows should be read in conjunction with the accompanying notes.

Section B: Notes to the interim financial statements

Basis of preparation and significant changes

B1 Corporate information

These interim financial statements comprise Transurban Finance Company Pty Ltd (the Company or TFC). The Company is limited by shares and is incorporated and domiciled in Australia.

The principal activities of the Company are to obtain and manage the external funding requirements of the Transurban Group¹. Funding is sourced both from domestic and international debt capital markets, as well as through bank debt facilities. All borrowings are secured by first ranking charges granted by the Company, Transurban Finance Trust, Transurban Holdings Limited, Transurban Holding Trust, Transurban International Limited and Transurban Limited. The Company is a for-profit entity.

The Company has its registered office at Level 31, Tower Five, Collins Square, 727 Collins Street, Docklands VIC 3008. The Company's ABN is 65 098 539 452.

The interim financial statements of the Company for the half-year ended 31 December 2024 (HY25) were authorised for issue in accordance with a resolution of the Board of Directors on 25 February 2025. Directors have the power to amend and reissue the interim financial statements.

B2 Summary of significant changes in the current reporting period

There were no significant transactions or events during the half-year ended 31 December 2024 (HY25).

B3 Basis of preparation

The Company interim financial statements for HY25:

- Have been prepared in accordance with the *Corporations Act 2001* (Cth) and AASB 134 *Interim Financial Reporting*;
- Have applied all accounting policies in accordance with Australian Accounting Standards (AAS) and, where a standard permits a choice in accounting policy, the policy applied by the Company for HY25 is consistent with that which has been disclosed in the Annual Report for the year ended 30 June 2024;
- Have been prepared under the historical cost convention, as modified by the revaluation of certain financial assets and liabilities (including derivative financial instruments);;
- Are presented in Australian dollars, which is the Company's functional and presentation currency;
- Have been rounded to the nearest million dollars, unless otherwise stated, in accordance with *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*; and
- Have restated the presentation of comparative amounts to conform to the current period presentation.

In accordance with AASB 134, the Company's interim financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the Annual Report for the year ended 30 June 2024 and any public announcements made by the Company during HY25 in accordance with the continuous disclosure requirements of the ASX Listing Rules.

1. Transurban Holdings Limited and its controlled entities, which includes the other members of the stapled group being Transurban Infrastructure Management Limited as responsible entity of Transurban Holding Trust and its controlled entities, and Transurban International Limited and its controlled entities.

B3 Basis of preparation (continued)

Going Concern

The interim financial statements have been prepared on a going concern basis, which assumes the continuity of normal operations, in particular over the next 12 months from the interim financial statements release date of 25 February 2025. This is notwithstanding that the balance sheet of the Company indicates a net current liability position of \$19 million (30 June 2024: \$5 million net current liability).

In determining the appropriateness of the going concern basis of preparation, the Directors have considered the uncertainties related to the macroeconomic environment on the Company's liquidity and operations. The Directors consider near-term interest rate fluctuations to be primarily limited to new borrowing facilities due to the Company's hedging policy and profile. In addition, a number of Transurban Group's toll roads have toll escalations of CPI or greater which provides revenue protection in an inflationary environment and supports the liquidity of related parties that have balances owing to TFC.

Directors have assessed cash flow forecasts and the Company's ability to fund its net current liability position as at 31 December 2024. The assessment indicates that the Company is expected to be able to continue to operate within available liquidity levels and the terms of its borrowing facilities, and to fund the Company's net current liability position as at 31 December 2024, for the 12 months from the date of this report.

The Company has also forecast that it does not expect to breach any financial covenants within the next 12 months from the date of this report. Financial covenant forecasts utilised the same underlying cash flow forecasts as those used in the going concern assessment.

Furthermore, the Directors have also taken the following matters into consideration in forming the view that the Company is a going concern:

- The Company has cash and cash equivalents of \$1 million as at 31 December 2024;
- The Company has available a total of \$2,550 million of undrawn working capital and general purpose borrowing facilities and \$85 million letter of credit facilities across a number of financial providers with a maturity beyond 12 months;
- The Company's external borrowings are covered by on-lending arrangements which enable it to fund interest and principal repayments;
- On-loan agreements with related parties specify that payments of all reasonable costs and fees incurred in relation to external borrowings are fully funded by related parties;
- There are no material uncertainties identified in relation to the ability of the Company to repay its obligations through accessing credit markets; and
- All borrowings are secured by first ranking charges granted by the Company, Transurban Finance Trust, Transurban Holdings Limited, Transurban Holding Trust, Transurban International Limited and Transurban Limited.

B3 Basis of preparation (continued)

New and amended accounting standards

The Company has adopted the following new and amended accounting standards which became effective for the half-year reporting period commencing 1 July 2024. The Company's assessment of the impact of these new and amended accounting standards is set out below. There have been no other changes to the Company's accounting policies disclosed in the Company's Annual Report for the year ended 30 June 2024.

Reference	Description and impact on the Company
AASB 2020-1 <i>Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current</i>	AASB 2020-1 amends AASB 101 <i>Presentation of Financial Statements</i> to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. AASB 2022-6 also amends AASB 101 <i>Presentation of Financial Statements</i> and AASB Practice Statement 2 <i>Making Materiality Judgements</i> . The amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the entity is required to disclose information about these covenants in the notes to the financial statements. The amendments also clarify the situations that are considered settlement of a liability. Application of the amendments has not resulted in any change to the classification of the Company's liabilities between current and non-current. Additional disclosures will be required in the Company's financial statements for the year ended 30 June 2025 relating to borrowings that are subject to compliance with covenants within 12 months after the reporting date.
AASB 2022-6 <i>Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants</i>	
AASB 2022-5 <i>Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leaseback</i>	The standard amends AASB 16 <i>Leases</i> which changes the manner in which the seller-lessee measures its gain or loss based on their proportionate share transferred to the buyer-lessor in the right of use asset from a sale and leaseback transaction. The seller-lessee will be required to further remeasure their lease liability, so that any gain or loss previously recognised will now be removed by way of the lease liability adjustment. Application of the amendments has not had any impact as the Company has not had any sale and leaseback transactions.
AASB 2023-1 <i>Amendments to Australian Accounting Standards – Supplier Finance Arrangements</i>	This standard amends AASB 107 <i>Statement of Cash Flows</i> and AASB 7 <i>Financial Instruments: Disclosures</i> and requires additional disclosures addressing supplier finance arrangements. The additional information will enable users of financial statements to assess how supplier finance arrangements affect an entity's liabilities, cash flows and exposure to liquidity risk. Application of the amendments has not had any impact as the Company does not have any supplier finance arrangements.

Key accounting estimates and judgements

Accounting estimates and judgements are regularly made by management and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Details on the Company's key accounting estimates and judgements are disclosed in the Company's Annual Report for the year ended 30 June 2024. Other than as disclosed elsewhere in this report, there have been no significant changes to the key accounting estimates and judgements since 30 June 2024.

Operating performance

B4 Income tax

Income tax expense/(benefit)

	Half-year ended 31 December 2024	Half-year ended 31 December 2023
	\$M	\$M
Current tax	6	(1)
Deferred tax	(9)	14
Income tax (benefit)/expense	(3)	13
Deferred income tax (benefit)/expense included in income tax (benefit)/expense comprises:		
(Increase)/decrease in deferred tax assets	(6)	8
(Decrease)/increase in deferred tax liabilities	(3)	6
	(9)	14

Reconciliation of income tax expense/(benefit) to prima facie tax payable

	Half-year ended 31 December 2024	Half-year ended 31 December 2023
	\$M	\$M
(Loss)/profit before income tax	(10)	43
Tax at the Australian tax rate of 30% (2023: 30%)	(3)	13
Tax expense relating to items of other comprehensive income and equity		
Cash flow hedges	28	19
Cost of hedging	(11)	(1)
	17	18

Capital and borrowings

B5 Net finance (costs)/income

	Half-year ended 31 December 2024 \$M	Half-year ended 31 December 2023 \$M
Finance income		
Interest income from related parties	263	231
Finance charges recovered from related parties	7	8
Net remeasurement gains on derivative financial instruments ¹	—	35
Net remeasurement gains on derivative financial instruments designated in fair value hedges ²	61	—
Movement in impairment provisions on financial assets at amortised cost	2	—
Net foreign exchange gains	14	—
Total finance income	347	274
Finance costs		
Interest and finance charges paid/payable	(272)	(222)
Net remeasurement losses on derivative financial instruments ¹	(21)	—
Net remeasurement losses on borrowings designated in fair value hedges ²	(64)	—
Net foreign exchange losses	—	(9)
Total finance costs	(357)	(231)
Net finance (costs)/income	(10)	43

1. Relates to gains and losses on derivative financial instruments in cash flow hedges transferred from other comprehensive income (OCI) and derivatives not designated in accounting hedge relationships. These include net unrealised gains or losses which arise from changes in the fair value of derivative financial instruments to the extent that hedge accounting is not achieved or is ineffective. Fair values increase or decrease because of changes in market rates over which the Company does not have control. The periodic remeasurement of cross-currency interest rate swap contracts to fair value includes an element of foreign currency basis spread. For those cross-currency interest rate swap contracts that designate the entire fair value of the cross-currency interest swap contract as the hedging instrument (including the foreign currency basis spread component), this can result in hedge accounting ineffectiveness in the hedging relationship that is recognised in finance costs.

2. Remeasurement gains of \$61 million (half-year ended 31 December 2023: \$nil) are offset by remeasurement losses of \$64 million (half-year ended 31 December 2023: \$nil) resulting in a net remeasurement loss of \$3 million (half-year ended 31 December 2023: \$nil).

B6 Borrowings

The following table shows the carrying amounts of borrowings included in the Company's balance sheet.

	31 December 2024 \$M	30 June 2024 \$M
Current		
Capital markets debt	837	968
Total current borrowings	837	968
Non-current		
Capital markets debt	10,535	10,831
Term debt	100	—
Total non-current borrowings	10,635	10,831
Total borrowings	11,472	11,799

Financing arrangements and credit facilities

No new debt issuances occurred during the reporting period.

Working capital and credit facilities are provided as part of the overall debt funding structure of the Group. The drawn component of these facilities is shown below.

	31 December 2024 \$M		30 June 2024 \$M	
	Facility amount	Amount drawn	Facility amount	Amount drawn
Corporate working capital and general purpose bank facilities	2,650	100	2,650	—
Letter of credit facilities	562	370	570	357
Total working capital and credit facilities	3,212	470	3,220	357

The Company has available total working capital and general purpose bank facilities and letter of credit facilities of \$3,212 million, of which \$2,742 million were undrawn. Total undrawn facilities maturing beyond 12 months comprise \$2,550 million of bank facilities and \$85 million letter of credit facilities. A number of the Company's borrowings include financial covenants. There have been no breaches of any of these covenants during the period.

B7 Financial risk management and derivatives

Financial risk management

The Company's activities expose it to financial risks, including market risk (currency and interest rate), credit risk and funding and liquidity risks. These risks arise in the normal course of business and financial risk management is carried out in accordance with policies approved by the Transurban Group Board. The Company's financial risk management policies allow derivative transactions to be undertaken for the purpose of reducing financial risks and do not permit speculative trading.

Risk exposures are continuously monitored which include updates of cash flow models, review of market conditions and ongoing communication within the Company. An appropriate risk management approach is implemented within the approved policy framework. When assessing financial risk, the Company considers current net exposures and existing hedges.

This interim report does not include all financial risk management information and disclosures required for the annual financial statements. For further details on the Company's financial risk management, refer to the Company's Annual Report for the year ended 30 June 2024. There have been no material changes to the Company's risk management policies since 30 June 2024.

Derivatives

The Company uses derivative financial instruments in the normal course of business to hedge exposures to fluctuations in interest rates and foreign exchange rates.

The table below outlines the Company's derivative financial instruments which are recognised and measured at fair value on a recurring basis.

	31 December 2024		30 June 2024	
	\$M		\$M	
	Current	Non-current	Current	Non-current
Assets				
Interest rate swap contracts	—	17	—	—
Cross-currency interest rate swap contracts	124	489	129	300
Total derivative financial instrument assets	124	506	129	300
Liabilities				
Forward exchange contracts	—	2	—	11
Cross-currency interest rate swap contracts	—	90	—	259
Swap option contracts	—	—	5	—
Total derivative financial instrument liabilities	—	92	5	270

Fair value measurements

Financial instruments are measured either at fair value or their carrying amount approximates fair value, except for borrowings and financial assets which are subsequently measured at amortised cost.

All financial instruments for which fair value is measured are categorised within the fair value hierarchy.

Financial instruments measured at fair value

In determining fair value, the Company uses both observable and unobservable inputs and classifies the inputs according to a three level hierarchy under which the inputs to the valuation method used are categorised based on the lowest level input that is significant to the fair value measurement as a whole. All financial instruments for which fair value is measured are categorised within the fair value hierarchy.

For financial instruments that are measured at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the fair value hierarchy by reassessing categorisation at the end of each reporting period.

The table below summarises the methods used to estimate the fair value of financial instruments measured at fair value and the level within the fair value hierarchy they are categorised in. As at 31 December 2024 and 30 June 2024 there were no financial instruments measured using level 1 inputs. All of the Company's financial instruments measured at fair value are valued using market observable inputs (level 2). There has been no change in the valuation techniques applied and there were no transfers between levels within the fair value hierarchy during the current or prior reporting period.

Fair value hierarchy level	Financial instrument	Valuation method
Level 2: the lowest level observable input that is significant to the fair value measurement is directly (as prices) or indirectly (derived from prices) observable	Cross-currency interest rate swaps and interest rate swaps	Present value of estimated future cash flows based on observable market yield curves. The fair value estimate is subject to a credit risk adjustment that reflects the credit risk of the counterparties.
	Foreign currency forward contracts	Present value of estimated future cash flows based on the quoted forward exchange rates at the reporting date for contracts with similar maturity profiles.

Items not recognised

B8 Contingencies

The Company had no contingent assets or contingent liabilities as at 31 December 2024 (30 June 2024: \$nil).

B9 Commitments

The Company had no capital commitments as at 31 December 2024 (30 June 2024: \$nil).

B10 Subsequent events

There has not arisen in the interval between the end of the half-year and the date of this report any matter or circumstance that has significantly affected, or may significantly affect, the Company's operations, the results of those operations, or the Company's state of affairs, in future years.

Other

B11 Related party transactions

Related party entities

All entities within the Transurban Group are related parties of the Company. The Company is controlled by its parent company Transurban Holdings Limited.

Interest income and finance charges recovered relate to loans to related parties. The related party loans receivable are funds loaned to Transurban Finance Trust and Transurban Funding Pty Ltd and are interest bearing.

	Half-year ended 31 December 2024 \$'000	Half-year ended 31 December 2023 \$'000
Transactions with related parties		
Finance income and charges recovered		
Interest income	263,499	230,551
Finance charges recovered	6,858	8,251
	270,357	238,802
	31 December 2024 \$'000	30 June 2024 \$'000
Outstanding balances with related parties		
Current related party loans and other receivables	899,332	982,729
Expected credit loss allowance	(1,927)	(2,232)
Net related party loans and other receivables—current	897,405	980,497
Non-current related party loans receivable	10,284,419	10,810,798
Expected credit loss allowance	(27,357)	(28,757)
Net related party loans receivable—non-current	10,257,062	10,782,041
Related party loans payable—current	(2,430)	—
Net related party loans payable—current	(2,430)	—
Total net related party balances	11,152,037	11,762,538

Loans to related parties

The 12-month loss allowance as at balance date was determined as follows for loans to related parties:

	31 December 2024	30 June 2024
Expected loss rate	0.266%	0.266%
Loss allowance (\$'000)	(29,284)	(30,989)

Section C: Signed reports

Directors' declaration

In accordance with a resolution of the Directors of Transurban Finance Company Pty Ltd ('Company'), the Directors declare that, in their opinion:

- (a) the interim financial statements and notes of the Company set out on pages 8 to 20 are in accordance with the *Corporations Act 2001* (Cth), including:
 - (i) complying with the applicable Accounting Standards and the *Corporations Regulations 2001* (Cth); and
 - (ii) giving a true and fair view of the Company's financial position as at 31 December 2024 and of its performance for the half-year ended on that date; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



Henry Byrne
Director

Melbourne
25 February 2025



Independent auditor's review report to the members of Transurban Finance Company Pty Ltd

Report on the half-year financial report

Conclusion

We have reviewed the half-year financial report of Transurban Finance Company Pty Ltd (the Company) which comprises the balance sheet as at 31 December 2024, the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Transurban Finance Company Pty Ltd does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Company's financial position as at 31 December 2024 and of its performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report.

We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report, in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Company's financial position as at 31 December 2024 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is



substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PricewaterhouseCoopers

PricewaterhouseCoopers

A handwritten signature in black ink, appearing to read 'Ewan Barron'.

Ewan Barron
Partner

Melbourne
25 February 2025