



20 August 2025

ASX ANNOUNCEMENT

APA Infrastructure Limited (ASX:AP2)

APA Infrastructure Limited Annual Financial Results

APA Infrastructure Limited provides the attached for the financial year ended 30 June 2025:

- APA Infrastructure Limited Annual Report

-ENDS-

Authorised for release by Amanda Cheney

Company Secretary
APA Group Limited

For further information, please contact:

Investor enquiries:

Andrew Nairn
General Manager Investor Relations
Telephone: +61 3 8416 2887
Mob: +61 437 166 497
Email: ir@apa.com.au

Media enquiries:

Megan Taylor
Head of Media Relations & Financial Communications
Telephone: +61 2 8650 5560
Mob: +61 450 640 305
Email: megan.taylor@apa.com.au

About APA Group (APA)

APA is a leading Australian Securities Exchange (ASX) listed energy infrastructure business. As Australia's energy infrastructure partner, we own and/or manage and operate a diverse, \$27 billion portfolio of gas, electricity, solar and wind assets. Consistent with our purpose, securing Australia's energy future, we deliver around half of the nation's domestic gas through 15,000 kilometres of gas pipelines that we own, operate and maintain. Through our investments in electricity transmission assets, we connect Victoria with South Australia, Tasmania with Victoria and New South Wales with Queensland, providing vital flexibility and support for the grid. We also own and operate power generation assets, including gas powered, wind and solar assets across the country. APA Infrastructure Limited is a wholly owned subsidiary of APA Infrastructure Trust and is the borrowing entity of APA Group. For more information visit APA's website, apa.com.au.



APA Infrastructure Limited Annual Financial Report 2025

25 Years of
securing Australia's
energy future

APA

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APA Infrastructure Limited Directors' Report

The Directors of APA Infrastructure Limited ("APAIL") submit their report and the annual financial report of APAIL and its controlled entities (together "Consolidated Entity") for the financial year ended 30 June 2025.

1 Directors

The names of the Directors of the Consolidated Entity during the year and since year end are:

Current Directors	First Appointed
Michael Fraser	1 September 2015 and appointed Chairman 27 October 2017
Adam Watson	Appointed Chief Executive Officer and Managing Director 19 December 2022
Varya Davidson	1 March 2025
James Fazzino	21 February 2019
Nino Ficca	1 September 2023
David Lamont	1 October 2024
Samantha (Sam) Lewis	1 October 2024
Rhoda Phillippo	1 June 2020
Debra (Debbie) Goodin	1 September 2015. Retired 24 February 2025
Peter Wasow	19 March 2018. Retired 24 October 2024

The Company Secretaries of APAIL during the year were Amanda Cheney and Bronwyn Weir.

2 Executive Leadership changes:

- **Group Executive Strategy and Corporate Development:** Ross Gersbach ceased as Group Executive Strategy and Corporate Development effective 11 October 2024, and retired from APA on 31 October 2024. Beth Griggs was appointed as Group Executive Strategy and Corporate Development effective 11 October 2024.
- **Group Executive Infrastructure Delivery:** Kevin Lester ceased as Group Executive Infrastructure Delivery on 16 June 2025, and retired from APA on 30 June 2025. Robert (Rob) Evans was appointed as Group Executive Infrastructure Delivery effective 16 June 2025.
- **Group Executive Electricity Transmission:** Following APA's decision in June not to participate in the current tender processes for major, stand-alone electricity transmission projects on the east coast, Vin Vassallo will leave the business in October 2025 and contribute to the business in an advisory capacity until that time.
- **Group Executive Legal and Governance:** Amanda Cheney will leave APA on 31 August 2025. Amanda's portfolio will be allocated across Garrick Rollason and Beth Griggs as part of a broader structural reorganisation.

3 State of Affairs

In the opinion of the Directors, no significant changes in the state of affairs of the Consolidated Entity occurred during the financial year.

4 Subsequent events

Divestment of gas distribution operations and maintenance entities

On 19 August 2025, the Group executed an agreement to divest its Networks business, including entities which undertake gas distribution operations and maintenance business, to Australian Gas Infrastructure Group (AGIG). The transaction is expected to complete around the second quarter of FY26, subject to satisfaction of conditions precedent, including separation and completion readiness activities. As at 30 June 2025, the Networks business disposal group has been classified as held for sale. Refer to Note 10 of the APA Infrastructure Limited Financial Report for further details on the classification and its impact on the financial statements.

Final distribution declaration

On 20 August 2025, the Directors declared and paid a final dividend of 136.6 cents per share (\$85 million) to the sole equity holder, APA Group Limited as Responsible Entity and Trustee of APA Infrastructure Trust.

Other than noted above and as disclosed elsewhere in this report, in the interval between 30 June 2025 and the date of this report, no matter or circumstance has significantly affected, or may significantly affect, the Group's operations, the results of those operations, or the Group's state of affairs, in future financial years.

5 Principal activities

The principal activities of the Consolidated Entity during the course of the year were investment in controlled entities and acting as the borrowing entity for APA Group, that comprises APA Infrastructure Trust and APA Investment Trust and their controlled entities (APA).

The principal activities of APA during the course of the year were the ownership and operation of energy infrastructure assets and businesses, including:

- Energy infrastructure: comprising gas transmission, compression, processing, storage, and electricity generation (gas and renewables) and transmission and battery energy storage systems;
- Asset Management: The provision of asset management and operating services for third parties and the majority of APA's Energy Investments; and
- Energy Investments: APA's interests in energy infrastructure investments.

There were no significant changes in the principal activities of the Consolidated Entity during the reporting period.

6 Operating Financial Review

The Consolidated Entity reported a profit after tax including significant items of \$116 million (FY24: \$979 million) on total revenue of \$3,200 million (FY24: \$3,054 million).

Capital management

At 30 June 2025, APAIL had 62,127,252 securities on issue. This is unchanged from 30 June 2024.

Debt facilities

At 30 June 2025, APA had \$13,350 million of drawn debt (compared with \$12,893 million at 30 June 2024), with an additional \$1,600 million of undrawn committed corporate liquidity lines. Of the total drawn debt funding, \$96 million is secured funding from North Australian Infrastructure Facility (NAIF) (\$72 million) and the Australian Renewable Energy Agency (ARENA) (\$24 million). These are not included in the APA core guarantor group; however, they are included in APA's total debt obligations

APA has issued long-term debt across a diverse range of global debt capital markets, including Medium Term Notes (MTN) in several currencies (Euro, Sterling and Japanese Yen), United States 144A Notes / Reg S, and Australian dollar syndicated bank loans. The debt portfolio has a broad spread of maturities extending out to FY47 with an average maturity of drawn debt of 6.6 years.

In September 2024, APA issued USD 1.25 billion (AUD 1,879 million) US144A / Reg S notes with 10 and 20 year maturities and a bilateral 10 year term loan (AUD 300 million) that was drawn down in March 2025. At the same time, a Note Tender offer of the US144A notes maturing in March 2025 was conducted, with buy back acceptances of USD 612m (AUD 860 million). The remaining USD 488m (AUD 684 million) were repaid at maturity in March 2025. In addition, APA repaid £129 million (AUD 198 million) GBP MTN in November 2024.

In June 2025, APA extended \$1.75 billion of syndicated bank loans, with original maturities of \$500m in May 2027, \$500m in May 2029, and \$750m in October 2030, to new maturities of \$1.0 billion in July 2031 and \$750m in July 2032.

As at 30 June 2025, 100% (30 June 2024: 100%) of interest obligations on gross borrowings was either hedged into or issued at fixed interest rates extending out to FY47.

Interest costs

During the year, net interest costs increased by \$63 million or 10.4% to \$671 million (FY24: \$608 million) primarily driven by the increase in net debt following the issue of USD 1.25 billion (AUD 1,879 million) US144A / Reg S notes with 10 and 20 year maturities, as well as the full year contribution of interest on APA's hybrid subordinated capital securities (AUD 828 million) and syndicated term loans (AUD 1.25 billion) issued in November 2023.

The Wallumbilla Gladstone Pipeline hedge relationship was discontinued in FY25 following a change in hedging strategy. APA now hedges the outstanding foreign currency exposures on the USD debt and forecast USD revenue separately.

As a consequence of this change, all historical cumulative amounts in reserves are crystallised and amortised back to Profit or Loss over time through statutory revenue (through FY35) and finance costs (through FY30). Additionally, where debt instruments (including cross currency swaps (CCS)) are no longer in a hedge relationship and not swapped into AUD, the CCS instruments are marked-to-market and the debt instruments are revalued at the spot FX rate at balance date, in Profit or Loss through net interest and other finance costs. The FY25 impact of this is a \$51 million non-cash reduction in revenue and \$9 million non-cash loss recorded in net interest and other finance costs.

The average interest rate applying to drawn debt, including credit margins, was 5.12% for FY25 (FY24: 4.77%). This increase in average interest rate year-on-year is largely due to the higher marginal interest rates on the USD 1.25 billion US 144A transaction in September 2024 and the full year impact of the €500 million hybrid capital securities and \$1.25 billion syndicated loan bank loans transactions that occurred in November 2023.

Credit ratings

During the year, APA Infrastructure Limited (APAIL), the borrowing entity of APA, maintained two investment grade credit ratings:

- BBB long-term corporate credit rating (outlook Stable) assigned by Standard & Poor's (S&P) in June 2009, and last affirmed in November 2024.
- Baa2 long-term corporate credit rating (outlook Stable) assigned by Moody's Investors Service (Moody's) in April 2010, and last affirmed in September 2024

APA calculates the Funds From Operations (FFO) to Interest to be 2.9 times (FY24: 3.2 times) and FFO to Net Debt to be 10.4% for FY25 (FY24: 10.1%).

Dividends

Unfranked dividends of \$384 million were declared to the sole shareholder, APA Infrastructure Trust, for the financial year (FY24: \$676 million).

7 Options Granted

No options over unissued shares or interests in APAIL were granted during or since the end of the financial year, no unissued APAIL securities were under option as at the date of this report, and no APAIL securities were issued during or since the end of the financial year as a result of the exercise of an option over unissued APAIL securities.

8 Directorships of other listed companies

Directorships of other listed companies held by Directors at any time in the three years immediately before the end of the financial year:

Name	Company	Period of directorship
Michael Fraser	Orora Limited	Since April 2022
Adam Watson	—	—
Varya Davidson	—	—
James Fazzino	Tassal Group Limited	May 2020 to November 2022
	Qube Holdings Limited	Since February 2024
Nino Ficca	—	—
David Lamont	Telstra Group Limited	Since December 2024
Samantha (Sam) Lewis	CSL Limited	Since January 2024
	Nine Entertainment Co. Holdings Limited	March 2017 to May 2025
	Orora Limited	March 2014 to March 2024
	Aurizon Holdings Limited	February 2015 to October 2023
Rhoda Phillippo	Dexus Funds Management Limited	Since February 2023

¹ FFO/Net Debt and FFO/Interest calculated in line with S&P methodology. Historical ratios have been revised reflecting S&P revisions to the historical calculations.

9 Directors' relevant interests in APA securities

The aggregate number of APA securities held directly, indirectly or beneficially by Directors or their related entities at 30 June 2025 is 328,285. No director holds any securities in APA Infrastructure Limited.

Directors' relevant interests in APA securities

Directors	Fully paid securities as at 1 July 2024	Securities acquired	Securities disposed	Fully paid securities as at 30 June 2025
Michael Fraser	106,489	—	—	106,489
Adam Watson	97,400	56,133	—	153,533
Varya Davidson ¹	25,116	—	—	25,116
James Fazzino	34,298	13,114	—	47,412
Nino Ficca	12,500	21,788	—	34,288
David Lamont ²	40,407	14,593	—	55,000
Samantha (Sam) Lewis ³	7,600	15,000	—	22,600
Rhoda Phillippo	20,325	1,567	—	21,892
Debra (Debbie) Goodin ⁴	27,726	—	—	27,726
Peter Wasow ⁵	29,547	—	—	29,547

¹ Varya Davidson appointed as a Director effective 1 March 2025.

² David Lamont appointed as a Director effective 1 October 2024.

³ Samantha (Sam) Lewis appointed as a Director effective 1 October 2024.

⁴ Debra (Debbie) Goodin retired as a Director effective 24 February 2025. Balance as at date of ceasing to be a Director.

⁵ Peter Wasow retired as a Director effective 24 October 2024. Balance as at date of ceasing to be a Director.

As at 30 June 2025, Adam Watson held 779,897 performance rights granted under APA Group's long-term incentive plan. Each performance right is a right to receive one ordinary stapled security in APA subject to satisfaction of certain performance hurdles. Further information can be found in section 8 of APA's Remuneration Report.

The Directors hold no other rights or options over APA securities or securities in APA Infrastructure Limited. There are no contracts to which a Director is a party or under which the Director is entitled to a benefit and that confer a right to call for or deliver APA securities or securities in APA Infrastructure Limited.

10 Indemnification of Officers

During the year, the Responsible Entity of APA Group paid a premium on a contract insuring the Directors and Officers of any APA Group entity (including APAIL) against certain liability incurred in performing those roles. The contract of insurance prohibits disclosure of the specific nature of the liability and the amount of the premium.

APA Group Limited indemnifies directors, officers and other executives and former executives of APA Group entities (including APAIL) under a range of deed polls and indemnity agreements, which have been in place since 1 July 2000. The indemnity operates to the full extent allowed by law but only to the extent not covered by insurance and is on terms the Board of APA Group Limited considers usual for arrangements of this type.

Under its constitution, APA Infrastructure Limited indemnifies each person who is or has been a Director, Company Secretary or Executive Officer of that Company.

Neither APAIL nor the Responsible Entity has not otherwise, during or since the end of the financial year, indemnified or agreed to indemnify an officer or external auditor of APA Infrastructure Limited or any APA Group entity against a liability incurred by such an officer or auditor.

11 Remuneration Report

The Remuneration report is attached to and forms part of this report.

12 Auditors

Auditor's independence

A copy of the independence declaration of the auditor, Deloitte Touche Tohmatsu, as required under section 307C of the *Corporations Act 2001*, is included at page 98.

Non-audit services

A description of any non-audit services provided during the financial year by the Auditor and the amounts paid or payable to the Auditor for these services are set out in note 26 to the financial statements.

The Board has considered the non-audit services provided by the Auditor. In accordance with advice provided by the Audit and Finance Committee (the Committee), the Board is satisfied that this provision is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001* and does not compromise the auditor independence requirements of the Act.

The Board concluded that the non-audit services provided did not compromise the Auditor's independence because:

- All non-audit services were subject to APA's corporate governance procedures with respect to such matters and have been reviewed by the Committee to ensure they do not impact on the Auditor's impartiality and objectivity.
- The non-audit services provided did not undermine the general principles relating to auditor independence as they did not involve reviewing or auditing the Auditor's own work, acting in a management or decision-making capacity for APA, acting as an advocate for APA or jointly sharing risks and rewards.
- The Auditor has provided a letter to the Committee with respect to the Auditor's independence and the Auditor's independence declaration referred to above.

13 Rounding of amounts

APAIL is an entity of the kind referred to in ASIC Corporations Instrument 2016/191. In accordance with that Class Order, amounts in the Directors' report and the financial report are rounded to the nearest million dollars, unless otherwise indicated.

14 Authorisation and signatures

The Directors' Report is signed in accordance with a resolution of the Directors of APAIL made pursuant to section 298(2) of the *Corporations Act 2001*.

On behalf of the Directors



Michael Fraser

Chairman



Adam Watson

Chief Executive Officer and Managing Director

SYDNEY, 20 August 2025

Letter from the Chair of the People and Remuneration Committee

I am pleased to present the Remuneration Report of the APA Group (APA or the Company) for financial year 2025.

APA has delivered strong growth in earnings, and continued growth in distributions. Underlying EBITDA increased by 6.4% to \$2,015m and our distribution increased by 1.8% to 57.0 cents per security. Our Free Cash Flow (FCF) increased by 0.9% to \$1,083m.

FY25 executive remuneration incentive outcomes

Reflecting FY25 financial and non-financial performance, the FY25 Short-Term Incentive (STI) outcome was 72.6% of maximum (108.9% of target) for the CEO/MD, and between 72.6% and 75.9% of maximum (108.9% and 113.9% of target) for other Key Management Personnel (KMP) roles.

The FY23 Long-Term Incentive (LTI) was tested at the end of FY25. The relative Total Shareholder Return (TSR) performance metric was not met and the Return on Capital (ROC) metric was met in full. This resulted in 50% of the LTI becoming available to vest according to APA's LTI vesting schedule. The achievement of the ROC metric in full illustrates that APA continues to balance the delivery of earnings growth with prudent capital management.

FY25 executive remuneration changes

In the annual remuneration review in August 2024, changes were made to Total Fixed Remuneration (TFR) for the Group Executive (GE) Operations and the GE Energy Solutions. No change to TFR was made for the other KMP roles in this annual review. There were no changes made to incentive opportunities.

At the two year anniversary of the CEO/MD's time in role (November 2024), the CEO/MD's TFR was increased to \$1,662,000 (3.88% increase) and STI opportunity was increased from a target opportunity of 60% of TFR (maximum of 90%) to a target opportunity of 80% of TFR (maximum of 120%) bringing total remuneration closer to market benchmarks. The changes effective 1 November 2024 were the first changes made to the CEO/MD's remuneration package since permanent appointment to the CEO/MD role in 2022.

The CEO/MD's remuneration is now reviewed each year as part of the annual APA review cycle. In the August 2025 annual review the Board reviewed and adjusted the CEO/MD's TFR (increased by 2.29% to \$1,700,000) and increased STI target opportunity to 90% (and maximum increased to 135% of TFR) and LTI remuneration opportunity (increased to 170% of TFR) to further align to market benchmarks. The changes in November 2024 and August 2025 continue to focus on long-term value creation with the CEO/MD's remuneration package placing a high weighting on the LTI component.

As approved by securityholders at the 2024 Annual General Meeting (AGM), for the FY25 LTI grant, following feedback from securityholders, the relative TSR peer group was expanded to include additional companies of a similar size that are in similar or adjacent sectors to APA. The relative TSR vesting schedule was also re-aligned to market practice (50% vesting at 50th percentile and 100% vesting at 75th percentile). The details of the FY25 LTI grant are outlined in section 4.3.

The year ahead

During the year, the Board continued to review and monitor remuneration governance, structures and performance metrics to ensure alignment with APA's strategic objectives. There are no material changes to the remuneration approach for FY26.

I hope you find this Remuneration Report informative. We look forward to your support and any questions at the 2025 AGM.



David Lamont

People and Remuneration Committee Chair

Remuneration report contents

1. Individuals covered by the Remuneration Report
2. Executive summary
3. FY25 performance and executive incentive outcomes
4. Executive remuneration policy and framework
5. Executive KMP contracts
6. Non-executive Director remuneration
7. Remuneration governance
8. Statutory tables

1. Individuals covered by the Remuneration Report

The Remuneration Report (the Report) for APA for FY25 has been prepared in accordance with Section 300A of the Corporations Act 2001. The information provided in this Report has been audited, unless indicated otherwise, and forms part of the Directors' Report.

This Report includes the following KMP:

Name	Role	Term as KMP
Non-Executive Directors (NEDs)		
Michael Fraser	Chair	Full year
Varya Davidson	Director	Part year from 1 March 2025
James Fazzino	Director	Full year
Nino Ficca	Director	Full year
David Lamont	Director	Part year from 1 October 2024
Samantha Lewis	Director	Part year from 1 October 2024
Rhoda Phillippo	Director	Full year
Former NEDs		
Debra (Debbie) Goodin	Director	Part year to 24 February 2025
Peter Wasow	Director	Part year to 24 October 2024
Executive KMP		
Adam Watson	Chief Executive Officer and Managing Director (CEO/MD)	Full year
Petrea Bradford	Group Executive (GE) Operations	Full year
Darren Rogers	GE Energy Solutions	Full year
Garrick Rollason	Chief Financial Officer	Full year

2. Executive summary

2.1. Remuneration strategy

The Board recognises the important role remuneration plays in supporting and implementing the achievement of APA's strategy over both the short and long-term. The key principles of the remuneration policy and a summary of the executive remuneration framework are outlined below.

 MARKET COMPETITIVE Provide competitive rewards to attract, motivate and retain highly skilled executives.	 BUSINESS STRATEGY Drive delivery of APA's strategy to be the partner of choice in delivering infrastructure solutions for the energy transition.	 CULTURE Reinforce APA behaviour expectations and drive a high performing, customer focused organisation that is committed to safety & care.	 SECURITYHOLDER ALIGNMENT Ensure executive performance and behaviours align with the interests of securityholders.
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2.2. Executive remuneration snapshot

	Fixed Pay	STI	LTI
Purpose	To be market competitive to attract, motivate and retain individuals.	To reward executives for achieving APA's annual performance targets.	To focus executives on the achievement of APA's strategy and creating value and alignment with the experience of securityholders.
FY25 approach	The level of fixed pay is based on multiple factors, including the skills and experience of the individual, external market positioning and the size and complexity of the role. Executive KMP roles are benchmarked against similar roles in companies with a comparable market capitalisation.	Subject to meeting an EBITDA gateway, performance is assessed against a Company Scorecard of financial and non-financial measures which determine STI outcomes for the CEO/MD and Executive KMP. Each Executive KMP member is also assessed on divisional priorities which determines the individual STI outcome.	Performance Rights are assessed against relative TSR (50%) and ROC (50%) over a three year performance period, with vested Performance Rights converting to securities in equal tranches over Years 3, 4 and 5
FY25 remuneration outcomes	Based on a review of market benchmarking data, the following fixed pay changes were made during FY25: - The CEO/MD's Fixed pay was increased by 3.88% to \$1,662,000. - The GE Operations fixed pay was increased by 10.18% to \$920,000. - The GE Energy Solutions fixed pay was increased by 4.35% to \$960,000. No change to fixed pay was made for the Chief Financial Officer during the period.	The outcomes were: - CEO/MD: 72.6% of maximum (108.9% of target). - Other Executive KMP: ranged from 72.6% and 75.9% of maximum (108.9% and 113.9% of target) - The STI outcomes for the APA Executive Leadership Team had a wider range of differentiated performance outcomes, noting the Executive KMP are a subset of this team. Section 3.2 provides details on scorecard outcomes.	The FY23 LTI award was tested at 30 June 2025 resulting in an outcome of 50% vesting. These rights will vest over 3 years with 1/3 vesting in August 2025, and the remaining 2/3 vesting in equal tranches in 2026 and 2027. Section 3.5 provides details on results against the relative TSR and ROC measures.

Minimum security holding requirement

APA's minimum security holding requirement requires Executive KMP to hold a material security holding in APA Group. The requirement is to hold securities with a value of at least:

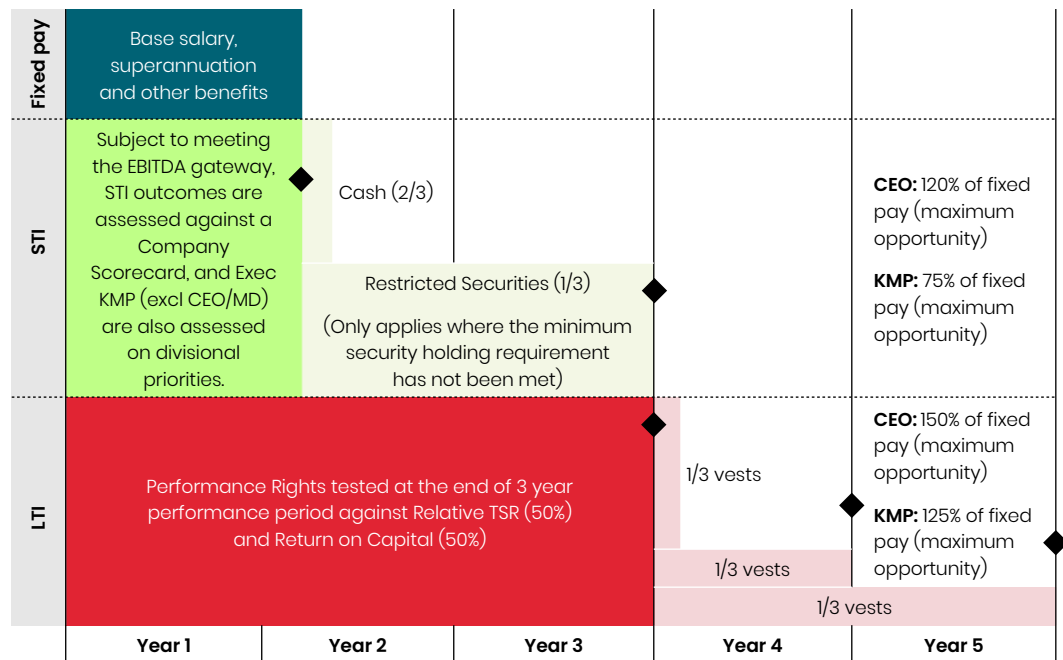
- CEO/MD: 100% of fixed pay; and
- Other Executive KMP: 50% of fixed pay.

Included in the minimum security holding requirement calculation are any performance rights which have been performance tested as at 30 June 2025, but which may be yet to practically vest and convert to securities. Where the minimum security holding requirement has not been met, 1/3 of the STI payable will be deferred into Restricted Securities to help build individual security holding levels.

Executive KMP have five years from the date of appointment to their role to accumulate the required minimum value of securities.

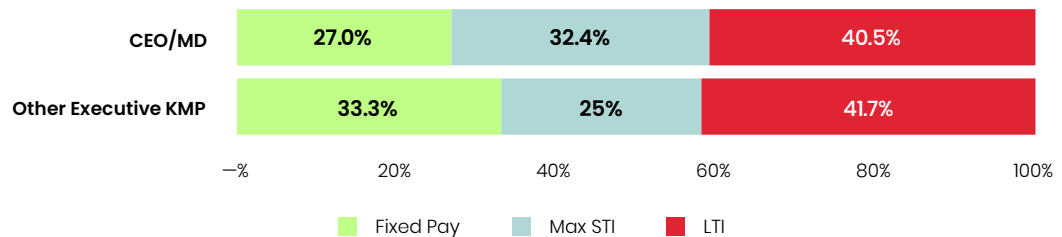
As at 30 June 2025, all KMP meet the minimum security holding requirement.

Reward time horizon



Pay Mix

The pay mix graph below displays the proportion of fixed vs variable remuneration (STI and LTI) as at 30 June 2025 when the incentives are achieved at maximum (i.e. the STI at maximum, and the LTI calculated at face value assuming 100% vesting).



3. FY25 performance and executive incentive outcomes

3.1. Company performance

The table below summarises APA's financial performance for the past 5 years.

Measure	FY25	FY24	FY23	FY22	FY21 ¹
Underlying EBITDA(\$m) ²	2,015	1,893	1,725	1,692	1,629
Profit after tax including significant items (\$m)	129	998	287	260	1
Profit after tax excluding significant items(\$m)	129	119	287	240	279
Free cash flow per security (cents)	83.0	83.6	90.7	91.6	76.4
Distribution per security (cents)	57.0	56.0	55.0	53.0	51.0
Closing security price at 30 June (\$)	8.17	7.99	9.69	11.27	8.90
CEO STI outcome (% of maximum)	72.6	62.7	78.9	66.1	66.4

Since listing in 2000, APA has paid an interim and full year distribution every year. Our distribution of 57.0 cents per security for FY25 represents a 1.8% increase on FY24.

3.2. FY25 STI scorecard outcomes – CEO/MD & Company Scorecard

The Board reviewed the performance of the CEO/MD and the Executive KMP against the FY25 Company Scorecard which includes a set of KPIs that were set at the start of the year. The underlying EBITDA gateway was exceeded, and therefore the STI was available to be earned.

Based on the Board's assessment, it was determined that the Company Scorecard outcome was a holistic reflection of FY25 performance, and determined an exercise of Board discretion was not needed. The table below summarises the outcomes against each KPI, where KPIs were assessed against a threshold (50%), target (100%) and stretch (150%) outcome.

Measures and rationale	FY25 outcome	Further detail
Financial		
Underlying EBITDA (20% weighting)		
EBITDA is our key financial metric to assess the financial health of our business. We aim to maintain financial strength through solid EBITDA growth. The EBITDA targets are based on budget for the year and an assessment of the potential risks and opportunities to inform the range of threshold and stretch.	THRESHOLD TARGET MAXIMUM	Underlying EBITDA outcome was \$2,015m (above budget and towards the top end of guidance) against a threshold of \$1,990m, a target of \$1,990m and a stretch of \$2,020m.
Free Cash Flow (10% weighting)		
A focus on strong free cash flow growth ensures APA can continue to increase distributions and fund stay in business capital. The free cash flow targets are based on the budget for the year and an assessment of the potential risks and opportunities to inform the range of threshold and stretch.	THRESHOLD TARGET MAXIMUM	Free cash flow was \$1,083m against a threshold of \$982m, a target of \$1,034m and a stretch of \$1,086m.
Value Creation (30% weighting)		
Value Creation KPIs focussed on key strategic opportunities and capital investments that support the execution of our customer focussed strategy. Each of these opportunities have strong links to APA's financial performance in terms of revenue opportunities, customer growth, efficiency and costs.	THRESHOLD TARGET MAXIMUM	APA continued strong progress against its key strategic opportunities and capital investments to support growth. Despite delays in remote grid projects which meant these were not able to be progressed as planned, other key initiatives showed strong momentum which position APA well for future value growth, including the: • Successful acquisition of the Atlas to Reedy Creek pipeline. • Strong progress on the Beetaloo project and engagement with land owners. • Continued strong implementation of the GRID Solutions Program. • Roll-out of APA's High Performance Agenda (HPA) with promising early outcomes, and • Positive regulatory outcomes related to South West Queensland Pipeline and Basslink.

¹ Restated for the impact of the payroll review provision.

² Underlying EBITDA is EBITDA excluding non-recurring items arising from other activities, transactions not directly attributable to the performance of APA Group's business operations and significant items. The Board considers this to best reflect the core earnings of APA. Refer to note 3 of the Financial Statements.

Measures and rationale	FY25 outcome	Further detail
Non-financial		
Climate (10% weighting)		
Ensure progress against the priorities of APA's Climate Transition Plan, including achieving emissions reduction targets, developing APA's refreshed Climate Transition Plan 2.0, as well as progress against other climate related projects.	THRESHOLD TARGET MAXIMUM	Delivery against priorities set for FY25 exceeded target. APA closed out all commitments under its first Climate Transition Plan (CTP), reduced emissions above target levels and established a pipeline of emissions abatement opportunities. APA's CTP 2.0 was developed during the year, reconfirming APA's 2030 gas infrastructure emissions reduction target and energy intensity goal. CTP 2.0 confirmed APA's goal to achieve net zero operational emissions by 2050.
Health, Safety, Environment & Heritage (10% weighting)		
To improve safety, wellbeing, environment and heritage performance and lead a safety focussed culture.	THRESHOLD TARGET MAXIMUM	Performance is assessed against a combination of lead and lag indicators. The performance against the lead indicators (including the execution of the HSEH priorities and psychosocial risk actions) was strong and assessed between Target and Stretch. The performance against the lag indicators showed continued progress on reducing overdue compliance orders. However, there was one Tier 1 process safety incident in the gas transmission business and one actual serious harm incident which impacted assessed performance.
Culture (10% weighting)		
Support the culture of APA through our approach to Inclusion & Diversity, our employee engagement and robustness of succession planning.	THRESHOLD TARGET MAXIMUM	APA made strong progress on the work to embed a high performance culture that is customer focussed and committed to the safety and care of our people. The performance for this KPI was specifically assessed against a subset of the culture metrics being employee engagement, gender representation and the strengthening of our ELT succession plan, and there was mixed performance against these specific KPI's. Our engagement survey score was equal to FY24 and a positive result in the context of the change occurring in the business during the year, but was below the target we set for the year. We continued our focus on improving gender representation, however, due in part to a reduction in recruitment volume, some of our gender representation targets fell short of our targets for the year. We made strong progress on our succession plans for our ELT roles.
Customer and Reputation (10% weighting)		
Maintain APA's reputation across internal and external stakeholders (including customers), as measured through RepTrak and SEC Newgate surveys.	THRESHOLD TARGET MAXIMUM	Reputation is measured against the RepTrak Priority Stakeholder Score, the RepTrak General Score vs peers, and the SEC Newgate Priority Stakeholder Trust Score. Each of these scores exceeded our targets for the year.
FY25 Company Scorecard outcome		72.6% of Maximum 108.9% of Target
The Board considered the CEO/MD's individual contribution to these results, the behaviours demonstrated and any other performance throughout the year (not already reflected in the Company Scorecard). As a result of this, no changes were made to the assessment to apply to the CEO/MD's outcome.		
FY25 CEO/MD STI outcome		72.6% of Maximum 108.9% of Target

3.3. FY25 STI performance scorecard outcomes – other Executive KMP

STI outcomes for other Executive KMP are determined based on:

- The FY25 Company Scorecard outcome shared with the CEO/MD;
- Achievement of divisional priorities; and
- Demonstration of APA behaviours and core expectations.

Other Executive KMP outcomes ranged from 72.6% to 75.9% of maximum (108.9% to 113.9% of target). There are similar outcomes for the other Executive KMP given the Company Scorecard is the primary driver determining an individual's outcome. The STI outcomes for the complete APA Executive Leadership Team had a wider range of differentiated performance outcomes, noting the Executive KMP are a subset of this team.

Commentary on Ms Petrea Bradford's performance

Overall outcome of 113.9% of target, with key contributions being the achievement of the FY25 Company Scorecard outlined on the previous page, and:

- Strong performance in transforming APA's operations, delivering material efficiencies, and leading key technology implementations.
- Leading APA's efforts to drive cost reductions in our operations.

Commentary on Mr Darren Rogers' performance

Overall outcome of 108.9% of target, with key contributions being the achievement of the FY25 Company Scorecard outlined on the previous page, and:

- Built a strong and encouraging pipeline of developments across Remote Grid, Gas Power Generation and Gas Transmission.
- Continued strong results in recontracting and engagement with customers.

Commentary on Mr Garrick Rollason's performance

Overall outcome of 108.9% of target, with key contributions being the achievement of the FY25 Company Scorecard outlined on the previous page, and:

- Leading APA's efforts to drive cost reductions.
- Led significant enhancements to APA's technology function to strengthen digital and data processes.

3.4. STI outcomes

The table below provides an overview of the STI outcomes for FY25 for current KMP. There were no restricted securities granted as part of the FY25 STI Outcomes for KMP given all KMP met the minimum security-holding requirement.

Executive KMP	STI earned			STI forfeited	
	STI \$ Outcome	% of target	% of maximum	Foregone \$	% of maximum
A Watson ³	1,312,299	108.9 %	72.6 %	495,275	27.4 %
P Bradford	523,940	113.9 %	75.9 %	166,060	24.1 %
D Rogers	522,720	108.9 %	72.6 %	197,280	27.4 %
G Rollason	500,940	108.9 %	72.6 %	189,060	27.4 %

³ Adam Watson's STI Target for FY25 was pro-rated for changes to TFR and STI opportunity effective 1 November 2024.

3.5. LTI outcomes

Performance measurement approach

APA's LTI is designed to focus Executive KMP on the achievement of APA's strategy and to create alignment with the experience of securityholders. The LTI has two performance measures:

- 50% is subject to a relative TSR performance metric; and
- 50% is subject to a ROC performance metric.

Vesting of the LTI is dependent on achieving the above performance metrics with the Board having overarching discretion to ensure vesting outcomes are aligned to overall APA performance.

FY23 LTI testing and vesting

Performance period is from 1 July 2022 to 30 June 2025.

TSR (50% weighting)

- APA's TSR is measured against a group of ASX 100 bespoke peers in the infrastructure and gas sectors.
- As measured over the 3-years to 30 June 2025, APA's TSR performance was below the median relative to the peer group.
- 0% of the performance rights linked to the TSR hurdle vested.

Threshold	Maximum	Actual	Vesting outcome
50th percentile	82.5th percentile	20th percentile	0%

ROC (50% weighting)

- The ROC metric measures APA Group's operating earnings relative to the value of operating assets over a three-year performance period. A target range (a threshold and a maximum) is set based on the APA business plan. Refer to section 4.3 of this report for further detail of the ROC definition.
- APA's approach is to set and disclose ROC targets at the beginning of the performance period based on the outlook for the business at that time. If there are any significant changes to the outlook related to acquisitions or divestment transactions then as a matter of procedural process APA adjusts the targets to account for these. This ensures:
 - A like-for-like comparison of targets with actual performance (which includes the impact of transactions), and
 - Management is held to account for delivering the outcomes intended as part of any transaction and are not materially advantaged or disadvantaged for pursuing or not pursuing a transaction.
- Typically, incorporating a transaction into the ROC targets will reduce the targets as an asset is being added to the calculation at the acquisition price which represents a non-depreciated fair value. Conversely, removing an assumed transaction that didn't proceed will typically increase the ROC targets.
- APA's approach resulted in the ROC targets for the FY20, FY21 and FY22 LTI plans being adjusted as no transaction in the United States was pursued (which had been assumed in the targets) and adjusted to include the Basslink and Pilbara transactions (which were not included in the original targets). The impacts of adjustments on historical ROC performance testing is outlined below:

	FY20 LTI	FY21 LTI	FY22 LTI
Adjustment to targets	Increase to targets	Increase to targets	Decrease to targets
Vesting outcome vs original targets	100%	100%	100%
Vesting outcome vs adjusted targets	68.73%	100%	100%
Impact of adjusting targets on vesting outcome	Lower outcome	No change	No change

- For the FY23 LTI, the original ROC targets set were 12.2% (threshold) and 12.5% (maximum). This was set before the Basslink and Pilbara transactions were known. Consistent with the approach in prior years, the Board adjusted the FY23 LTI targets to include the Basslink and Pilbara transactions to ensure management are held to account for the performance of those acquisitions in line with the investment case and there is no material advantage or disadvantage. The adjustment adds to ROC calculation the acquisition price of the new assets which represent a non-depreciated fair value and lowers the target. The adjustment to ROC targets to factor in the Basslink and Pilbara transactions results in the ROC outcomes vesting in full.

	Threshold	Maximum	Actual	Vesting outcome
Original targets	12.2%	12.5%		
Adjusted targets	10.7%	11.0%	11.55%	100%

Overall 50% percent of the FY23 LTI vested to the CEO/MD and other participants

FY24 LTI due to be tested at the end of FY26

The FY24 LTI plan is due to be performance tested at 30 June 2026.

The ROC targets for the FY24 LTI were set post the Basslink and Pilbara Energy transactions being concluded.

At this time, there is no adjustment expected to be made to the targets. However, should a transaction eventuate, consistent with APA's approach to date, the Board would apply a consistent approach to those targets and adjust for any significant changes related to transaction activity.

3.6. FY25 actual remuneration

The actual remuneration detailed in the table below differs from the statutory remuneration disclosed in section 8 which is subject to requirements under the Accounting Standards and Corporations Act.

The following is included in the table:

- Fixed pay and Cash STI – as received which relates to FY25.
- STI deferred equity released – awards from prior years which have met time restrictions as at 30 June 2025, but will be released in August 2025 following announcement of APA's FY25 financial results.
- LTI equity vested & released – FY21 LTI (Tranche 3), FY22 LTI (Tranche 2) and FY23 LTI (Tranche 1) that have met performance and time restrictions as at 30 June 2025, but will vest and convert to securities in August 2025 following announcement of APA's FY25 financial results.

Given this is not a statutory disclosure, only current KMP are included.

Executive KMP	Fixed pay \$ ⁴	Cash STI \$ ⁵	STI deferred equity released \$ ⁶	LTI equity vested & released \$ ⁷	Other ⁸	Total \$
A Watson	1,641,333	1,312,299	173,216	557,822	—	3,684,670
P Bradford	920,000	523,940	—	—	384,384	1,828,324
D Rogers	956,630	522,720	—	394,279	—	1,873,629
G Rollason	920,000	500,940	—	—	174,696	1,595,636

⁴ Fixed pay is inclusive of cash salary, employer superannuation, and any salary sacrifice items (including any relevant fringe benefits tax).

⁵ Cash STI refers to the cash portion of the STI, relating to performance in FY25. Payment will be made in September 2025.

⁶ STI deferred equity released is based on a VWAP of \$8.4253 (being the 20 trading days leading up to 30 June 2025).

⁷ Relates to rights vesting and converting to securities for Tranche 3 of the FY21 Performance Rights plan, Tranche 2 of FY22 Performance Rights plan and Tranche 1 of the FY23 Performance Rights plan. Valued based on a VWAP of \$8.4253 (being the 20 trading days leading up to 30 June 2025).

⁸ Relates to sign on rights which were disclosed in the FY24 Remuneration Report. Value based on the security price at close of trade on the day of vesting.

4. Executive remuneration policy and framework

4.1. Fixed pay

Fixed pay includes base salary, employer superannuation, and any salary sacrifice items (including any relevant fringe benefits tax) such as car parking, motor vehicles and superannuation. The level of fixed pay is based on multiple factors, including the skills and experience of the individual, external market positioning and the size and complexity of the role.

4.2. STI plan

In addition to the information covered in section 2, further detail on the operation of the FY25 STI plan is provided below:

Feature	Description
Target opportunity	CEO/MD: 80% of fixed pay Other Executive KMP: 50% of fixed pay
Maximum Opportunity	CEO/MD: 120% of fixed pay Other Executive KMP: 75% of fixed pay
Performance period	One year.
Performance measures	A Company Scorecard consisting of financial and non-financial metrics determines performance outcomes for the CEO/MD and Other Executive KMP. Behaviours are considered for all KMP, and Other Executive KMP are also assessed on divisional priorities.
Delivery	Cash (2/3) paid at the end of FY25 (in September 2025) and deferred equity (1/3) delivered as Restricted Securities which vest after two years (in August 2027). The deferral only applies where the minimum security holding requirement is not met.
Allocation methodology of deferred STI	Restricted Securities are allocated at face value using a volume weighted average price (VWAP) of the 20 trading days leading up to (but not including) the day APA releases its full year financial results.

4.3. LTI plan

In addition to the information covered in section 2, further detail on the operation of the FY25 LTI plan is provided below:

Feature	Description																				
Opportunity	CEO/MD: 150% of fixed pay Other Executive KMP: 125% of fixed pay																				
Performance period	1 July 2024 to 30 June 2027																				
Grant date	4 November 2024																				
Delivery	Performance Rights are tested at the end of year three. Vested Performance Rights convert to securities and are released from restrictions in equal tranches at the end of year three, four and five. Performance Rights which do not vest are forfeited automatically unless the Board determines otherwise.																				
Allocation methodology	Performance Rights were allocated at face value using a VWAP of the 20 trading days to 30 June 2024. No amount is payable on the grant or vesting of Performance Rights.																				
Performance measures	Relative TSR (50%) Relative TSR measures the Group's TSR over a three-year period against a group of ASX 100 bespoke peers in the infrastructure and gas sectors. Relative TSR has been selected to align executives with the experience of security holders and to ensure executives are only rewarded for outperformance against our peers. The peer group comprises of the following companies: <table> <tr> <td>AGL Energy</td><td>Ampol</td></tr> <tr> <td>Atlas Arteria Group</td><td>Aurizon Holdings</td></tr> <tr> <td>Dexus</td><td>Goodman Group</td></tr> <tr> <td>GPT Group</td><td>Lend Lease Group</td></tr> <tr> <td>Mirvac Group</td><td>Origin Energy</td></tr> <tr> <td>Qube Holdings</td><td>Santos</td></tr> <tr> <td>Scentre Group</td><td>Stockland Corporation</td></tr> <tr> <td>Telstra Group</td><td>TPG Telecom</td></tr> <tr> <td>Transurban Group</td><td>Vicinity Centres</td></tr> <tr> <td>Viva Energy Group</td><td>Woodside Energy Group</td></tr> </table> The Board retains discretion to vary the relative TSR peer group at the end of the performance period to reflect delisting, mergers and other corporate actions. The relative TSR component vests in accordance with the following scale:	AGL Energy	Ampol	Atlas Arteria Group	Aurizon Holdings	Dexus	Goodman Group	GPT Group	Lend Lease Group	Mirvac Group	Origin Energy	Qube Holdings	Santos	Scentre Group	Stockland Corporation	Telstra Group	TPG Telecom	Transurban Group	Vicinity Centres	Viva Energy Group	Woodside Energy Group
AGL Energy	Ampol																				
Atlas Arteria Group	Aurizon Holdings																				
Dexus	Goodman Group																				
GPT Group	Lend Lease Group																				
Mirvac Group	Origin Energy																				
Qube Holdings	Santos																				
Scentre Group	Stockland Corporation																				
Telstra Group	TPG Telecom																				
Transurban Group	Vicinity Centres																				
Viva Energy Group	Woodside Energy Group																				

Feature	Description										
	<table> <tr> <th>Hurdle</th><th>Vesting outcome</th></tr> <tr> <td>Below 50th percentile</td><td>Nil</td></tr> <tr> <td>At 50th percentile</td><td>50%</td></tr> <tr> <td>Between 50th and 75th percentile</td><td>Straight line pro-rata vesting between 50% and 100%</td></tr> <tr> <td>At 75th percentile and above</td><td>100%</td></tr> </table>	Hurdle	Vesting outcome	Below 50th percentile	Nil	At 50th percentile	50%	Between 50th and 75th percentile	Straight line pro-rata vesting between 50% and 100%	At 75th percentile and above	100%
Hurdle	Vesting outcome										
Below 50th percentile	Nil										
At 50th percentile	50%										
Between 50th and 75th percentile	Straight line pro-rata vesting between 50% and 100%										
At 75th percentile and above	100%										
	Return on capital (50%) The ROC metric measures APA Group's operating earnings achieved relative to value of operating assets over a three-year performance period. It has been selected to ensure management balances earnings improvements with prudent capital management. ROC is calculated as an average over three years by dividing underlying EBITDA by Funds Employed (FE). FE is determined by adjusting total assets per the balance sheet by excluding capital work in progress, excluding current and non-current portion of other financial assets (excluding redeemable preference shares), including working capital relating to assets under construction and normalised cash balances. Underlying EBITDA is the average for the current and following two financial years and FE is the average of seven data points as at the June and December half year ends for the current financial year and following two financial years, including the opening balance for the first year. As has been APA's practice to date, the approach is to set targets and disclose ROC targets at the beginning of the Performance Period based on the outlook for the business at the time. If there are any significant changes to the outlook related to M&A transactions (i.e. acquisitions or divestments) during the Performance Period then as a matter of process at the end of the period APA adjusts the ROC targets to account for these changes. This is to ensure: • a like-for-like comparison of targets (which may not include the impact of a transaction if it was unknown when the targets were set) with actual performance at the end of the period (which includes the impact of any transactions), and • management is held to account for delivering the outcomes intended as part of any transaction and is not materially advantaged or disadvantaged for pursuing or not pursuing a transaction. Typically, incorporating an acquisition into the ROC targets will reduce the targets as an asset acquired at market value is being added to the calculation. Conversely, removing an assumed transaction that didn't proceed will typically increase the ROC targets. Calculation of ROC will be determined by the Board and the Board retains discretion to adjust underlying EBITDA and FE (including the methodology for applying the ROC performance condition over the Performance Period) to account for extraordinary items and to otherwise ensure that inappropriate outcomes are avoided. The ROC component vests in accordance with the following scale: <table> <tr> <th>Hurdle</th><th>Vesting outcome</th></tr> <tr> <td>Less than 11.8%</td><td>0%</td></tr> <tr> <td>Equal to 11.8%</td><td>33%</td></tr> <tr> <td>Greater than 11.8% up to 12.1%</td><td>Straight line pro-rata vesting between 33% and 100%</td></tr> <tr> <td>At or above 12.1%</td><td>100%</td></tr> </table>	Hurdle	Vesting outcome	Less than 11.8%	0%	Equal to 11.8%	33%	Greater than 11.8% up to 12.1%	Straight line pro-rata vesting between 33% and 100%	At or above 12.1%	100%
Hurdle	Vesting outcome										
Less than 11.8%	0%										
Equal to 11.8%	33%										
Greater than 11.8% up to 12.1%	Straight line pro-rata vesting between 33% and 100%										
At or above 12.1%	100%										
Retesting	Re-testing of LTI awards is not permitted.										

4.4. Additional provisions

The table below summarises additional provisions as they relate to the remuneration of Executive KMP for FY25.

Provision	STI	LTI
Malus / Clawback	The Board in its discretion may determine that some, or all, of an Executive KMP's STI and/or LTI awards be forfeited (malus) or recouped (clawback), including in the event of misconduct or of a material misstatement in the year-end financial statements, in accordance with provisions that are included within the STI and LTI plans and offer documentation to Executive KMP's.	
Distribution and voting rights	Restricted Securities carry the same distribution and voting rights as ordinary securities.	Unvested Performance Rights do not carry distribution and voting rights.
Cessation of employment	Subject to Board discretion: - Where the participant is terminated summarily or resigns having breached their terms of employment, they will not be eligible for an STI payment for the relevant financial year. - Where employment ceases for any other reason, a pro-rated STI award may be paid based on the performance period served and restricted securities awarded in prior years remain on-foot and are released in the ordinary course.	Subject to Board discretion: - Where the participant is terminated summarily or resigns having breached their terms of employment, all Performance Rights will automatically lapse. - Where employment ceases for any other reason, unvested Performance Rights will remain on-foot subject to the original terms of grant and tested against performance metrics in the ordinary course.
Change of control	Subject to Board discretion, if a change of control occurs, an STI award will be paid out based on the proportion of the period that has passed at the time of change of control to the extent to which performance conditions have been met. The Board has absolute discretion to determine whether any or all Restricted Securities are released from restrictions. Where the Board does not make a determination, all Restricted Securities will be released from dealing restrictions.	The Board has absolute discretion to determine whether any or all Performance Rights vest. Where the Board does not make a determination, all Performance Rights will vest.

4.5. Executive KMP minimum security holding requirement

The minimum security holding requirement aligns the interests of Executive KMP and securityholders.

Within five years from the date of appointment to their role:

- The CEO/MD is required to hold securities to the value of 100% of Fixed Pay; and
- Other Executive KMP are required to hold securities to the value of 50% of Fixed Pay.

Included in the minimum security holding requirement calculation are any performance rights which have been performance tested as at 30 June 2025, but which may be yet to vest.

All Executive KMP have met the minimum security holding requirement.

Details of Executive KMP security holdings may be found in Section 8.

5. Executive KMP contracts

Remuneration arrangements for Executive KMP are formalised in individual employment agreements. Termination arrangements, in addition to normal statutory entitlements, are summarised in the table below.

	Total Fixed Pay (as at 30 June 2025)	Notice period
A Watson	\$1,662,000	• 9 months' notice by either APA or CEO/MD. • APA may provide payment in lieu of notice. • No notice is required by APA for termination for cause.
P Bradford	\$920,000	• 6 months' notice by either APA or the individual.
D Rogers	\$960,000	• APA may provide payment in lieu of notice.
G Rollason	\$920,000	• No notice is required by APA for termination for cause.

6. Non-executive Director remuneration

6.1. Determination of NED fees

The Board seeks to attract and retain high calibre NEDs who are equipped with the diverse skills needed to govern APA in an increasingly complex environment. NED fees comprise of:

- A Board fee; and
- An additional fee for serving as a Chair or member of a Board Committee.

NED fees are inclusive of superannuation contributions which are provided in accordance with the statutory requirements under the Superannuation Guarantee Act. NEDs do not receive incentive payments nor participate in incentive plans.

The Board Chair does not receive additional fees for his membership on other Committees.

One-off 'per diems' may be paid in exceptional circumstances. No per-diem payments were made in FY25.

6.2. Aggregate NED fee pool

The aggregate NED fee pool as at 30 June 2025 was \$2,500,000.

6.3. Director fees

During FY25 the Board did not make any changes to director fees.

The following table sets out the FY25 NED fee policy.

	Chair \$	Member \$
Board	513,735	182,806
Audit & Finance Committee	40,883	20,391
Risk Management Committee	40,883	20,391
Safety & Sustainability Committee	40,883	20,391
People & Remuneration Committee	40,833	20,391
Nomination Committee	Nil	Nil

6.4. NED minimum security holding requirement

The minimum security holding requirement helps to ensure the alignment of the interests of NEDs and securityholders.

NEDs are expected to hold securities to a value not less than their annual Board fee (before tax and excluding fees payable for their membership on Committees). This level of security holding is to be held throughout their tenure as a NED and the requirement is to be met within five years of their appointment.

As at 30 June 2025, all NEDs met this requirement. Details of NED security holdings may be found in section 8.

7. Remuneration governance

The diagram below outlines the remuneration governance framework in place at APA.

Board

The Board has overarching responsibility for the approval of the Executive KMP and NED remuneration framework, pay outcomes, policies and procedures, based on the recommendations of the People & Remuneration Committee.

People & Remuneration Committee

The Committee has been established by the Board to, among other things, oversee Executive KMP and NED remuneration.

The purpose of the Committee is to assist the Board in fulfilling its responsibility to oversee the development of APA's people and remuneration strategies and frameworks to support the achievement of APA's business objectives.

Specifically, the Committee will ensure the strategies and frameworks align employee, investor and customer interests, promote a positive culture and facilitate effective attraction, retention and development of a diverse and talented workforce.

The full responsibilities of the Committee can be found in APA's People & Remuneration Committee Charter available on APA's website.

The members of the Committee, all of whom are independent NEDs are:

- David Lamont (Chair)
- Varya Davidson
- Nino Ficca
- Rhoda Phillippo

Audit & Finance, Safety & Sustainability and Risk Management Committees

In considering whether a robust performance assessment process is in place, the People & Remuneration Committee consults with the Audit & Finance, Safety & Sustainability and Risk Management Committees on whether proposed remuneration outcomes are appropriate considering relevant risk outcomes and corporate culture.

External advisors

The People & Remuneration Committee seeks external professional advice from time-to-time on matters within its terms of reference.

In FY25, external advisors were engaged to provide market practice information and benchmarking data.

Where a remuneration recommendation is provided, as defined by the Corporations Act 2001 all advice is provided directly to the People & Remuneration Committee to ensure it is free from the influence of management. No remuneration recommendations were provided in FY25.

Management

Management is responsible for providing relevant information and analysis to the Board and the People & Remuneration Committee. This advice is used as a guide, and does not serve as a substitute for the thorough consideration of the issues by each NED.

Management may also be required to communicate with external advisors as required to ensure the People & Remuneration Committee receives all the relevant factual information.

8. Statutory tables

The following tables outline the amounts recognised as an expense in the respective years, determined in accordance with the relevant accounting standards.

8.1. Executive KMP statutory remuneration

	Salary ¹	Short-Term Employment Benefits		Post Employment	Security-based payments		Total
		Awarded Cash STI ²	STI Deferral	Superannuation	Legacy LTI Plan ³	Equity settled Security Based ⁴	
A Watson							
FY25	1,611,401	1,312,299	–	29,932	–	1,039,049	3,992,681
FY24	1,572,601	902,400	–	27,399	–	900,215	3,402,615
P Bradford							
FY25	890,068	523,940	–	29,932	–	663,071 ⁵	2,107,011
FY24 ⁶	642,497	241,253	120,626	27,399	–	154,142	1,185,917
D Rogers							
FY25	926,698	522,720	–	29,932	–	594,026	2,073,376
FY24	892,601	639,400	–	27,399	92,405	578,435	2,230,240
G Rollason							
FY25	890,068	500,940	–	29,932	–	469,078 ⁷	1,890,018
FY24 ⁸	635,640	212,672	106,336	20,549	–	169,834	1,145,031
Total Remuneration							
FY25	4,318,235	2,859,899	–	119,728	–	2,765,224	10,063,086
FY24	3,743,339	1,995,725	226,962	102,746	92,405	1,802,626	7,963,803

¹ Salary includes both fixed pay and any salary sacrificed items, such as motor vehicles (including any applicable fringe benefits tax). It is exclusive of any superannuation contributions.

² Awarded STI relates to that element of remuneration which is earned by the Executive KMP in respect of performance during the financial year (or for the relevant period that they were KMP as set out in the Report).

³ Legacy LTI Plan amount represents the outcome which vested as at 30 June 2023 and was paid in August 2023, as disclosed in the 2023 Remuneration Report.

⁴ For equity settled security-based payments, an expense is recognised equal to the portion of service received based on the fair value of the equity instrument at grant date.

⁵ Includes the vesting of sign on rights which were disclosed in the FY24 Remuneration Report. Value based on the security price at close of trade on the day of vesting, being 28/08/2024.

⁶ Commenced employment on 28 August 2023.

⁷ Includes the vesting of sign on rights which were disclosed in the FY24 Remuneration Report. Value based on the security price at close of trade on the day of vesting, being 19/09/2024.

⁸ Commenced employment on 16 October 2023.

8.2. NED statutory remuneration disclosure

Financial Year	Short-term employment benefits	Post-employment benefits	Total \$
	Fees \$	Superannuation \$	
M Fraser			
FY25	483,803	29,932	513,735
FY24	486,336	27,399	513,735
V Davidson ¹			
FY25	66,843	7,687	74,530
J Fazzino			
FY25	237,194	27,277	264,471
FY24	238,263	26,209	264,472
N Ficca ²			
FY25	214,244	24,638	238,882
FY24	167,859	18,465	186,324
D Lamont ³			
FY25	176,697	20,320	197,017
S Lewis ⁴			
FY25	169,098	5,765	174,863
R Phillippo			
FY25	237,194	27,277	264,471
FY24	238,263	26,209	264,472
Former NEDs			
D Goodin ⁵			
FY25	143,201	16,468	159,669
FY24	222,954	24,525	247,479
S Int 'Veld ⁶			
FY24	150,274	16,530	166,804
P Wasow ⁷			
FY25	74,768	8,598	83,366
FY24	238,263	26,209	264,472
Total			
FY25	1,803,043	167,964	1,971,007
FY24	1,742,212	165,545	1,907,757

¹ Commenced in role on 1 March 2025.

² Commenced in role on 1 September 2023.

³ Commenced in role on 1 October 2024.

⁴ Commenced in role on 1 October 2024.

⁵ Ceased in role on 25 February 2025.

⁶ Ceased in role on 28 March 2024.

⁷ Ceased in role on 24 October 2024.

8.3. Outstanding awards under current LTI plan

The following table sets out the movements in the number of Performance Rights granted to executives as remuneration, and any amounts vested or forfeited during the financial year.

	Opening balance at 1 July 2024	Performance Rights granted in FY25 as remuneration	Grant date	Vested in FY25	Forfeited / lapsed or other change in FY25	Closing balance on 30 June 2025	Fair value of Performance Rights at grant date \$
A Watson							
FY21 LTI	35,475	–	2/12/2020	17,738	–	17,737	682,723
FY22 LTI	128,367	–	10/11/2021	21,395	64,184	42,788	683,340
FY23 LTI	162,462	–	16/12/2022	–	–	162,462	1,050,588
FY24 LTI	269,626	–	6/11/2023	–	–	269,626	1,406,100
FY25 LTI	–	287,284	4/11/2024	–	–	287,284	1,029,920
P Bradford							
FY24 LTI	117,259	–	6/11/2023	–	–	117,259	611,506
FY25 LTI	–	137,656	4/11/2024	–	–	137,656	493,504
D Rogers							
FY20 LTI	12,238	–	20/12/2019	12,238	–	–	342,895
FY21 LTI	23,899	–	12/11/2020	11,950	–	11,949	459,943
FY22 LTI	108,098	–	10/11/2021	18,017	54,049	36,032	575,442
FY23 LTI	100,990	–	16/12/2022	–	–	100,990	653,069
FY24 LTI	129,196	–	6/11/2023	–	–	129,196	673,757
FY25 LTI	–	143,642	4/11/2024	–	–	143,642	514,971
G Rollason							
FY24 LTI	129,196	–	6/11/2023	–	–	129,196	673,757
FY25 LTI	–	137,656	4/11/2024	–	–	137,656	493,504

The fair value of performance rights in the above is calculated based on fair value, grant date, vesting date and individual vesting conditions for the relative TSR and ROC metric vesting conditions as set out in the table below.

Grant year		TSR			ROC		
		Tranche 1	Tranche 2	Tranche 3	Tranche 1	Tranche 2	Tranche 3
FY20	Fair value	\$4.47	\$4.27	\$4.08	\$9.57	\$9.15	\$8.75
	Grant date		13/12/2019			13/12/2019	
	Vesting date	August 2022	August 2023	August 2024	August 2022	August 2023	August 2024
FY21	Fair value	\$4.17	\$3.97	\$3.79	\$9.28	\$8.85	\$8.43
	Grant date		12/11/2020			12/11/2020	
	Vesting date	August 2023	August 2024	August 2025	August 2023	August 2024	August 2025
FY22	Fair value	\$3.58	\$3.40	\$3.23	\$7.62	\$7.24	\$6.87
	Grant date		10/11/2021			10/11/2021	
	Vesting date	August 2024	August 2025	August 2026	August 2024	August 2025	August 2026
FY23	Fair value	\$4.19	\$3.98	\$3.79	\$9.40	\$8.94	\$8.50
	Grant date		16/12/2022			16/12/2022	
	Vesting date	August 2025	August 2026	August 2027	August 2025	August 2026	August 2027
FY24	Fair value	\$3.88	\$3.66	\$3.46	\$7.14	\$6.76	\$6.39
	Grant date		3/11/2023			3/11/2023	
	Vesting date	August 2026	August 2027	August 2028	August 2026	August 2027	August 2028
FY25	Fair value	\$1.80	\$1.69	\$1.59	\$5.83	\$5.47	\$5.13
	Grant date		4/11/2024			4/11/2024	
	Vesting date	August 2027	August 2028	August 2029	August 2027	August 2028	August 2029

8.4. Security holdings

The following table sets out APA Group stapled securities held by KMP or their closely related parties, directly, indirectly or beneficially.

Year ended 30 June 2025	Opening Balance at 1 July 2024	Securities Acquired	Securities Disposed	Closing Balance at 30 June 2025	Meets minimum security holding requirement as at 30 June 2025
NEDS					
M Fraser	106,489	–	–	106,489	Yes
V Davidson ¹	25,116	–	–	25,116	Yes
J Fazzino	34,298	13,114	–	47,412	Yes
N Ficca	12,500	21,788	–	34,288	Yes
D Lamont ²	40,407	14,593	–	55,000	Yes
S Lewis ³	7,600	15,000	–	22,600	Yes
R Phillippo	20,325	1,567	–	21,892	Yes
Former NEDs					
D Goodin ⁴	27,726	–	–	27,726	N/A
P Wasow ⁵	29,547	–	–	29,547	N/A
Executive KMP					
A Watson	97,400	56,133	–	153,533	Yes
P Bradford	–	64,429	–	64,429	Yes
D Rogers	77,332	46,505	–	123,837	Yes
G Rollason	–	65,873	–	65,873	Yes

8.5. Loans to KMP and other transaction of KMP and personally related entities

During FY25, there were no transaction between KMP or their close family members and APA Group other than as described in this report.

There are no loans with any KMP.

A number of KMP have control or joint control of other entities (outside APA Group). During the year, there have been no transactions between those entities and APA Group, and no amounts were owed by or to APA Group from those entities.

¹ Commenced in role on 1 March 2025 hence opening balance is shown as at this date.

² Commenced in role on 1 October 2024 hence opening balance is shown as at this date.

³ Commenced in role on 1 October 2024 hence opening balance is shown as at this date.

⁴ Ceased in role on 25 February 2025 hence closing balance is shown as at this date.

⁵ Ceased in role on 24 October 2024 hence closing balance is shown as at this date.

Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Note	2025 \$m	2024 \$m
Revenue		3,178	3,032
Share of net profits of associates and joint ventures using the equity method		22	22
	4	3,200	3,054
Asset operation and management expenses		(119)	(176)
Depreciation and amortisation expenses	5	(990)	(919)
Other operating costs – pass-through	5	(491)	(473)
Finance costs	5	(717)	(648)
Employee benefit expense		(544)	(470)
Other (expenses)/income ¹		(123)	841
Fair value gains/(losses) on contracts for difference and investment	17	15	(17)
Impairment of property, plant and equipment	2	–	(144)
Profit before tax		231	1,048
Income tax expense	6	(115)	(69)
Profit for the year		116	979
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss:			
Actuarial gain on defined benefit plan		2	7
Income tax impact		(1)	(3)
		1	4
Items that may be reclassified subsequently to profit or loss:			
Transfer of gain on cash flow hedges to profit or loss	18	339	262
Loss on cash flow hedges taken to equity	18	(531)	(45)
Loss on associate hedges taken to equity	18	(5)	(6)
Income tax impact		60	(62)
		(137)	149
Other comprehensive (loss)/income, net of income tax		(136)	153
Total comprehensive (loss)/income for the year		(20)	1,132
Profit attributable to:			
Equityholders of the parent		94	960
Non-controlling – other	20	22	19
		116	979
Total comprehensive (loss)/income attributable to:			
Equityholders of the parent		(42)	1,113
Non-controlling – other		22	19
		(20)	1,132

¹ In the prior year, on 1 November 2023, the Consolidated Entity acquired the Pilbara Energy System business (being Alinta Energy Pilbara Holdings Pty Ltd and Alinta Energy (Newman Storage) Pty Ltd). As part of the acquisition, the Consolidated Entity acquired the remaining 11.8% interest in Goldfields Gas Transmission (GGT) joint operations. The acquisition required the Consolidated Entity's historical 88.2% interest to be remeasured to fair value resulting in a valuation uplift of \$1,051 million.

² In the prior year, the Consolidated Entity impaired the carrying value of the Moomba Sydney Ethane Pipeline (MSEP) due to the customer on this single user pipeline entering into voluntary administration. Refer to note 2 for further details.

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

	Note	2025 \$m	2024 \$m
Current assets			
Cash and cash equivalents	16	798	674
Trade and other receivables	8	349	418
Receivables from related parties	8	174	174
Other financial assets	18	21	176
Inventories		77	83
Other		15	18
Assets classified as held for sale	10	130	–
Current assets		1,564	1,543
Non-current assets			
Trade and other receivables	8	21	7
Other financial assets	18	728	220
Investments accounted for using the equity method	21	237	243
Property, plant and equipment	11	12,662	12,477
Goodwill	12	1,860	1,882
Other intangible assets	12	2,968	3,293
Other		31	35
Non-current assets		18,507	18,157
Total assets		20,071	19,700
Current liabilities			
Trade and other payables	9	446	556
Payables to related parties	9	2,760	2,194
Lease liabilities	16	13	20
Borrowings	16	4	1,899
Other financial liabilities	18	209	215
Provisions	14	144	160
Unearned revenue		18	15
Liabilities directly associated with assets classified as held for sale		70	–
Current liabilities		3,664	5,059
Non-current liabilities			
Trade and other payables	9	16	1
Payables to related parties	9	78	526
Lease liabilities	16	29	50
Borrowings	16	13,973	11,023
Other financial liabilities	18	390	443
Deferred tax liabilities	6	1,547	1,553
Provisions	14	413	386
Unearned revenue		72	79
Non-current liabilities		16,518	14,061
Total liabilities		20,182	19,120
Net (liabilities)/assets		(111)	580

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position (continued)

	Note	2025 \$m	2024 \$m
Equity			
APA Infrastructure Limited equity:			
Issued capital	19	117	117
Reserves		(699)	(556)
Retained earnings		352	900
Equity attributable to equityholders of the parent		(230)	461
Non-controlling interest	20	119	119
Total equity		(111)	580

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity

	APA Infrastructure Limited						Non-controlling interest			Total
	Issued capital	Asset revaluation reserve	Share-based payments reserve ²	Hedging reserve	Retained earnings	Attributable to owners of the parent	Issued capital	Retained earnings	Non-controlling interest	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Balance at 1 July 2023	117	9	8	(722)	336	(252)	119	–	119	(133)
Profit for the year	–	–	–	–	960	960	–	19	19	979
Other comprehensive income	–	–	–	211	7	218	–	–	–	218
Income tax relating to components of other comprehensive income	–	–	–	(62)	(3)	(65)	–	–	–	(65)
Total comprehensive income for the year	–	–	–	149	964	1,113	–	19	19	1,132
Payment of dividends (note 7)	–	–	–	–	(400)	(400)	–	(19)	(19)	(419)
Equity settled long-term incentives (net of tax)	–	–	–	–	–	–	–	–	–	–
Balance at 30 June 2024	117	9	8	(573)	900	461	119	–	119	580
Balance at 1 July 2024	117	9	8	(573)	900	461	119	–	119	580
Profit for the year	–	–	–	–	94	94	–	22	22	116
Other comprehensive income	–	–	–	(197)	2	(195)	–	–	–	(195)
Income tax relating to components of other comprehensive income	–	–	–	60	(1)	59	–	–	–	59
Total comprehensive income for the year	–	–	–	(137)	95	(42)	–	22	22	(20)
Payment of dividends (note 7)	–	–	–	–	(652)	(652)	–	(22)	(22)	(674)
Equity settled long-term incentives (net of any tax)	–	–	3	–	–	3	–	–	–	3
Transfer to retained earnings ¹	–	(9)	–	–	9	–	–	–	–	–
Balance at 30 June 2025	117	–	11	(710)	352	(230)	119	–	119	(11)

¹ The asset revaluation reserve arose on the revaluation of the existing interest in a pipeline as a result of a business combination. The amount of \$9 million has been transferred from the asset revaluation reserve to retained earnings to simplify equity presentation. This does not reflect a realisation of the underlying gain and does not impact profit or loss. This \$9 million can be used to pay distributions only in limited circumstances.

² The share-based payments reserve represents the expenses recognised in the Consolidated Statement of Profit or Loss equal to the portion of the services received based on the fair value of the equity instrument at grant date.

³ The hedging reserve represents the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred. The cumulative deferred gain or loss on the hedge is recognised in the Consolidated Statement of Profit or Loss when the hedged transaction impacts profit or loss, consistent with the applicable accounting policy.

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

Consolidated Statement of Cash Flows

	Note	2025 \$m	2024 \$m
Cash flows from operating activities			
Receipts from customers		3,491	3,231
Payments to suppliers and employees		(1,573)	(1,539)
Dividends received from associates and joint ventures		24	11
Proceeds from repayments of finance leases		1	1
Interest received		48	41
Interest and other costs of finance paid		(651)	(561)
Net cash provided by operating activities		1,340	1,184
Cash flows from investing activities			
Payments for property, plant and equipment ¹		(918)	(1,053)
Proceeds from sale of property, plant and equipment		21	41
Payments for intangible assets		(46)	(43)
Capital return from Joint Venture		–	13
Payments for controlled entities, net of cash acquired ²		–	(1,615)
Payment for other investments		(4)	–
Net cash used in investing activities		(947)	(2,657)
Cash flows from financing activities			
Proceeds from borrowings		2,165	3,423
Repayments of borrowings		(1,749)	(1,906)
Receipts from debt and hedge settlements		–	4
Repayments of lease liabilities		(24)	(18)
Transaction costs related to borrowings		(31)	(26)
Dividends paid to:			
Equityholders of APA Infrastructure Limited	7	(652)	(400)
Equityholders of the non-controlling interest		(22)	(19)
Receipts from related parties		45	577
Net cash (used in)/provided by financing activities		(268)	1,635
Net increase in cash and cash equivalents		125	162
Cash and cash equivalents at beginning of financial year		674	512
Effect of exchange rate changes on cash and cash equivalents		(1)	–
Cash and cash equivalents at end of financial year	16	798	674

¹ Included in the current year payments for property, plant and equipment is the consideration paid of \$110 million to acquire Atlas to Reedy Creek Pipeline. Refer to note 23 for further details.

² Included in the prior year payments for the acquisition of subsidiaries, net of cash acquired is the consideration paid to acquire the Pilbara Energy System business, including the remaining 11.8% interest in Goldfields Gas Transmission (GGT) joint operations.

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

Consolidated Statement of Cash Flows (continued)

Reconciliation of profit for the year to the net cash provided by operating activities

	Note	2025 \$m	2024 \$m
Profit for the year		116	979
Impairment of property, plant and equipment ¹	2	–	144
Impairment of goodwill ²	12	15	–
(Loss)/profit on disposal of property, plant and equipment		5	(1)
Remeasurement of APA's previous 88.2% interest in GGT joint operations ³	2	–	(1,051)
Share of net profits of joint ventures and associates using the equity method		(22)	(22)
Dividends/distributions received from equity accounted investments		24	11
Depreciation and amortisation expenses		990	919
Fair value (gains)/losses on contracts for difference and investments		(15)	17
Non-cash finance costs		50	43
Effect of exchange rate changes		1	1
Wallumbilla Gladstone Pipeline hedge accounting discontinuation ⁴		51	38
Equity settled long-term incentives		4	1
Changes in assets and liabilities:			
Trade and other receivables		2	(39)
Inventories		(12)	(19)
Other assets		6	16
Trade and other payables		(7)	73
Provisions		10	(11)
Other liabilities		7	15
Income tax balances		115	70
Net cash provided by operating activities		1,340	1,184

¹ Included in the prior year, APA Group impaired the carrying value of the Moomba Sydney Ethane Pipeline (MSEP) due to the customer on this single user pipeline entering into voluntary administration.

² A \$15 million impairment loss has been recognised on goodwill associated with APA's gas distribution operations and maintenance business and its Tamworth gas distribution network classified as held for sale at 30 June 2025. Refer to note 10 for further details.

³ Included in the prior year is the remeasurement relating to APA's previously held interest of 88.2% in Goldfields Gas Transmission (GGT) joint operations in accordance with AASB 3 Business Combinations.

⁴ In February 2022, February 2024 and December 2024, following entry into a series of forward exchange contracts, hedge accounting was discontinued for WGP revenues to be generated from FY22 to FY35. The revenues were previously hedged by USD denominated 144A notes and EUR/USD cross currency swaps. WGP hedge accounting discontinuation reflects the amortisation of the amount deferred in the hedging reserve over the same period relating to the discontinued hedge relationship.

Cash flows are included in the statement of cash flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified within operating cash flows.

Notes to the consolidated financial statements

Basis of Preparation

1. About this report

In the following financial statements, note disclosures are grouped into six sections being: Basis of Preparation; Financial Performance; Operating Assets and Liabilities; Capital Management; Group Structure; and Other. Each note sets out the accounting policies applied in producing the results along with any key judgements and estimates used.

Certain comparative amounts in this financial report have been reclassified to conform to the current year's presentation.

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Notes to the consolidated financial statements (continued)

Basis of Preparation (continued)

2. General information

APA Infrastructure Limited is a subsidiary of APA Infrastructure Trust. APA Infrastructure Trust is one of two stapled trusts of APA Group, the other being APA Investment Trust. APA Group is listed on the Australian Securities Exchange (trading under the code "APA"), registered in Australia and operating in Australia.

The financial report represents the consolidated financial statements of APA Infrastructure Limited, its respective subsidiaries and their share of joint arrangements, associates and joint ventures (together the "Consolidated Entity"). For the purposes of preparing the consolidated financial report, the Consolidated Entity is a for-profit entity.

All intragroup transactions and balances have been eliminated on consolidation. Where necessary, adjustments are made to the assets, liabilities, and results of subsidiaries, joint arrangements and associates to bring their accounting policies into line with those used by the Consolidated Entity.

APA Infrastructure Limited's registered office and principal place of business is as follows:

Level 25
580 George Street
SYDNEY NSW 2000
Tel: (02) 9693 0000

The consolidated general purpose financial report for the year ended 30 June 2025 was authorised for issue in accordance with a resolution of the directors on 20 August 2025.

This general purpose financial report has been prepared in accordance with the requirements of the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board ("AASB") and also complies with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

The financial report has been prepared on the basis of historical cost, except for the revaluation of financial instruments. The financial report including prior year comparatives is presented in Australian dollars and all values are rounded to the nearest million dollars (\$ million) in accordance with ASIC Corporations Instrument 2016/191, unless otherwise stated.

Foreign currency transactions

Functional and presentation currency of the Consolidated Entity is Australian dollars (A\$).

Notes to the consolidated financial statements (continued)

Basis of Preparation (continued)

2. General information (continued)

Critical accounting judgements and key sources of estimation uncertainty

In the process of applying the Consolidated Entity's accounting policies, a number of judgements and estimates have been made. Judgements and estimates which are material to the financial statements are found in the following disclosures:

- Property, plant and equipment (note 11)
- Impairment of non-financial assets (note 13)
- Restoration provision (note 14)
- Fair value of financial instruments (note 17(c))

Judgements and estimates require assumptions to be made about highly uncertain external factors such as: discount rates; probability factors; the effects of inflation within the Reserve Bank of Australia's guidance range; the outlook for global and regional gas market supply-and-demand conditions; contract renewals; regulatory outcomes; asset useful lives; environmental regulations; climate-related risks and the resolution of certain contractual matters with customers. As such the actual outcomes may differ as a result of change in these judgements and assumptions.

These judgements, estimates and assumptions are based on the most current facts and circumstances and are reassessed on an ongoing basis, the results of which form the basis of the reported amounts that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions in respect of laws, regulations, climate change, licences and recognised practising codes including health, safety and environment, employee entitlements, environmental laws and regulations and asset construction and operation. This may materially affect the financial results and the financial position to be reported in future periods.

Working capital

As at 30 June 2025, the Consolidated Entity's current liabilities exceeded current assets by \$2,100 million (2024: current liabilities exceeded current assets by \$3,516 million). Excluding current related party loan balances held with APA Infrastructure Trust, the Consolidated Entity's current assets exceed current liabilities by \$486 million (2024: current liabilities exceed current assets by \$1,496 million).

The Consolidated Entity has access to sufficient available cash and committed undrawn bank facilities of \$2,395 million as at 30 June 2025 (2024: \$2,272 million) to meet the repayment of current borrowings of \$4 million on the due date and to assist in the ongoing funding of the business. The Consolidated Entity continues to fund its growth with appropriate levels of equity, cash retained in the business, and debt in order to maintain strong BBB/Baa2 credit ratings.

The Directors continually monitor the Consolidated Entity's working capital position, including forecast working capital requirements and have ensured that there are appropriate refinancing strategies and adequate committed funding facilities in place to accommodate debt repayments as and when they fall due.

Further to this, APA Group Limited, as the responsible entity for APA Infrastructure Trust and APA Investment Trust has agreed to provide financial support, to enable the Consolidated Entity to pay its debts as and when they fall due. The financial support is valid for a period of not less than twelve months from the date of signing the financial statements. Based on these factors, the financial statements of the Consolidated Entity have been prepared on a going concern basis.

Notes to the consolidated financial statements (continued)

Basis of Preparation (continued)

2. General information (continued)

Significant items

Individually significant items included in profit after income tax expense are as follows:

	2025 \$m	2024 \$m
Significant items impacting profit before tax		
Remeasurement of APA's previous 88.2% interest in GGT joint operations ¹	–	1,051
Impairment of property, plant and equipment ²	–	(144)
Pilbara Energy System acquisition costs ³	–	(72)
Total significant items impacting profit before tax	–	835
Income tax related to significant items above	–	44
Profit from significant items after income tax	–	879

¹ In the prior year, the remeasurement relating to APA's previously held interest of 88.2% in Goldfields Gas Transmission (GGT) joint operations in accordance with AASB 3 Business Combinations. The tax effect is included in the deferred tax recognised on acquisition.

² In the prior year, APA Group impaired the carrying value of the Moomba Sydney Ethane Pipeline (MSEP) due to the customer on this single user pipeline entering into voluntary administration.

³ In the prior year, on 1 November 2023, APA Group acquired 100% of Alinta Energy Pilbara Holdings Pty Ltd and Alinta Energy (Newman Storage) Pty Ltd (together referred to as the Pilbara Energy System business). Acquisition and stamp duty costs of \$72 million were incurred to 30 June 2024.

Notes to the consolidated financial statements (continued)

Financial Performance

3. Segment information

The Consolidated Entity operates in one geographical segment, being Australia and the revenue from major products and services is shown by the reportable segments.

The Consolidated Entity comprises the following reportable segments:

- **Energy Infrastructure:** The Consolidated Entity's wholly or majority owned energy infrastructure assets across gas transmission, compression, processing, storage, and electricity generation and transmission (gas and renewables), and battery energy storage systems;
- **Asset Management:** The provision of asset management and operating services for third parties and the majority of the Consolidated Entity's investments; and
- **Energy Investments:** The Consolidated Entity's interests in energy infrastructure investments.

Reportable segments

	Energy Infrastructure	Asset Management	Energy Investments	Other	Consolidated
2025	\$m	\$m	\$m	\$m	\$m
Segment revenue¹					
Revenue from contracts with customers	2,542	111	–	–	2,653
Pass-through revenue	51	440	–	–	491
Total revenue from contracts with customers	2,593	551	–	–	3,144
Equity accounted share of profit	–	–	22	–	22
Other non-contract revenue	37	–	1	–	38
Total segment revenue	2,630	551	23	–	3,204
Wallumbilla Gladstone Pipeline hedge accounting discontinuation ²	(51)	–	–	–	(51)
Other interest income	–	–	–	47	47
Total revenue	2,579	551	23	47	3,200

¹ The segment revenue reported represents revenue generated from external customers. Any inter-segment sales were immaterial.

² In February 2022, February 2024 and December 2024, following entry into a series of forward exchange contracts, hedge accounting was discontinued for WGP revenues to be generated from FY22 to FY35. The revenues were previously hedged by USD denominated 144A notes and EUR/USD cross currency swaps. WGP hedge accounting discontinuation reflects the amortisation of the amount deferred in the hedging reserve over the same period relating to the discontinued hedge relationship.

Notes to the consolidated financial statements (continued)

Financial Performance (continued)

3. Segment information (continued)

Reportable segments (continued)

	Energy Infrastructure	Asset Management	Energy Investments	Other	Consolidated
2025	\$m	\$m	\$m	\$m	\$m
Segment result					
Segment underlying EBITDA ¹	2,093	60	–	–	2,153
Share of net profits of joint ventures and associates using the equity method	–	–	22	–	22
Finance lease and investment interest income	1	–	1	–	2
Corporate costs	–	–	–	(164)	(164)
Total underlying EBITDA ¹	2,094	60	23	(164)	2,013
Fair value gain on contracts for difference and investments ²	15	–	–	–	15
Technology transformation projects ³	–	–	–	(37)	(37)
Wallumbilla Gladstone Pipeline hedge accounting discontinuation ⁴	(51)	–	–	–	(51)
Pilbara Energy System integration costs ⁵	–	–	–	(9)	(9)
Impairment relating to assets classified as held for sale (including transaction costs) ⁶	–	(21)	–	–	(21)
Restructuring costs ⁷	–	–	–	(15)	(15)
Other	–	–	–	(3)	(3)
Total reported EBITDA ⁸	2,058	39	23	(228)	1,892
Depreciation and amortisation	(972)	(18)	–	–	(990)
Total reported EBIT ⁹	1,086	21	23	(228)	902
Net interest cost ¹⁰					(671)
Reported profit before tax					231
Income tax expense					(115)
Reported profit after tax					116

¹ Underlying earnings before interest, tax, depreciation, and amortisation ("EBITDA") excludes recurring items arising from other activities and transactions that are not directly attributable to the performance of the Consolidated Entity's business operations and significant items.

² The amount represents a net gain/(loss) arising from electricity contracts for difference that economically hedge the future cash flows of the electricity contracts for which hedge accounting is not applicable and a net gain/(loss) recognised on an investment fund held at fair value.

³ The amount represents costs associated with technology and transformation projects to develop and uplift organisation capabilities, including SaaS customisation and configuration costs incurred during implementation.

⁴ In February 2022, February 2024 and December 2024, following entry into a series of forward exchange contracts, hedge accounting was discontinued for WGP revenues to be generated from FY22 to FY35. The revenues were previously hedged by USD denominated 144A notes and EUR/USD cross currency swaps. WGP hedge accounting discontinuation reflects the amortisation of the amount deferred in the hedging reserve over the same period relating to the discontinued hedge relationship.

⁵ On 1 November 2023, the Consolidated Entity acquired 100% of Alinta Energy Pilbara Holdings Pty Ltd and Alinta Energy (Newman Storage) Pty Ltd (together referred to as the Pilbara Energy System business).

⁶ The amount represents the non-cash impairment loss of \$15 million and transaction costs incurred during the year of \$6 million in connection with APA's gas distribution operations and maintenance business and its Tamworth gas distribution network classified as held for sale at 30 June 2025. Refer to Note 10 for further details.

⁷ The amount represents costs incurred as part of enterprise-wide cost reduction initiatives.

⁸ Earnings before interest, tax, depreciation, and amortisation ("EBITDA"), including non-operating items and excluding significant items.

⁹ Earnings before interest and tax ("EBIT").

¹⁰ Excluding finance lease and investment interest income, any gains or losses on revaluation of derivatives included as part of EBIT for segment reporting purposes, but including other interest income.

Notes to the consolidated financial statements (continued)

Financial Performance (continued)

3. Segment information (continued)

Reportable segments (continued)

	Energy Infrastructure \$m	Asset Management \$m	Energy Investments \$m	Other \$m	Consolidated \$m
2025					
Segment assets and liabilities					
Segment assets	17,952	160	11	–	18,123
Carrying value of investments using the equity method	–	–	237	–	237
Unallocated assets ¹	–	–	–	1,711	1,711
Total assets	17,952	160	248	1,711	20,071
Segment liabilities	1,034	88	–	–	1,122
Unallocated liabilities ²	–	–	–	19,060	19,060
Total liabilities	1,034	88	–	19,060	20,182

¹ Unallocated assets include cash and cash equivalents, fair value of cross currency swaps, derivatives at fair value, income tax receivable and investment in unlisted funds.

² Unallocated liabilities include current and non-current borrowings, deferred tax liabilities, provision for income tax, fair value of cross currency swaps, foreign currency forward exchange contracts and equity forwards.

	Energy Infrastructure \$m	Asset Management \$m	Energy Investments \$m	Other \$m	Consolidated \$m
2024					
Segment revenue ¹					
Revenue from contracts with customers	2,424	118	–	–	2,542
Pass-through revenue	55	418	–	–	473
Total revenue from contracts with customers	2,479	536	–	–	3,015
Equity accounted share of profit	–	–	22	–	22
Other non-contract revenue	14	–	1	–	15
Total segment revenue	2,493	536	23	–	3,052
Wallumbilla Gladstone Pipeline hedge accounting discontinuation ²	(38)	–	–	–	(38)
Other interest income	–	–	–	40	40
Total revenue	2,455	536	23	40	3,054

¹ The segment revenue reported represents revenue generated from external customers. Any intersegment sales were immaterial.

² In February 2022, following entry into a series of forward exchange contracts, hedge accounting was discontinued for WGP revenues to be generated from early calendar year 2022 to late calendar year 2025. The revenues were previously hedged by USD denominated 144A notes and EUR/USD cross currency swaps. WGP hedge accounting discontinuation reflects the amortisation of the amount deferred in the hedging reserve over the same period relating to the discontinued hedge relationship.

Notes to the consolidated financial statements (continued)
Financial Performance (continued)
3. Segment information (continued)

Reportable segments (continued)

	Energy Infrastructure	Asset Management	Energy Investments	Other	Consolidated
2024	\$m	\$m	\$m	\$m	\$m
Segment result					
Segment underlying EBITDA ¹	1,966	69			2,035
Share of net profits of joint ventures and associates using the equity method	–	–	22	–	22
Finance lease and investment interest income	–	–	1	–	1
Corporate costs	–	–	–	(161)	(161)
Total underlying EBITDA¹	1,966	69	23	(161)	1,897
Fair value loss on contracts for difference ²	(17)	–	–	–	(17)
Technology transformation projects ³	–	–	–	(84)	(84)
Wallumbilla Gladstone Pipeline hedge accounting discontinuation ⁴	(38)	–	–	–	(38)
Pilbara Energy System integration costs ⁵	–	–	–	(14)	(14)
Payroll review	–	–	–	(4)	(4)
Total reported EBITDA⁶	1,911	69	23	(263)	1,740
Depreciation and amortisation	(901)	(18)	–	–	(919)
Total reported EBIT⁷	1,010	51	23	(263)	821
Net interest cost ⁸					(608)
Profit before tax excluding significant items					213
Income tax expense					(113)
Profit after tax excluding significant items					100
Significant items before tax ⁹					835
Profit before tax					1,048
Significant items after tax ⁹					879
Reported profit after tax					979

¹ Underlying earnings before interest, tax, depreciation, and amortisation ("EBITDA") excludes recurring items arising from other activities and transactions that are not directly attributable to the performance of APA Group's business operations and significant items.

² The amount represents a net loss arising from electricity contracts for difference that economically hedge the future cash flows of the electricity contracts for which hedge accounting is not applicable.

³ The amount represents costs associated with technology and transformation projects to develop and uplift organisation capabilities, including SaaS customisation and configuration costs incurred during implementation.

⁴ In February 2022, following entry into a series of forward exchange contracts, hedge accounting was discontinued for WGP revenues to be generated from early calendar year 2022 to late calendar year 2025. The revenues were previously hedged by USD denominated 144A notes and EUR/USD cross currency swaps. WGP hedge accounting discontinuation reflects the amortisation of the amount deferred in the hedging reserve over the same period relating to the discontinued hedge relationship.

⁵ On 1 November 2023, APA Group acquired 100% of Alinta Energy Pilbara Holdings Pty Ltd and Alinta Energy (Newman Storage) Pty Ltd (together referred to as the Pilbara Energy System).

⁶ Earnings before interest, tax, depreciation, and amortisation ("EBITDA"), including non-operating items and excluding significant items.

⁷ Earnings before interest and tax ("EBIT").

⁸ Excluding finance lease and investment interest income, any gains or losses on revaluation of derivatives included as part of EBIT for segment reporting purposes, but including other interest income.

⁹ Refer to note 2 significant items section for further details.

Notes to the consolidated financial statements (continued)

Financial Performance (continued)

3. Segment information (continued)

Reportable segments (continued)

	Energy Infrastructure	Asset Management	Energy Investments	Other	Consolidated
2024	\$m	\$m	\$m	\$m	\$m
Segment assets and liabilities					
Segment assets	18,204	191	12	–	18,407
Carrying value of investments using the equity method	–	–	243	–	243
Unallocated assets ¹	–	–	–	1,050	1,050
Total assets	18,204	191	255	1,050	19,700
Segment liabilities	1,261	105	–	–	1,366
Unallocated liabilities ²	–	–	–	17,754	17,754
Total liabilities	1,261	105	–	17,754	19,120

¹ Unallocated assets include cash and cash equivalents, fair value of cross currency swaps, derivatives at fair value, income tax receivable and unlisted funds.

² Unallocated liabilities include current and non-current borrowings, deferred tax liabilities, provision for income tax, fair value of cross currency swaps, foreign currency forward exchange contracts and equity forwards.

4. Revenue

Disaggregation of revenue

Revenue is disaggregated below by business unit and region.

	2025 \$m	2024 \$m
Energy Infrastructure		
Wallumbilla Gladstone Pipeline ¹	687	659
East Coast gas transmission and storage	869	833
West Coast gas transmission and storage	430	410
Contracted Power Generation	480	453
Electricity Transmission	76	69
Energy Infrastructure revenue	2,542	2,424
Asset Management revenue	111	118
Pass-through revenue	491	473
Total revenue from contracts with customers	3,144	3,015
Energy Investments – equity accounted share of profit (note 21)	22	22
Non-contract revenue	38	15
Total segment revenue	3,204	3,052
Wallumbilla Gladstone Pipeline hedge accounting discontinuation ²	(51)	(38)
Other interest income	47	40
Total revenue	3,200	3,054

¹ Wallumbilla Gladstone Pipeline is separated from East Coast Gas in this note as a result of the significance of its revenue and EBITDA in the Consolidated Entity. It is categorised as part of the East Coast Grid group of cash-generating units for goodwill impairment assessment purposes. Refer to note 12 and note 13 for further details.

² In February 2022, February 2024 and December 2024, following entry into a series of forward exchange contracts, hedge accounting was discontinued for WGP revenues to be generated from FY22 to FY35. The revenues were previously hedged by USD denominated 144A notes and EUR/USD cross currency swaps. WGP hedge accounting discontinuation reflects the amortisation of the amount deferred in the hedging reserve over the same period relating to the discontinued hedge relationship.

Notes to the consolidated financial statements (continued)

Financial Performance (continued)

4. Revenue (continued)

Revenue is recognised at an amount that reflects the consideration to which the Consolidated Entity expects to be entitled in exchange for the provision of services or for the transferring of goods to a customer (the performance obligations) under a contract. The Consolidated Entity recognises revenue when control of a product or service is transferred to the customer. Amounts disclosed as revenue are net of duties, goods and services tax ("GST") and other taxes paid, except where the amount of GST incurred is not recoverable from the taxation authority. Given the nature of the Consolidated Entity's services there is no significant right of return or warranty provided.

Revenue from contracts with customers is derived from the major business activities as follows:

- **Energy Infrastructure revenue from contracts with customers**, is derived from the transportation, processing and storage of gas and other related services (transmission revenue), and the generation and storage of electricity and other related services including the sale of Renewable Energy Certificates and carbon credits (power generation revenue). Revenue from contracts with customers may either be identified as separate performance obligations or a series of distinct performance obligations that are substantially the same, have the same pattern of transfer and are therefore treated as a single performance obligation that is satisfied over time. This includes both firm and interruptible services. The consideration is primarily volume based and is recognised as revenue in a manner that depicts the transfer based on output to the customer. This method most accurately depicts the progress towards satisfaction of the performance obligation of the services provided, as the customer simultaneously receives and consumes the benefits of the Consolidated Entity's service and obtains value as each volume of output is transported by the Consolidated Entity. The amount billed corresponds directly to the value of the performance to date;
- **Asset Management revenue from contracts with customers**, is derived from the provision of commercial services, operating services, asset management services and/or asset maintenance services to the Consolidated Entity's energy investments and other third parties. The Consolidated Entity recognises revenue at the amount to which the Consolidated Entity has a right to invoice; and
- **Pass-through revenue**, is revenue from contracts with customers for the provision of commercial services, operating services, asset management services and/or asset maintenance services to the Consolidated Entity's energy investments. Any management fee earned for the provision of these services is recognised as part of asset management revenues. The Consolidated Entity recognises revenue at the amount to which the Consolidated Entity has a right to invoice. The Consolidated Entity is determined to be the principal in these relationships.

Other types of revenue are recognised as follows:

- **Non-contract revenue:** includes dividend income, which is recognised when the right to receive the payment has been established; and
- **Other interest income:** interest income, which is recognised as it accrues and is determined using the effective interest method and finance lease income, which is allocated to accounting periods so as to reflect a constant periodic rate of return on the Consolidated Entity's net investment outstanding in respect of the leases.

Contract liabilities – unearned revenue

Unearned revenue includes upfront contributions received on contracts with customers and government grants received in advance. During the year, APA Group recognised \$6 million (2024: \$7 million) in revenue from contracts with customers from the unearned revenue balance at 30 June 2024.

Contract assets – accrued revenue

Contract assets primarily relate to the Consolidated Entity's right to consideration for work completed but not billed at the reporting date. These amounts are known as accrued revenue and are disclosed in note 8.

Accrued revenue is transferred to trade receivables when the rights become unconditional. This usually occurs when the Consolidated Entity issues an invoice to the customer.

Accounting for costs to obtain contracts

The Consolidated Entity generally expenses costs to obtain contracts as they are incurred, since they are incurred whether the contract is obtained or not (e.g. staff salaries, professional fees, etc.).

Notes to the consolidated financial statements (continued)

Financial Performance (continued)

4. Revenue (continued)

Future revenues from remaining performance obligations

As at 30 June 2025, future contracted Energy Infrastructure revenues extending through to 2051 are approximately \$14.3 billion (2024: \$15.9 billion extending through to 2051), of which \$2.0 billion is expected to be recognised in the year ending 30 June 2026. These amounts relate to Energy Infrastructure revenue from contracts, with a significant portion of customers being high credit worthy counterparties.

Future contracted Energy Infrastructure revenues outlined above are in nominal 2025 dollars escalated by CPI. Variable revenues, potential future revenues from new contracts, contract renewals or extensions, and revenues from potential new assets or expansions where a contract does not currently exist with a customer are not included. As such, the future contract revenues described above represent only part of the Consolidated Entity's forecast revenues for the year ended 30 June 2026 and beyond.

Information about major customers

Included in revenues from contracts with customers arising from Energy Infrastructure of \$2,542 million (2024: \$2,424 million) are revenues of approximately \$784 million (2024: \$778 million) which arose from sales to the Consolidated Entity's top three customers, of which \$360 million (2024: \$355 million) is derived from a single customer.

Notes to the consolidated financial statements (continued)
Financial Performance (continued)
5. Expenses

	2025	2024
	\$m	\$m
Depreciation of non-current assets	732	687
Amortisation of non-current assets	258	232
Depreciation and amortisation expense	990	919
Energy infrastructure costs – pass-through	51	55
Asset management costs – pass-through	440	418
Other operating costs – pass-through	491	473
Interest on bank overdrafts and borrowings ¹	684	598
Interest on related party loans	14	21
Amortisation of deferred borrowing costs	16	18
Other finance costs	11	8
	725	645
Less: amounts included in the cost of qualifying assets	(42)	(30)
	683	615
(Gain)/loss on derivatives ²	(88)	8
Loss on debt FX translation ³	68	–
Hedge reserve amortisation on hedge discontinuation ⁴	37	9
Unwinding of discount on non-current liabilities	17	8
Unwinding of discount on deferred revenue	1	2
Unwinding of discounts on bonds	4	3
Gain on loan modification	(8)	–
Interest incurred on lease liabilities	3	3
Finance costs	717	648
Defined contribution plans	41	34
Defined benefit plans (note 15)	1	2
Post-employment benefits	42	36
Termination benefits	12	1
Cash settled long-term incentive payments ⁵	54	44
Equity settled long-term incentive payments ⁵	6	10
Other employee benefits	430	379
Employee benefit expense ⁶	544	470

- ¹ The average interest rate applicable to drawn debt is 5.12% p.a. (2024: 4.77% p.a.) excluding finance costs associated with amortisation of borrowing costs.
- ² Represents (gain)/loss on derivatives, predominantly \$83 million gain on cross currency swaps designated at fair value through profit or loss. Following the change of risk management approach in relation to the WGP USD revenue in December 2024, APA discontinued the hedge relationships for the GBP/USD cross currency swaps hedging the WGP USD revenue and GBP debt. The GBP/USD cross currency swaps have been fair valued through profit and loss since hedge discontinuation.
- ³ Represents \$55 million foreign currency translation loss on borrowings where hedge accounting is no longer applied and \$13 million as a result of the 2015 USD 1.1bn 144A termination.
- ⁴ Represents the hedge reserve amortisation from the date of WGP debt related hedge discontinuation in February 2024 and December 2024.
- ⁵ APA Group provides benefits to certain employees in the form of long-term incentive payments. For cash settled long-term incentive payments, a liability equal to the portion of services received is recognised at the current fair value determined at each reporting date. For equity settled long-term incentive payments, a reserve is recognised equal to the portion of services received based on the fair value of the equity instrument at grant date.
- ⁶ An additional employee benefit expense of \$103 million (2024: \$95 million) is recharged as pass-through revenue and presented as part of other operating costs – pass-through.

Notes to the consolidated financial statements (continued)
Financial Performance (continued)
6. Income tax

The major components of tax expense are:

	2025	2024
	\$m	\$m
Income statement		
Current tax expense in respect of the current year	(83)	(168)
Adjustments recognised in the current year in relation to current tax of prior years	10	–
Deferred tax expense relating to the origination and reversal of temporary differences	(42)	99
Total tax expense	(115)	(69)
Tax reconciliation		
Profit before tax	231	1,048
Income tax expense calculated at 30%	(69)	(314)
Non-assessable trust distribution	7	6
Non-deductible expenses	(62)	(77)
Non-assessable income	–	316
	(124)	(69)
Adjustments recognised in the current year in relation to current tax of prior years	10	–
Other	(1)	–
	(115)	(69)

Deferred tax balances

Deferred tax (liabilities)/assets arise from the following:

	Opening balance	Charged to income	Charged to equity	Classified as held for sale ¹	Closing balance
2025	\$m	\$m	\$m	\$m	\$m
Gross deferred tax liabilities					
Property, plant and equipment and intangible assets	(1,980)	(11)	–	–	(1,991)
Investments equity accounted	(1)	–	1	–	–
Deferred expenses	(42)	1	–	–	(41)
Other	2	(4)	–	–	(2)
	(2,021)	(14)	1	–	(2,034)
Gross deferred tax assets					
Provisions	178	(18)	–	(10)	150
Cash flow hedges	249	14	57	–	320
Borrowings	(11)	(7)	–	–	(18)
Deferred revenue	32	3	–	–	35
Defined benefit obligation	(2)	(1)	(1)	1	(3)
Tax losses	22	(19)	–	–	3
Other	–	–	–	–	–
	468	(28)	56	(9)	487
Net deferred tax liability	(1,553)	(42)	57	(9)	(1,547)

¹ Amounts relate to APA's gas distribution operations and maintenance business and its Tamworth gas distribution network that are classified as held for sale as at 30 June 2025, refer to Note 10 for further details.

Notes to the consolidated financial statements (continued)

Financial Performance (continued)

6. Income tax (continued)

	Opening balance	Charged to income	Charged to equity	Acquisition ¹	Closing balance
2024	\$m	\$m	\$m	\$m	\$m
Gross deferred tax liabilities					
Property, plant and equipment and intangible assets	(1,482)	(5)	–	(493)	(1,980)
Investments equity accounted	(1)	–	–	–	(1)
Deferred expenses	(48)	6	–	–	(42)
	(1,531)	1	–	(493)	(2,023)
Gross deferred tax assets					
Provisions	85	75	–	18	178
Cash flow hedges	322	(8)	(65)	–	249
Deferred revenue	–	–	–	(11)	(11)
Investments equity accounted	13	8	–	11	32
Defined benefit obligation	1	(1)	(2)	–	(2)
Tax losses	–	22	–	–	22
Other	1	2	(1)	–	2
	422	98	(68)	18	470
Net deferred tax liability	(1,109)	99	(68)	(475)	(1,553)

¹ On 1 November 2023, the Consolidated Entity acquired 100% of Alinta Energy Pilbara Holdings Pty Ltd and Alinta Energy (Newman Storage) Pty Ltd (together referred to as the Pilbara Energy System business). Deferred tax liability comprised of \$475 million deferred tax recognised on acquisition and \$67 million deferred tax relating to the Consolidated Entity's pre-existing interest in GGT joint operations.

Deferred tax assets

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for:

- Initial recognition of goodwill;
- Initial recognition of assets or liabilities that affect neither accounting nor taxable profit; and
- Differences relating to investments in wholly-owned entities to the extent that they will probably not reverse in the foreseeable future.

Deferred tax is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using the appropriate tax rates at the end of the reporting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Notes to the consolidated financial statements (continued)
Financial Performance (continued)
6. Income tax (continued)

Tax consolidation

The parent of APA Infrastructure Limited, APA Group Limited and its wholly-owned Australian resident entities formed a tax-consolidated group with effect from 1 July 2003 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is APA Infrastructure Trust. Members of the tax-consolidated group are identified at note 22.

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the wholly-owned entities are assumed by the head entity in the tax-consolidated group and are recognised as amounts payable/(receivable) to/(from) other entities in the tax-consolidated group in conjunction with any tax funding arrangement amounts.

The head entity recognises deferred tax assets arising from unused tax losses of the tax-consolidated group to the extent that it is probable that future taxable profits of the tax-consolidated group will be available against which the assets can be utilised.

7. Dividends

	APA Infrastructure Limited			
	2025	2025	2024	2024
	cents per	Total	cents per	Total
	share	\$m	share	\$m
Recognised amounts				
Final FY24 dividend paid on 28 August 2024				
(30 June 2024: Final FY23 dividend paid on 23 August 2023)				
Dividend ¹	568.2	353	123.9	77
Interim FY25 dividend paid on 24 February 2025				
(31 December 2023: Interim FY24 dividend paid on 22 February 2024)				
Dividend ¹	481.3	299	519.9	323
Unrecognised amounts				
Final FY25 distribution payable on 20 August 2025¹				
(30 June 2024: Final FY24 dividend paid on 28 August 2024)				
Dividend ¹	136.6	85	568.2	353

¹ Profit dividends were unfranked.

The final dividend in respect of the financial year has not been recognised in this financial report because the final dividend was not declared, determined or publicly confirmed prior to the end of the financial year.

Notes to the consolidated financial statements (continued)

Operating Assets and Liabilities

8. Receivables

	2025	2024
	\$m	\$m
Trade receivables	79	105
Accrued revenue	252	278
Loss allowance (note 18)	(4)	(4)
Trade receivables	327	379
Receivables from associates and other related parties	16	16
Finance lease receivables	2	1
Interest receivable	3	2
Other receivables	–	20
Trade and other receivables	349	418
Receivables from related parties	174	174
Current	523	592
Finance lease receivables	11	7
Non-current trade receivables	10	–
Non-current	21	7

Trade receivables are non-interest bearing and are generally on 14 to 30 day terms. There are no material trade receivables past due and not provided for.

Trade and other receivables are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, they are stated at amortised cost less impairment.

Finance lease receivables relate to the lease of one pipeline lateral, being the Burrup Extension Pipeline which connects to the Dampier to Bunbury Natural Gas Pipeline.

9. Payables

	2025	2024
	\$m	\$m
Trade payables and accruals	250	389
Other payables	196	167
Trade and other payables	446	556
Payables to related parties ¹	2,760	2,194
Current	3,206	2,750
Other payables	16	1
Payables to related parties ¹	78	526
Non-current	94	527

¹ Payables to related parties mainly consists of a loan from APA Infrastructure Trust and APA Investment Trust.

Trade payables are non-interest bearing and are normally settled on 15 to 30 day terms.

Notes to the consolidated financial statements (continued)

Operating Assets and Liabilities (continued)

10. Assets and Liabilities classified as held for sale

On 19 August 2025, the the Consolidated Entity executed an agreement to divest its gas distribution operations and maintenance business and its Tamworth gas distribution network to Australian Gas Infrastructure Group (AGIG). The divestment aligns with the Consolidated Entity's strategic focus to grow as an owner-operator of energy infrastructure.

The divestment involves a sale of 100% of the issued share capital in the entities that currently conduct the Consolidated Entity's gas distribution operations and maintenance business (referred to as the "Networks entities").

Through these Networks entities, APA currently provides asset management and operating services to AGIG-owned gas distribution assets, the Allgas Gas Distribution Network owned by GDI (Eli) Pty Ltd (GDI), of which APA Group holds a 20% ownership interest, and certain gas distribution assets owned by other third parties.

The divestment will result in asset management and operating services for Australian Gas Networks Limited (AGN) and other third parties' gas distribution assets as well as APA's Tamworth gas distribution network assets, transitioning from APA to AGIG, subject to satisfaction of conditions precedent.

At 30 June 2025, the Consolidated Entity determined that the Network entities and the Tamworth gas distribution network assets met the criteria under AASB 5 "Non-current assets held for sale and discontinued operations" to be classified as a disposal group held for sale. The sale was assessed as highly probable at the reporting date, with completion expected around second quarter of FY26 i.e. within 12 months.

The transaction does not meet the requirements for presentation as a discontinued operation. Accordingly, the results of the Network entities and Tamworth gas distribution network assets will continue to be presented within continuing operations.

The gas distribution operations and maintenance business is reported under the Asset Management reportable segment, with Tamworth gas distribution network assets forming part of the Energy Infrastructure reportable segment.

The existing goodwill allocated to the Asset Management cash-generating unit of \$22 million is associated with the Networks entities and as such has been included in the carrying amount of the disposal group.

Assets and liabilities of Networks disposal group held for sale

Immediately prior to the classification as held for sale, the recoverable amount of the disposal group was determined using fair value less costs to sell. This resulted in the recognition of a pre-tax impairment of \$15 million. The impairment loss has been allocated to the goodwill in accordance with AASB 136 Impairment of Assets. This impairment loss has been recognised in the profit or loss under Other (expenses)/income.

The fair value represents the sale consideration determined based on a 30 June 2025 valuation date, being the date of classification as held for sale, and includes working capital. The sale consideration excluding working capital and estimated costs to sell is \$47 million. The final sale consideration is subject to completion adjustments including movements in working capital and management fees received from the existing asset management contracts between 1 July 2025 and the completion date.

The major classes of assets and liabilities of the disposal group classified as held for sale as at 30 June 2025 are as follows:

	2025 \$m
Trade and other receivables	47
Inventories	18
Defined benefit asset	4
Property, Plant and Equipment	24
Goodwill	7
Intangible assets	21
Deferred tax asset	9
Total assets classified as held for sale	130
Lease liabilities	22
Provisions	27
Other liabilities	21
Total liabilities associated with assets classified as held for sale	70
Net assets of disposal group	60

Notes to the consolidated financial statements (continued)

Operating Assets and Liabilities (continued)

11. Property, plant and equipment

	Freehold land and buildings	Leasehold improvements	Plant and equipment	Work in progress	ROU land and buildings	ROU plant and equipment	Total
	– at cost	– at cost	– at cost	– at cost	– at cost	– at cost	
	\$m	\$m	\$m	\$m	\$m	\$m	\$m
Gross carrying amount							
Balance at 1 July 2023	319	17	14,094	633	63	20	15,146
Additions ¹	–	–	223	1,064	13	13	1,313
Acquired through business combinations ²	–	–	1,171	70	–	–	1,241
Impairment ³	–	–	(172)	(2)	–	–	(174)
Reclassified to Other Intangible Assets	–	–	–	(2)	–	–	(2)
Disposals	–	–	(1)	–	–	(3)	(4)
Transfers	25	–	589	(614)	–	–	–
Balance at 30 June 2024	344	17	15,904	1,149	76	30	17,520
Balance at 1 July 2024	344	17	15,904	1,149	76	30	17,520
Additions ^{1,4}	40	1	160	638	2	15	856
Reclassified from Other Intangible Assets ⁵	–	–	10	92	–	–	102
Disposals	–	–	(4)	–	–	(6)	(10)
Transfers	2	1	887	(890)	–	–	–
Classified as held for sale ⁶	–	–	(29)	–	(31)	(12)	(72)
Balance at 30 June 2025	386	19	16,928	989	47	27	18,396
Accumulated depreciation and impairment							
Balance at 1 July 2023	(86)	(9)	(4,268)	–	(20)	(8)	(4,391)
Impairment ³	–	–	30	–	–	–	30
Disposals	–	–	2	–	–	3	5
Depreciation expense (note 5)	(5)	(2)	(664)	–	(11)	(5)	(687)
Balance at 30 June 2024	(91)	(11)	(4,900)	–	(31)	(10)	(5,043)
Balance at 1 July 2024	(91)	(11)	(4,900)	–	(31)	(10)	(5,043)
Disposals	–	–	3	–	–	–	3
Depreciation expense (note 5)	(15)	(2)	(692)	–	(15)	(8)	(732)
Classified as held for sale ⁶	–	–	19	–	22	7	48
Reclassified from Other Intangible Assets	–	–	(10)	–	–	–	(10)
Balance at 30 June 2025	(106)	(13)	(5,580)	–	(24)	(11)	(5,734)
Net book value							
As at 30 June 2024	253	6	11,004	1,149	45	20	12,477
As at 30 June 2025	280	6	11,348	989	23	16	12,662

¹ Includes non-cash capitalised restoration costs following remeasurement of the restoration provision. Refer to note 14 for further details.

² Included in prior year, APA acquired the Pilbara Energy System business, including the remaining 11.8% interest in Goldfields Gas Transmission (GGT) joint operations. Property, plant and equipment comprised of \$1,241 million recognised on acquisition and \$452 million relating to the Group's pre-existing interest in GGT joint operations.

³ Included in prior year, APA Group impaired the carrying value of the Moomba Sydney Ethane Pipeline (MSEP) due to the customer on this single user pipeline entering into voluntary administration. Refer to note 13 for further details.

⁴ On 24 June 2025 APA Group acquired Atlas to Reedy Creek Pipeline for net \$110 million consideration. Transaction costs of \$7 million including stamp duty and acquisition costs have been capitalised into the cost of the pipeline. Refer to note 23 for further details.

⁵ During the year, certain development assets that were acquired through the PES business acquisition and initially recognised as intangible development assets, have been reclassified to 'capital works in progress' upon commencement of development activities.

⁶ Relates to APA's gas distribution operations and maintenance business and its Tamworth gas distribution network that are classified as held for sale as at 30 June 2025, refer to Note 10 for further details.

Notes to the consolidated financial statements (continued)

Operating Assets and Liabilities (continued)

11. Property, plant and equipment (continued)

Property, plant and equipment is stated at cost, less accumulated depreciation and impairment losses. Work in progress is stated at cost. Cost includes expenditure that is directly attributable to the acquisition or construction of the item.

The right-of-use (ROU) asset is initially measured at cost comprising the initial measurement of the lease liability adjusted for any lease payments made before the commencement date and reduced by any lease incentives received plus initial direct costs incurred in obtaining the lease. Any make good requirements are recognised and measured under AASB 137 Provisions, Contingent Liabilities and Contingent Assets and to the extent that the costs relate to a ROU asset these are included in the related ROU asset.

A ROU asset is subsequently measured using the cost model less any accumulated depreciation and any accumulated impairment losses and adjusted for any remeasurement of the lease liability. The ROU asset is depreciated over the term of the lease.

Please refer to note 13 for details of APA's impairment accounting policies.

Depreciation is provided on property, plant and equipment excluding land. Depreciation is calculated on a straight-line basis over its estimated useful life.

Leasehold improvements are depreciated over the period of the lease or estimated useful life, whichever is the shorter, using the straight-line method. The estimated useful lives and depreciation methods are reviewed at the end of each reporting period.

Where the ROU asset is adjusted due to changes in the lease liability, the depreciation for the ROU asset is adjusted on a prospective basis.

The depreciation charge for each period is recognised in profit or loss unless it is included in the cost of another asset.

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (i.e. assets that take a substantial period of time to get ready for their intended use or sale) are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Development assets – property, plant and equipment

Expenditure on development activities is capitalised as "work in progress" within Property, Plant and Equipment when the project is assessed to be technically and commercially feasible and the Group intends to complete the project for use or for sale.

The Group's development assets are comprised of a portfolio of projects under development, including solar farm, wind farm, battery storage and transmission line developments. The development costs capitalised are comprised of costs incurred directly on the projects and the costs of development assets transferred from intangible assets on commencement of development activities.

For projects whereby the conditions for recognition as a development asset are not met, the development project costs are expensed in the period in which they are incurred.

No depreciation is charged during the development phase. Once the asset is in operation, depreciation will be recognised over the expected useful life of the asset.

Critical accounting judgements and key sources of estimation uncertainty – useful lives of non-current assets

The Consolidated Entity reviews the estimated useful lives of property, plant and equipment at the end of each annual reporting period. Physical, economic, climate and environmental factors are taken into consideration in assessing the useful lives of the assets, including but not limited to asset condition and obsolescence, technology changes, regulatory determinations, government policy, commercial contract lives and renewals, global and regional gas supply-and-demand, and certain climate-related risks and policies.

Any changes to useful lives or any other estimates or assumptions, including the impact of climate change and the timing of the energy transition, may affect prospective depreciation rates, asset carrying values and restoration provisions.

The impact of the above indicators and other factors that may emerge are uncertain at this time and difficult to predict. Refer to note 13 for additional critical judgements that underpin APA's assessments in relation to the potential impact of climate transition risks on APA Group's portfolio of assets which may affect asset carrying values and prospective depreciation rates.

Notes to the consolidated financial statements (continued)

Operating Assets and Liabilities (continued)

11. Property, plant and equipment (continued)

Energy Infrastructure Assets

In FY23 APA completed a detailed review of the estimated useful lives of its Energy Infrastructure assets giving consideration to the goals and targets that underpinned APA's 2022 Climate Transition Plan, together with APA's most recent commercial, operational, and technical outlooks. The assessment also considered the external environment and the risk of asset stranding. Effective from FY24 all gas infrastructure and electricity generation and transmission assets have a maximum useful life end date of FY60 and FY57 respectively.

In FY25, the Group considered the findings of its 2025 Climate Transition Plan, including developments in the external environment and risk of asset stranding. In evaluating the estimated useful lives of its Energy Infrastructure assets, the Group determined that there are no changes to useful lives required.

As at 30 June 2025, the following estimated useful lives from the date of construction are used in the calculation of depreciation:

- Buildings 30 – 50 years;
- Compressors 10 – 50 years;
- Gas transportation systems 10 – 80 years;
- Meters 20 – 30 years;
- Power generation facilities 3 – 36 years;
- Gas processing facilities 10 – 25 years;
- Other plant and equipment 3 – 20 years;
- ROU land and buildings 1 – 40 years; and
- ROU property, plant and equipment 1 – 4 years.

12. Goodwill and Intangibles

	2025	2024
	\$m	\$m
Goodwill		
Balance at beginning of financial year	1,882	1,184
Acquired through business combinations	–	698
Impairment loss relating to assets classified as held for sale ¹	(15)	–
Classified as held for sale ¹	(7)	–
Balance at end of financial year	1,860	1,882

¹ Relates to the goodwill associated with APA's gas distribution operations and maintenance business that are classified as held for sale as at 30 June 2025. A \$15 million impairment loss has been recognised for the amount by which the disposal group carrying amount exceeds its recoverable amount, being the fair value less costs of disposal. Refer to Note 10 for further details.

Allocation of goodwill to cash-generating units

Goodwill has been allocated to individual and groups of cash-generating units for impairment testing purposes. The perimeter of the cash-generating units may change as a result of business combinations or changes in business direction.

The East Coast Grid is a pipeline network that includes, inter alia, the Wallumbilla Gladstone, Moomba Sydney, Roma Brisbane, Carpentaria Gas and South West Queensland pipelines and the Victorian Transmission System. Since the acquisition of the South West Queensland Pipeline to complete the formation of APA's East Coast Grid in December 2012, APA has installed facilities to enable bi-directional transportation of gas to meet the demand of our major customers who now typically operate portfolios of gas supply and demand. Through the provision of multi-asset services, bi-directional transportation, capacity trading and gas storage and parking facilities, APA's East Coast Grid delivers options for customers to choose from, and move gas between, around 60 receipt points and over 220 delivery points on the east coast of Australia. The Atlas to Reedy Creek Pipeline, which was acquired during the year, form part of the East Coast Grid. The East Coast Grid is categorised as a group of cash-generating units.

The Pilbara Energy System business is underpinned by contracted operational assets along the Goldfields Gas Pipeline and a significant development pipeline of projects in Western Australia's Pilbara region, complementing APA's existing development and delivery capability in the Pilbara region. The acquisition of the remaining 11.8% interest in Goldfields Gas Transmission joint operations in the prior year enables new product offerings and increased supply reliability. Following the acquisition of the Pilbara Energy System business on 1 November 2023, the goodwill arising from the acquisition has been allocated to the Pilbara Energy System and the Goldfields Gas Pipeline System group of cash-generating units. The Goldfields Gas Pipeline System is comprised of the Goldfields Gas Pipeline, Eastern Goldfields Pipeline, Northern Goldfields Interconnect Pipeline and laterals.

Notes to the consolidated financial statements (continued)

Operating Assets and Liabilities (continued)

12. Goodwill and Intangibles (continued)

Refer to note 13 for critical accounting judgements and key sources of estimation uncertainty relating to impairment of assets. The carrying amount of goodwill allocated to individual and groups of cash-generating units that are significant individually or in aggregate are as follows:

	2025 \$m	2024 \$m
Asset Management business ¹	–	22
Energy Infrastructure		
East Coast Grid	1,061	1,061
North-West Power System	43	43
Pilbara Energy System	717	717
Other energy infrastructure ²	39	39
	1,860	1,882

¹ The Asset Management business goodwill relates to APA's gas distribution operations and maintenance business that are classified as held for sale as at 30 June 2025, of which \$15 million has been impaired and \$7 million is classified as held for sale. Refer to Note 10 for further details.

² Primarily represents goodwill relating to the Pilbara Pipeline System (\$33 million).

Software, licences, contract and other intangibles

	Software and Licenses – at cost \$m	Development assets – at cost \$m	Work in progress – at cost \$m	Contract and other – at cost ¹ \$m	Total \$m
Gross carrying amount					
Balance at 1 July 2023	128	–	11	3,596	3,735
Additions	2	4	37	–	43
Acquired through business combinations ²	1	125	–	1,224	1,350
Reclassified from Property, Plant and Equipment	–	–	2	–	2
Transfer	3	–	(3)	–	–
Balance at 30 June 2024	134	129	47	4,820	5,130
Balance at 1 July 2024	134	129	47	4,820	5,130
Additions	5	–	39	2	46
Reclassified to Property, Plant and Equipment ³	(10)	(92)	–	–	(102)
Classified as held for sale ⁴	–	–	–	(152)	(152)
Transfer	53	–	(53)	–	–
Balance at 30 June 2025	182	37	33	4,670	4,922
Accumulated amortisation					
Balance at 1 July 2023	(94)	–	–	(1,511)	(1,605)
Amortisation expense (note 5)	(14)	–	–	(218)	(232)
Balance at 30 June 2024	(108)	–	–	(1,729)	(1,837)
Balance at 1 July 2024	(108)	–	–	(1,729)	(1,837)
Amortisation expense (note 5)	(23)	–	–	(235)	(258)
Classified as held for sale ⁴	–	–	–	131	131
Reclassified to Property, Plant and Equipment	10	–	–	–	10
Balance at 30 June 2025	(121)	–	–	(1,833)	(1,954)
Net book value					
As at 30 June 2024	26	129	47	3,091	3,293
As at 30 June 2025	61	37	33	2,837	2,968

¹ Includes \$1,691 million (30 June 2024: \$1,862 million) of contract intangibles associated with the acquisition of Wallumbilla Gladstone Pipeline in FY15 (Useful life: 20 years) and \$1,170 million (30 June 2024: \$1,189 million) of contract intangibles associated with the acquisition of Pilbara Energy System business in FY24 (Useful life: 23 to 24 years).

² In the prior year, APA acquired the Pilbara Energy System business, including the remaining 11.8% interest in Goldfields Gas Transmission (GGT) joint operations.

³ During the year, certain development assets that were acquired through the PES business acquisition and initially recognised as intangible development assets, have been reclassified to 'capital works in progress' upon commencement of development activities.

⁴ Relates to the contract intangibles associated with APA's gas distribution operations and maintenance business and its Tamworth gas distribution network that are classified as held for sale as at 30 June 2025, refer to Note 10 for further details.

Notes to the consolidated financial statements (continued)
Operating Assets and Liabilities (continued)
12. Goodwill and Intangibles (continued)

Intangible assets acquired separately are initially measured at cost. Intangible assets acquired in a business combination are identified and recognised separately from goodwill and are initially recognised at their fair value at the acquisition date

Finite life intangible assets are amortised over their estimated useful lives on a straight line basis. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effects of any changes in estimate being accounted for on a prospective basis.

The following useful lives are used in the calculation of amortisation:

- Contract and other intangibles 1 – 24 years;
- Software 4 – 7 years; and
- Licences 4 years.

Software and Licenses

Software is measured at cost less accumulated amortisation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition or development of software.

Licences are carried at cost less any accumulated amortisation and impairment losses.

Contract and other intangibles

APA Group holds various third party operating and maintenance contracts, power purchase agreements and gas transportation agreements. The combined gross carrying amount of \$4,670 million amortises over terms ranging from 1 to 24 years. Useful life is determined based on the underlying contractual terms.

Development assets – intangibles

Development projects acquired as part of business combination are recognised as intangible assets when they are separately identifiable.

The Consolidated Entity's development assets comprise a portfolio of projects under development, including solar farm, wind farm, battery storage and transmission line developments. The development costs recognised as intangible assets represent the fair value attributed to these projects on acquisition of Pilbara Energy System business in the prior year.

Upon commencement of development activities, the related intangible development asset is transferred to work in progress within Property, Plant and Equipment. Subsequent development costs incurred from that point are capitalised directly to work in progress in accordance with AASB 116 Property, Plant and Equipment.

No amortisation is charged during the development phase. Where a project is no longer expected to proceed, the carrying amount of the development asset is impaired.

Notes to the consolidated financial statements (continued)
Operating Assets and Liabilities (continued)
13. Impairment of non-financial assets

The Consolidated Entity tests goodwill for impairment at least annually or whenever there is an indication that the asset may be impaired. Other non-financial assets with finite useful lives are assessed for indicators of impairment at least annually. Assets other than goodwill that have previously reported an impairment are reviewed for possible reversal of the impairment at each reporting period.

Judgement is involved in identifying the Consolidated Entity's cash-generating units, particularly when assets are part of integrated operations and generate cash inflows that are interdependent with the cash inflows of the other assets of the Consolidated Entity. The Consolidated Entity's main cash-generating units, being the cash-generating units or groups of cash-generating units containing goodwill and intangible assets in development, are disclosed in note 12. Certain non-financial assets (excluding goodwill) are assessed for impairment at a cash-generating unit level.

In accordance with the requirements of AASB 136 Impairment of Assets, the Consolidated Entity performed an annual impairment test for all cash-generating units and groups of cash-generating units to which goodwill had been allocated and reviewed its non-financial assets other than goodwill for indicators of impairment at the end of the reporting period. Apart from the impairment of goodwill associated with the Group's gas distribution operations and maintenance business discussed in note 10, the Consolidated Entity has not identified other impairment indicators and no other impairment was recognised during the year.

Critical accounting judgements and key sources of estimation uncertainty – impairment of assets

For the 2025 and 2024 reporting periods, the recoverable amount of the Consolidated Entity's cash-generating units or group's of cash-generating units was determined based on value-in-use calculations. The Group's value-in-use calculations use cash flow projections based on a three year financial business plan and thereafter forecast cash flows reflecting remaining useful lives.

The key estimates and assumptions used in the assessment of recoverable amount include but are not limited to: asset capacity; asset lives; generation and transmission volumes; forecast operating costs and margins; gas field reserve estimates; future regulatory changes and legislative developments; for some assets, availability of gas supply from undeveloped gas fields and contingent resources to meet forecast demand; the effect of inflation; discount rates; customer contract terms and renewals; residual value; and asset construction costs. Where key assumptions used in the assessment of recoverable amount of new assets, such as expected construction costs, time to commissioning, revenues, operating and capital costs at the time of investment differ from the actual outcomes, significant variances to the key assumptions may give rise to impairment indicators.

These assumptions have been determined with reference to historic information, current performance and expected changes taking into account external information such as market inputs on discount rates, the effects of inflation within Reserve Bank of Australia's guidance range, the outlook for global and regional gas market supply-and-demand conditions, internal information such as contract renewals and forecast input costs. Such estimates may change as new information becomes available.

For fully regulated assets, cash flows have been extrapolated on the basis of existing transportation contracts and government policy settings, and expected contract renewals the Consolidated Entity has assumed prudent capital and operating expenditure, appropriate regulated rates of return, and forecast inflation over the existing and renewal contract terms. These expected cash flows are factored into the regulated asset base and do not exceed management's expectations of the long-term average growth rate for the market in which the cash generating unit operates.

For non-regulated assets, with the exception of the CGUs associated with Pilbara Energy System, the Consolidated Entity has assumed no capacity expansion and firming costs beyond installed and committed levels; utilisation of capacity is based on existing contracts and renewals, government policy settings and the Consolidated Entity's expected market outcomes.

Demand for capacity is reviewed regularly. As contracts mature, to the extent there is supportable demand, it is assumed that the majority of the capacity is resold at commercially acceptable pricing levels.

The recoverable amounts of the CGUs associated with the Pilbara Energy System are predicated on the execution of a renewable-focused development pipeline and the related assumptions on expansion of capacity and revenue contracting over time. Judgement is required to determine the appropriate estimates and assumptions. The acquisition model is used as a starting point, with adjustments made for changes since acquisition.

Given the recency of the acquisition at fair value, the discounted cash flows supporting the recoverable amount of the Pilbara Energy System group of CGUs are relatively close to carrying value, and are therefore sensitive to discount rates, the timing and costs to complete development projects, operating costs and long-term contract revenues. Changes in these variables may materially change the recoverable amount of the Pilbara Energy System CGUs and could lead to impairment.

Notes to the consolidated financial statements (continued)
Operating Assets and Liabilities (continued)
13. Impairment of non-financial assets (continued)

Consideration of climate-related risks and assumptions

APA is exposed to a range of climate-related risks and opportunities across its energy infrastructure and investment portfolios. Risks and opportunities associated with climate change including the transition to a low carbon economy ("transition risks") are assessed and considered as part of APA's policy, strategy, and commercial management practices. APA is committed to embedding consideration of its climate-related goals, targets and commitments as outlined in its 2025 Climate Transition Plan, as well as climate risks, into its business strategy, processes and decision-making. APA discloses progress against its commitments and Climate Transition Plan in accordance with the Taskforce for Climate Related Financial Disclosures.

APA continues to develop its assessment of the potential physical impacts and transition risks of climate change which may have a material impact on the Australian energy market and may result in a material change to APA's estimated cash inflows and the carrying values of APA's asset portfolio. APA has included estimates for the potential impacts of climate change in its carrying value assessment based on its current understanding, however recognises that there is an increased pace of change in the energy industry including continuously evolving government policy and market regulation, and will continue to review and update its estimates, assumptions and judgements, utilising inputs from external experts where necessary.

Cash flow projections include the estimated impact of mandated government climate policies, such as the Safeguard Mechanism and assume that APA will be able to recover the cost of carbon through customer pass-through for facilities currently under the Safeguard Mechanism as well as those that are anticipated to be captured under the scheme in the future. Cash flow projections include operating expenditure commitments made through APA's 2025 Climate Transition Plan. Capital expenditure commitments from APA's 2025 Climate Transition Plan are made at the APA Group level and will be included in asset level cash flow projections as they are incorporated into asset management plans. As part of APA's 2025 Climate Transition Plan, scenario analysis was performed for a selection of assets across APA's East Coast, West Coast Gas and Power Generation portfolios. Financial resilience was tested through assessing transition risks and opportunities. Based on the scenario analysis, the selected assets were found to be financially resilient with no impairment to carrying values across all climate scenarios considered.

APA does not currently consider the potential physical impacts and transition risks of climate change on the carrying value of its existing assets to be significant based on the estimated profile of long-term cash flow returns.

Future changes in government climate policies may impose significant costs on APA and its customers and limit future investment in the Australian energy market such as the development of new gas fields. Therefore, future cashflows may differ from current expectations, which may impact the assessment of the recoverable value of the relevant assets.

Discount rates

The pre-tax discount rates used in the determination of the recoverable amount range between 7.4% p.a. to 8.7% p.a. (2024: 8.3% p.a.). In determining appropriate discount rates for the recoverable amount assessment, consideration has been given to current market assessments of time value of money and the Weighted Average Cost of Capital for the Consolidated Entity, adjusted for risks specific to the asset or CGU that are not reflected in the underlying cash flows.

Other key assumptions and sensitivity analysis

All estimates require judgements and assumptions and are subject to risk and uncertainty that may be beyond the control of the Group, hence, there is a possibility that changes in circumstances will materially change the cash flow projections, which in turn may impact the recoverable amount of an asset or CGU. Apart from those disclosed above, the other estimates and assumptions that may impact the Group's recoverable amount determinations are:

- Future regulatory changes and legislative developments to both APA's fully regulated and non-regulated assets may result in a material change to estimated cash inflows and the carrying value of these assets. In determining the recoverable amounts of the assets that are subject to regulatory review or determination, judgemental assumptions are made regarding the regulatory outcome which may not be realised. In the event that future regulatory outcomes vary from these assumptions, the recoverable amounts of these assets could change materially. This applies to the regulatory conversion, including the regulatory asset base and consequent revenue determination of Basslink which is currently ongoing and is expected to apply from 1 July 2026.
- For certain assets single counterparty risk is more prevalent. The recoverable amounts of these assets include key estimates, assumptions and judgements regarding the recontracting of pipeline capacity including tariffs and tenure for these assets, which may not be realised. Any future changes to these estimates, assumptions and judgements may result in a material change to APA's estimated cash inflows and the carrying values of certain APA assets. As part of the periodic carrying value review, the Group considered whether the concentration of counterparty exposure gave rise to an indicator of impairment. No indicator of impairment existed as at 30 June 2025 for these assets.

Notes to the consolidated financial statements (continued)

Operating Assets and Liabilities (continued)

13. Impairment of non-financial assets (continued)

- Certain assets generate revenue under contractual arrangements that are currently subject to commercial negotiations with customers. The outcome of these commercial matters remains uncertain at 30 June 2025. Judgement has been applied in estimating the future cash flows associated with these assets, based on current available information. Future cash flows associated with these assets may differ from current expectations, which may affect the recoverable amount of the relevant assets. No impairment has been identified at 30 June 2025; however, changes in key assumptions or the resolution of these matters may result in a reassessment of asset recoverability. Matters subject to commercial negotiations as at 30 June 2025, that could lead to future impairment risk represent less than 1% of total property, plant & equipment.

Moomba Sydney Ethane Pipeline (MSEP)

In FY24, the Group recognised a non-cash impairment charge of \$144 million, resulting in a full write down of the property, plant and equipment of the MSEP. This impairment was due to the Voluntary Administration of its sole customer, Qenos Pty Ltd and the uncertainty over the potential alternative uses of the MSEP at that time. This impairment was disclosed as a significant item within the Energy Infrastructure Segment.

During FY25, APA commenced a project to repurpose the MSEP for the transportation of natural gas, which is expected to increase capacity on APA's East Coast Gas Grid and provide additional energy security to the east coast of Australia. The repurposing project is expected to be completed in FY26.

The Group has reassessed the recoverability of the MSEP in accordance with AASB 136. Based on current information and the stage of the repurposing project, no reversal of the prior impairment has been recognised as at 30 June 2025. The Group will continue to monitor developments and reassess the asset's carrying amount as the project progresses.

14. Provisions

	2025	2024
	\$m	\$m
Employee benefits	135	149
Other	9	11
Current	144	160
Employee benefits	12	13
Restoration provision	401	373
Non-current	413	386
Employee benefits		
Incentives	67	62
Leave balances	53	70
Other employee provisions	15	17
Current	135	149
Defined benefit liability (note 15)	–	2
Leave balances	12	11
Non-current	12	13

A provision is recognised when there is a legal or constructive obligation as a result of a past event, it is probable that future economic benefits will be required to settle the obligation and the amount of the provision can be measured reliably.

Restoration provision

The Consolidated Entity's restoration provision is the best estimate of the present value of the expenditure required for:

- Restoring leased assets to their original condition, as required by the terms and conditions of the lease; and
- Future decommissioning and restoration of the Consolidated Entity's energy infrastructure assets, based on current legal requirements and technology.

The Consolidated Entity's restoration cost estimates include a risk adjustment and are inflated to the estimated asset closure date using a long-term inflation rate. The cost estimates are discounted using risk-free discount rates based on Government bond rates, with a maturity date aligned with the estimated timing of restoration cash flows.

The Consolidated Entity's restoration provision is reviewed regularly, with any changes in the restoration cost estimates reflected in the present value of the restoration provision at each reporting date, and a corresponding change in the cost of the associated asset. In the event the restoration provision is reduced, the cost of the related asset is reduced by an amount not exceeding the asset carrying value. Changes in the estimates include those resulting from updated cost estimates, changes in regulations, changes to the expected operating lives or timing of the restoration activities and revisions to discount rates. Any change in assumptions are applied prospectively.

Notes to the consolidated financial statements (continued)
Operating Assets and Liabilities (continued)
14. Provisions (continued)

Movements in the restoration provision during the financial year are set out below:

	Restoration Provision
	\$m
Balance at 1 July 2024	373
Utilised during the year	(1)
Unwinding of discount	16
New provisions and changes to existing estimate	12
Acquired through asset acquisition ¹	1
Balance at 30 June 2025	401

¹ On 24 June 2025, APA Group acquired the Atlas to Reedy Creek Pipeline and the associated restoration provision. Refer to note 23 for further details.

Critical accounting judgements and key sources of estimation uncertainty – Restoration Provision

APA estimates the future restoration costs of its energy infrastructure assets at the time of installation of the assets and reviews these cost estimates periodically. The estimate of future restoration costs requires judgemental assumptions regarding the timing of restoration activities, environmental legislation and regulations which vary for different State jurisdictions, the extent of restoration activities required and the available technologies.

The estimated future restoration costs of the Consolidated Entity's gas transmission pipelines include judgemental assumptions that assume all the underground pipelines remain *in-situ*. This assumption reflects management's current expectation that decommissioning *in-situ* is expected to result in a net environmental benefit compared to full removal and that regulatory approval is anticipated to be obtained. This assumption is reviewed as part of the Consolidated Entity's periodic review of restoration provisions, including as part of the Group's periodic review of Environmental Plans.

Further studies and detailed assessment of restoration activities for individual assets will continue to be performed throughout the life of the asset. Actual costs and cash outflows can materially differ from the current estimates included in the provision recognised at 30 June 2025 as a result of changes in legislation and their application, changes in assumptions regarding the extent to which infrastructure assets will remain *in-situ*, prices, site conditions, future studies, timing of restoration and development of new technologies.

In addition, the extent, cost and timing of future restoration activities may change in the future as a result of increased regulatory scrutiny and the energy transition. For example, the energy transition may result in restoration activities occurring earlier than expected. Restoration dates used in determining the amounts of provisions are based on the useful lives of the individual assets. The estimated timing of restoration activities will continue to be reviewed as part of the Consolidated Entity's annual review of its assets' estimated useful lives. The Consolidated Entity continues to monitor the uncertainty around climate change risks to assess if changes to restoration provisions should be recognised.

Employee benefits provision

Provision is made for benefits accruing to employees in respect of wages and salaries, incentives, annual leave and long service leave when it is probable that settlement will be required.

Notes to the consolidated financial statements (continued)

Operating Assets and Liabilities (continued)

15. Employee superannuation plans

All employees of the Consolidated Entity are entitled to benefits on retirement, disability or death from an industry sponsored fund, or an alternative fund of their choice. The Consolidated Entity has three plans with defined benefit sections (due to the acquisition of businesses) and a number of other plans with defined contribution sections. The defined benefit sections provide lump sum benefits upon retirement based on years of service. The defined contribution sections receive fixed contributions from the Consolidated Entity and the Consolidated Entity's legal and constructive obligations are limited to these amounts.

The most recent actuarial valuations of plan assets and the present value of the defined benefit obligations were determined at 30 June 2025. The present value of the defined benefit obligations, and the related current service cost and past service cost, were measured using the projected unit credit method.

The following sets out details in respect of the defined benefit plans only:

	2025	2024
	\$m	\$m
Amounts recognised in the statement of profit or loss and other comprehensive income		
Current service cost	2	2
Net interest expense	(1)	–
Components of defined benefit remeasurements recognised in profit or loss (note 5)	1	2
Actuarial gain on defined benefit plan	–	2
Actual return on plan assets excluding interest income	2	5
Components of defined benefit costs recognised in other comprehensive income	2	7
Amounts recognised in the statement of financial position		
Fair value of plan assets	59	139
Present value of benefit obligation	(53)	(134)
Defined benefit asset – non-current	6	7
Defined benefit liability – non-current (note 14)	–	(2)

Movements in the present value of the defined benefit obligation in the period were as follows:

	2025	2024
	\$m	\$m
Opening defined benefit obligation	134	137
Current service cost	2	2
Interest cost	7	7
Actuarial gain	–	(2)
Benefits paid	(10)	(10)
Classified as held for sale ¹	(80)	–
Closing defined benefit obligation	53	134

¹ Amount relates to APA's gas distribution operations and maintenance business and its Tamworth gas distribution network that are classified as held for sale as at 30 June 2025. refer to note 10 for further details.

Movements in the present value of the plan assets in the current period were as follows:

	2025	2024
	\$m	\$m
Opening fair value of plan assets	139	133
Interest income	8	7
Actual return on plan assets excluding interest income	2	5
Contributions from employer	4	4
Benefits paid	(10)	(10)
Classified as held for sale ¹	(84)	–
Closing fair value of plan assets	59	139

¹ Amount relates to APA's gas distribution operations and maintenance business and its Tamworth gas distribution network that are classified as held for sale as at 30 June 2025. refer to note 10 for further details.

Notes to the consolidated financial statements (continued)
Operating Assets and Liabilities (continued)
15. Employee superannuation plans (continued)

Defined benefit plans

The defined benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Consolidated Entity's defined benefit plans. Any asset resulting from this calculation is limited to the present value of economic benefits available in the form of refunds and reductions in future contributions to the plan.

Key actuarial assumptions used in the determination of the defined benefit obligation include a discount rate of 5.6% gross of tax (2024: 5.6%), based on the corporate bond yield curve published by Milliman, an expected salary increase rate of 3.5% (2024: 3.8%), and pension indexation rate of 2.5% (2024: 2.8%). The sensitivity analysis below has been determined based on reasonable possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant:

- If the discount rate increases (decreases) by 0.5%, the defined benefit obligation would decrease by \$6 million (increase by \$7 million).
- If the expected salary growth increases (decreases) by 0.5%, the defined benefit obligation would increase by \$1 million (decrease by \$1 million).
- If the expected pension indexation rate increases (decreases) by 0.5%, the defined benefit obligation would increase by \$6 million (decrease by \$5 million).

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation to one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the statement of financial position.

Expected employer contributions to the defined benefit plans during the year ending 30 June 2026 are \$3 million, of which \$2 million relates to plans that are classified as held for sale at 30 June 2025.

Defined contribution plans

Contributions to defined contribution plans are expensed when incurred. The percentage rate for superannuation guarantee contribution by the Consolidated Entity is 12.0% from 1 July 2025.

Notes to the consolidated financial statements (continued)

Capital Management

The Consolidated Entity's objectives when managing capital are to safeguard its ability to continue as a going concern whilst maximising the return to securityholders through the optimisation of the balance sheet capital structure.

The Consolidated Entity's overall capital management strategy is to continue to target BBB/Baa2 investment grade credit ratings at the same time as maintaining sufficient flexibility to fund organic growth and investment from internally generated and retained cash flows, debt funding and, where appropriate, additional equity.

The capital structure of the Consolidated Entity consists of cash and cash equivalents, borrowings and equity attributable to equity holders of APA. The Consolidated Entity's is to maintain balanced and diverse funding sources through raising funds locally and from overseas from a variety of capital markets, to meet anticipated funding requirements. This funding plus operating cash flows are used to maintain and expand the Consolidated Entity's assets, make distributions to equity holders and repay maturing debt.

Controlled entities are subject to externally imposed capital requirements. These relate to the Australian Financial Services Licence held by APA Group Limited, the Responsible Entity of APA Group, and were adhered to for the entirety of the 2025 and 2024 periods.

The Consolidated Entity's capital management strategy takes into consideration the cost of capital and the state of the capital markets. It remains focused on maintaining BBB/Baa2 investment grade credit ratings

The main aspects of the Consolidated Entity's capital management strategy are:

- Distribution policy balances organic growth capex funding with sustainable distribution growth;
- Competitive investment hurdle rates;
- Investment grade credit metrics provides access to capital markets;
- Treasury policies to ensure strong levels of liquidity and minimise financial risk; and
- Insightful communications ensuring strong investor engagement.

The Consolidated Entity's Funds From Operations (FFO) to Net Debt at 30 June 2025 exceed the minimum threshold levels that Moody's and Standard & Poor's consider appropriate for the Consolidated Entity's BBB/Baa2 credit ratings. FFO to Net Debt is a leverage metric that measures cash flows generated by the business that are available to service debt noting that each rating agency calculates credit metrics differently using their own proprietary methods. The ability to service debt and therefore creditworthiness, improves as the percentage of FFO to Net Debt increases (and vice versa).

Notes to the consolidated financial statements (continued)

Capital Management (continued)

16. Net debt

Cash and cash equivalents comprise of cash on hand, at call bank deposits and investments in money market instruments that are readily convertible to known amounts for cash.

Borrowings are recorded initially at fair value less attributable transaction costs and subsequently stated at amortised cost.

Cash and cash equivalents at the end of the financial year as shown in the statement of cash flows are reconciled to the related items in the statement of financial position detailed in the table below.

	2025	2024
	\$m	\$m
Cash at bank and on hand ¹	322	473
Short-term deposits	476	201
Cash and cash equivalents	798	674
Guaranteed senior notes ²	–	(1,895)
Secured third party borrowings	(5)	(5)
Other financial liabilities	(1)	(2)
Less: unamortised borrowing costs	2	3
Current borrowings	(4)	(1,899)
Guaranteed senior notes ²	(10,536)	(7,949)
Guaranteed subordinated notes ³	(892)	(800)
Guaranteed bank loans	(2,550)	(2,250)
Secured third party borrowings	(91)	(97)
Other financial liabilities	(2)	(3)
Less: unamortised borrowing costs	98	76
Non-current borrowings	(13,973)	(11,023)
Total borrowings	(13,977)	(12,922)
Current lease liabilities	(13)	(20)
Non-current lease liabilities	(29)	(50)
Total lease liabilities	(42)	(70)
Net debt	(13,221)	(12,318)

¹ The amount shown in cash and cash equivalents includes \$3 million not available for general use as at 30 June 2025 (30 June 2024: \$2 million).

² Represents JPY MTN of ¥10,000 million, GBP MTN of £1,250 million, EUR MTN of €2,350 million, and USD denominated 144a notes of US\$2,400 million measured at the exchange rate at reporting date (2024: Represents JPY MTN of ¥10,000 million, GBP MTN of £1,379 million, EUR MTN of €2,350 million, and USD denominated 144a notes of US\$2,250 million measured at the exchange rate at reporting date). Refer to note 17 for details of interest rates and maturity profiles.

³ Represents EUR Hybrid Notes of €500 million measured at the exchange rate at reporting date. Refer to note 17 for details of interest rate and maturity profile.

Notes to the consolidated financial statements (continued)

Capital Management (continued)

16. Net debt (continued)

Reconciliation of net debt

	Cash and cash equivalents	Borrowings Current	Borrowings Non-Current	Lease Liabilities	Net debt
	\$m	\$m	\$m	\$m	\$m
Net debt as at 1 July 2023	512	(202)	(11,321)	(67)	(11,078)
Cash movements	162	200	(1,718)	18	(1,338)
Non cash changes – leases	–	–	–	(21)	(21)
Non-cash acquisition ¹	–	(2)	(66)	–	(68)
Foreign exchange movements on debt translation	–	73	117	–	190
Transfer from non-current to current	–	(1,969)	1,969	–	–
Movement of deferred borrowing costs	–	1	(4)	–	(3)
Net debt as at 30 June 2024	674	(1,899)	(11,023)	(70)	(12,318)
Net debt as at 1 July 2024	674	(1,899)	(11,023)	(70)	(12,318)
Cash movements ²	125	1,749	(2,165)	24	(267)
Non cash changes – leases	–	–	–	4	4
Foreign exchange movements on debt translation ³	–	154	(812)	–	(658)
Transfer from non-current to current	–	(8)	8	–	–
Movement of other items ⁴	(1)	–	19	–	18
Net debt as at 30 June 2025	798	(4)	(13,973)	(42)	(13,221)

¹ On 1 November 2023, APA Group acquired 100% of Alinta Energy Pilbara Holdings Pty Ltd and Alinta Energy (Newman Storage) Pty Ltd (together referred to as the Pilbara Energy System business). The acquisition included secured third party loan facilities with concessional interest rates.

² Cash movements include the proceeds from the issue of US 144a notes (\$1,865 million) and bilateral term loan (\$300 million) both executed in September 2024 (with the bilateral term loan drawn down in March 2025), repayment of 2015 US 144a in September 2024 and March 2025 (\$1,543 million), 2012 GBP Bond in November 2024 (\$198 million) and secured third party borrowings and other financial liabilities (\$7 million).

³ Foreign exchange movement on debt translation include \$590 in hedge reserve, \$55 million in finance costs as result of foreign currency translation loss on borrowings where hedge accounting is no longer applied and \$13 million in finance costs as result of 2015 USD 1.1bn 144A termination.

⁴ Movement of other items during the year include capitalised borrowing costs (\$31 million), loan modification (\$8 million), offset by amortisation of deferred borrowing costs (\$16 million), bond discount unwind (\$4 million) and effect of exchange rate changes on cash (\$1 million).

Notes to the consolidated financial statements (continued)
Capital Management (continued)
16. Net debt (continued)

Financing facilities available

	2025	2024
	\$m	\$m
Total facilities		
Guaranteed senior notes ¹	10,536	9,844
Guaranteed subordinated notes ²	892	800
Guaranteed bank loans ³	2,550	2,250
Bank borrowings ⁴	1,600	1,600
Secured third party borrowings	96	102
	15,674	14,596
Facilities used at balance date		
Guaranteed senior notes ¹	10,536	9,844
Guaranteed subordinated notes ²	892	800
Guaranteed bank loans ³	2,550	2,250
Bank borrowings ⁴	–	–
Secured third party borrowings	96	102
	14,074	12,996
Facilities unused at balance date		
Guaranteed senior notes ¹	–	–
Guaranteed subordinated notes ²	–	–
Guaranteed bank loans ³	–	–
Bank borrowings ⁴	1,600	1,600
Secured third party borrowings	–	–
	1,600	1,600

- ¹ Represents JPY MTN of ¥10,000 million, GBP MTN of £1,250 million, EUR MTN of €2,350 million, and USD denominated 144a notes of US\$2,400 million measured at the exchange rate at reporting date (2024: Represents JPY MTN of ¥10,000 million, GBP MTN of £1,379 million, EUR MTN of €2,350 million, and USD denominated 144a notes of US\$2,250 million measured at the exchange rate at reporting date). Refer to note 17 for details of interest rates and maturity profiles.
- ² Represents EUR Hybrid Notes of €500 million measured at the exchange rate at reporting date. Refer to note 18 for details of interest rate and maturity profile.
- ³ Syndicated facilities (\$2,250 million), and bilateral term loan (\$300 million).
- ⁴ Bilateral facilities comprising \$200 million maturing in December 2025, \$350 million maturing in December 2026, \$400 million maturing in August 2027, \$150 million maturing in December 2027 and \$500 million maturing in July 2029.

Notes to the consolidated financial statements (continued)

Capital Management (continued)

17. Financial risk management

The Consolidated Entity's Treasury team is responsible for the overall management of the financial risks arising from financial market activities undertaken by the Consolidated Entity. The Treasury Risk Management Policy provides the framework and the risk management parameters with respect to: liquidity and funding risk, foreign exchange risk, interest rate risk, counterparty credit risk and operational risk.

The key financial risk for the Consolidated Entity is liquidity and funding risk, which is the risk that the Consolidated Entity is unable to meet its financial obligations when they fall due. This risk is managed via a number of policy targets, including a minimum liquidity ratio, limits on maturities in any given 12 month period, and a minimum weighted average term to maturity for Consolidated Entity's drawn debt portfolio.

Interest rate risk for the Consolidated Entity arises predominantly from borrowings and this risk is managed by the Consolidated Entity maintaining an appropriate mix of fixed and floating rate borrowings that is within the policy parameters.

Foreign exchange risk arises predominantly from: revenues received in foreign currencies, debt raised in foreign currencies, capital expenditure and operational expenditure in foreign currencies. APA's policy is that forecast foreign currency denominated revenues will be hedged into AUD on a rolling forward looking basis. For all foreign currency denominated debt issued in the future, this debt and the related interest cashflows will be hedged into AUD. For existing USD denominated debt (USD 1,186 million) that was previously in an accounting hedge relationship with WGP revenues (discontinued in December 2024), these exposures are currently not hedged into AUD and will be hedged into AUD if the defined policy parameters are met.

For all other foreign currency exposures such as capital expenditure and operating costs, these foreign exchange exposures will be hedged into AUD if material and in general, on a portfolio basis, in line with the framework as per APA's policy. As a result, the Consolidated Entity's activities generate financial instruments comprising of cash, receivables, payables and interest bearing liabilities which expose it to various risks as summarised below:

(a) Market risk including currency risk, interest rate risk and price risk;

(b) Credit risk; and

(c) Liquidity risk.

Risk	Sources	Risk management framework	Financial exposure
Market	Commercial transactions in foreign currency and funding activities	The Board approves principles for overall risk management, as well as policies covering specific areas such as liquidity risk, funding risk, foreign currency risk, interest rate risk and counterparty credit risk. The Consolidated Entity's Board ensures there is an appropriate Risk Management Policy for the management of treasury risk and compliance with the policy through the review of monthly reporting to the Board from the Treasury team.	Refer to 17 (a) Market risk section.
Credit	Cash, receivables, interest bearing liabilities and hedging		The carrying amount of financial assets recorded in the financial statements, net of any collateral held or bank guarantees held by the Consolidated Entity, represents the Consolidated Entity's maximum exposure to credit risk in relation to those assets. Refer to 17 (b) Credit risk section.
Liquidity	Ongoing business operations, financial market disruptions and new investment opportunities		A detailed table shows the Consolidated Entity's remaining contractual maturities for its non-derivative financial liabilities in 17 (c) Liquidity risk section.

(a) Market risk

The Consolidated Entity's market risk exposure is primarily due to changes in market prices such as interest and foreign exchange rates. The Consolidated Entity is also exposed to price risk arising from its forward purchase contracts over listed equities and electricity price risk arising from electricity contracts for difference.

Notes to the consolidated financial statements (continued)
Capital Management (continued)
17. Financial risk management (continued)

The table below summarises these risks by nature of exposure and provides information about the risk mitigation strategies being applied.

Nature	Sources of financial exposure	Risk management strategy
Foreign exchange	The Consolidated Entity's foreign exchange risk arises from future commercial transactions (including revenue, interest payments and principal debt repayments on long-term borrowings and the purchases of capital equipment and operating costs).	Exchange rate exposures are managed within approved policy parameters utilising foreign currency forward exchange contracts (FECs), foreign currency options and cross currency swap contracts (CCS). All foreign currency exposure is managed in accordance with the Treasury Risk Management Policy, including: - FECs and foreign currency options to hedge the exchange rate risk arising from foreign currency cash flows, mainly US dollars, derived from revenues, interest payments and capital equipment purchases; and - CCS to manage the currency risk associated with foreign currency denominated borrowings.
Interest rate	The Consolidated Entity's interest rate risk arises predominantly from borrowings.	This risk is managed by the Consolidated Entity by maintaining an appropriate mix between fixed and floating rate borrowings, through the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined policy, ensuring appropriate hedging strategies are applied.
Equity price, electricity price and volumes	The Consolidated Entity is exposed to price risk arising from its forward purchase contracts over listed equities, and electricity price risk arising from a contract for difference in an electricity sales agreement with a customer.	The equity price risk is managed by forward purchase contracts held to hedge the long-term incentive awards rather than for trading purposes. Electricity price risk is managed with an electricity sales agreement with the creditworthy counterparty. The Consolidated Entity does not actively trade these holdings. The key assumptions of the commercial contracts for difference are provided in the fair value of financial instruments section.

Foreign currency risk

Foreign currency forward exchange contracts and foreign currency options

To manage foreign exchange risk arising from future commercial transactions such as forecast capital purchases and operating costs, revenue, interest and debt payments, the Consolidated Entity uses FECs and foreign currency options. Gains and losses recognised in the cash flow hedge reserve (Statement of Comprehensive Income) on these derivatives will be released to profit or loss when the underlying anticipated transaction affects the Statement of Profit or Loss or will be included in the carrying value of the asset or liability acquired.

In December 2024, there was a change in risk management approach in relation to the WGP USD revenue and as a result the hedge relationship with the debt instruments issued in USD or swapped to USD using cross currency swaps (total USD 1,186 million) were discontinued. The relevant debt instruments are translated into AUD at balance sheet date and the cross currency swaps are fair valued through profit or loss. Refer to note 5 for further information.

Within the table disclosed below, WGP USD revenues are hedged through FECs and foreign currency options. APA Group has hedged almost all WGP USD revenues through to FY28. WGP USD revenue is contracted to be received through to 2035. There has been no other change to the nature of the market risks to which the Consolidated Entity is exposed or the manner in which these risks are measured.

The carrying amount of the Consolidated Entity's foreign currency denominated monetary assets, monetary liabilities and derivative notional amounts at the reporting date is as follows (converted to AUD at the spot rate at reporting date):

	Cash & cash equivalents \$m	Total borrowings \$m	Cross currency swaps \$m	Forward exchange contract \$m	Foreign currency options \$m	Net foreign currency position \$m
2025						
US Dollar (USD) ¹	2	(3,649)	1,846	(1,824)	(775)	(4,400)
British Pound (GBP)	–	(2,607)	2,607	–	–	–
Euro (EUR)	–	(5,103)	5,103	8	–	8
Japanese Yen (JPY)	–	(105)	105	17	–	17
Swedish Krona (SEK)	–	–	–	5	–	5
	2	(11,464)	9,661	(1,794)	(775)	(4,370)

Notes to the consolidated financial statements (continued)
Capital Management (continued)
17. Financial risk management (continued)

	Cash & cash equivalents	Total borrowings	Cross currency swaps	Forward exchange contract	Foreign currency options	Net foreign currency position
2024	\$m	\$m	\$m	\$m	\$m	\$m
US Dollar (USD) ¹	11	(3,375)	(54)	(173)	–	(3,591)
British Pound (GBP)	–	(2,615)	2,615	1	–	1
Euro (EUR)	–	(4,578)	4,578	1	–	1
Japanese Yen (JPY)	–	(93)	93	–	–	–
Swedish Krona (SEK)	–	–	–	8	–	8
	11	(10,661)	7,232	(163)	–	(3,581)

¹ Foreign currency exposure associated with USD revenue and receivables are managed by forward exchange contracts and foreign currency options. For the hedges of highly probable forecast sales and purchases, as the critical terms (i.e. the notional amount, life and underlying currency) of the FECs and foreign currency options and their corresponding hedged items are the same, the Consolidated Entity performs a qualitative assessment of effectiveness and it is expected that the value of the FECs and foreign currency options and the value of the corresponding hedged items will systematically change in opposite directions in response to movements in the underlying foreign exchange rates.

The main source of hedge ineffectiveness in these hedging relationships is the effect of the counterparty and the Consolidated Entity's own credit risk on the fair value of the FECs and foreign currency options, which is not reflected in the fair value of the hedged item attributable to changes in foreign exchange rates. The effect of credit risk is a small component of the value changes that result from that economic relationship.

As at the reporting date, the Consolidated Entity has entered into FECs and foreign currency options to hedge the foreign currency exposure arising from anticipated future transactions, which are designated in cash flow hedge relationships. The following table details the FECs outstanding at reporting date:

Cash flow hedges

	Average	Contract Value				Fair value
		< 1 year	1 – 2 years	2 – 5 years	> 5 years	
2025	contract rate	\$m	\$m	\$m	\$m	\$m
Forecast revenue and associated receivable						
Sell USD ¹	0.6481	675	775	1,555	–	46
Forecast capital purchases and operating						
Buy USD	0.6379	(20)	(12)	–	–	(1)
Buy GBP	0.5022	(7)	–	–	–	–
Buy EUR	0.5888	(8)	(8)	–	–	1
Buy SEK	6.4440	(1)	(1)	(3)	–	–
Forecast foreign currency borrowings						
Buy USD ²	0.6501	(101)	(83)	(154)	–	(4)
		538	671	1,398	–	42

¹ The Consolidated Entity manages the foreign currency risk with respect to the USD denominated WGP monthly revenue via a rolling FX hedging program. The instruments are used to manage the foreign currency risk include FECs and foreign currency options.

² The Consolidated Entity manages the foreign currency risk with respect to USD denominated interest payments using FECs and foreign currency options.

	Average	Contract Value				Fair value
		< 1 year	1 – 2 years	2 – 5 years	> 5 years	
2024	contract rate	\$m	\$m	\$m	\$m	\$m
Forecast revenue and associated receivable						
Sell USD ¹	0.6827	591	694	900	–	(45)
Forecast capital purchases and operating costs						
Buy USD	0.6759	(25)	–	–	–	–
Buy EUR	0.6036	(1)	–	–	–	–
Buy SEK	6.6059	(4)	(1)	(3)	(1)	–
Forecast foreign currency borrowings						
Buy USD ²	0.7090	(1,727)	(101)	(83)	–	109
		(1,166)	592	814	(1)	64

¹ The Consolidated Entity entered into a series of FECs in February 2022 and February 2024 to manage FX exposure up to June 2027 on WGP monthly revenue.

² The Consolidated Entity entered into a series of FECs in February 2022 and February 2024 to manage FX exposure up to March 2027 on the bi-annual interest payments on the USD denominated debt, and the repayment of USD denominated debt in 2025.

Notes to the consolidated financial statements (continued)
Capital Management (continued)
17. Financial risk management (continued)

Cross currency swap contracts

The Consolidated Entity enters into cross currency swap contracts to mitigate the risk of adverse movements in foreign exchange rates in relation to principal and interest payments arising from foreign currency borrowings. The Consolidated Entity receives fixed amounts in the various foreign currencies and pays fixed interest rates for the full term of the underlying borrowings. In certain circumstances borrowings that were previously in a hedge accounting relationship with WGP USD revenue, are retained in their denominated currency.

The following table details the cross currency swap contract principal payments due as at the reporting date:

Cash flow hedges

2025	Foreign currency	Exchange rate	Contract Value			
			< 1 year \$m	1 – 2 years \$m	2 – 5 years \$m	> 5 years \$m
Cash flow hedges						
Pay AUD/receive foreign currency						
2015 EUR Medium Term Notes	AUD/EUR	0.6265	–	(1,038)	–	–
2017 US144A	AUD/USD	0.7668	–	–	(1,108)	–
2019 GBP Medium Term Notes	AUD/GBP	0.5388	–	–	–	(742)
2019 JPY Medium Term Notes	AUD/JPY	75.2220	–	–	–	(133)
2020 EUR Medium Term Notes	AUD/EUR	0.5895	–	–	–	(1,018)
2021 EUR Medium Term Notes	AUD/EUR	0.6464	–	–	(928)	(774)
2021 GBP Medium Term Notes	AUD/GBP	0.5530	–	–	–	(452)
2023 EUR Hybrid Notes	AUD/EUR	0.6037	–	–	(828)	–
2024 US 144A	AUD/USD	0.6652	–	–	–	(1,879)
Fair value through profit or loss						
Pay USD/receive foreign currency						
2015 GBP Medium Term Notes	USD/GBP	0.6773	–	–	(1,347)	–
			–	(1,038)	(4,211)	(4,998)

2024	Foreign currency	Exchange rate	Contract Value			
			< 1 year \$m	1 - 2 years \$m	2 - 5 years \$m	> 5 years \$m
Cash flow hedges						
Pay AUD / receive foreign currency						
2012 GBP Medium Term Notes	AUD/GBP	0.6530	(198)	–	–	–
2015 EUR Medium Term Notes	AUD/EUR	0.6265	–	–	(1,038)	–
2017 US144A	AUD/USD	0.7668	–	–	(1,108)	–
2019 GBP Medium Term Notes	AUD/GBP	0.5388	–	–	–	(742)
2019 JPY Medium Term Notes	AUD/JPY	75.2220	–	–	–	(133)
2020 EUR Medium Term Notes	AUD/EUR	0.5895	–	–	–	(1,018)
2021 EUR Medium Term Notes	AUD/EUR	0.6464	–	–	(928)	(774)
2021 GBP Medium Term Notes	AUD/GBP	0.5530	–	–	–	(452)
2023 EUR Hybrid Notes	AUD/EUR	0.6037	–	–	(828)	–
Pay USD / receive foreign currency						
2015 GBP Medium Term Notes	USD/GBP	0.6773	–	–	–	(1,329)
			(198)	–	(3,902)	(4,448)

Notes to the consolidated financial statements (continued)

Capital Management (continued)

17. Financial risk management (continued)

Foreign currency sensitivity analysis

The analysis below shows the effect on profit and total equity of retranslating cash, receivables, payables and interest-bearing liabilities denominated in USD, GBP and EUR into AUD, had the rates been 20 percent higher or lower than the relevant year end rate, with all other variables held constant, and taking into account all underlying exposures and related hedges. A sensitivity of 20 percent has been selected and represents management's assessment of the possible change in rates taking into account the current level of exchange rates and the volatility observed both on an historical basis and on market expectations for possible future movements:

- Net profit would decrease by \$466 million with a 20 percent depreciation of AUD or increase by \$312 million with a 20 percent increase in AUD primarily due to borrowings and derivatives where hedge accounting is no longer applied (2024: decrease by \$3 million or increase by \$2 million respectively); and
- Equity reserves would decrease by \$611 million with a 20 percent depreciation of the AUD or increase by \$409 million with a 20 percent increase in AUD (2024: decrease by \$869 million or increase by \$581 million respectively).

Interest rate risk

The Consolidated Entity's interest rate risk arises predominantly from borrowings. This risk is managed by the Consolidated Entity maintaining an appropriate mix between fixed and floating rate borrowings, through the use of interest rate swap contracts. Hedging activities are evaluated regularly to align with interest rate views and defined policy, ensuring appropriate hedging strategies are applied.

The Consolidated Entity's exposures to interest rate risk on financial liabilities are detailed in the liquidity risk management section of this note. Interest rate risk relating to the Consolidated Entity's financial assets is limited to cash and cash equivalents amounting to \$798 million as at 30 June 2025 (2024: \$674 million).

Cross currency swap and interest rate swap contracts

Cross currency swap and interest rate swap contracts have the economic effect of converting borrowings from floating to fixed rates and/or fixed rate foreign currency to fixed or floating AUD rates on agreed notional principal amounts enabling the Consolidated Entity to mitigate the risk of cash flow exposures on variable rate debt held. The fair value of cross currency swap and interest rate swap contracts at the reporting date is determined by discounting the future cash flows using the yield curves at the reporting date. The average interest rate is based on the drawn debt balances at the end of the financial year.

There is an economic relationship between the hedged item and the hedging instrument. Based on the Consolidated Entity's qualitative assessment of effectiveness, it is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in opposite directions in response to movements in the underlying interest rates. The main source of hedge ineffectiveness in these hedge relationships is the effect of the counterparty and the Consolidated Entity's own credit risk on the fair value of the cross currency swap and interest rate swap contracts, which is not reflected in the fair value of the hedged item attributable to the change in interest rates and foreign currency exchange rates. The effect of credit risk is a small component of the value changes that result from that economic relationship.

The following table details the notional principal amounts and remaining terms of the cross currency swap contracts outstanding as at the end of the financial year:

	Weighted average interest rate		Notional principal amount		Fair value	
	2025	2024	2025	2024	2025	2024
	% p.a.	% p.a.	\$m	\$m	\$m	\$m
Cash flow hedges – Pay fixed AUD interest – receive floating AUD or fixed foreign currency						
Less than 1 year	–	7.37	–	198	–	44
1 year to 2 years	4.31	–	1,538	–	105	–
2 years to 5 years	5.23	4.59	4,712	5,586	159	104
5 years and more ¹	4.82	4.30	8,298	5,697	(140)	(435)
			14,548	11,481	124	(287)

¹ This amount includes notional amount of USD 886 million (2024: USD 886 million) which is fair valued through profit or loss following the WGP hedge discontinuation in December 2024. All other cross currency swap and interest rate swap contracts exchanging floating rate interest amounts for fixed rate interest amounts are designated as cash flow hedges in order to reduce the Consolidated Entity's cash flow exposure on borrowings.

Notes to the consolidated financial statements (continued)
Capital Management (continued)
17. Financial risk management (continued)

The cross currency swap and interest rate swap contracts settle on a quarterly or semi-annual basis. The floating rate benchmark on the interest rate swaps is Australian BBSW or BBSY. The Consolidated Entity will settle the difference between the fixed and floating interest rate on a net basis.

The following tables detail before tax information of the Consolidated Entity (excluding share of hedge reserves of associates) regarding derivative financial instruments outstanding at the end of the reporting period, their related hedged items and the effectiveness of the hedging relationships.

	Fair value of hedge instrument		Fair value of hedge item		Cash flow hedge reserve balance	
	2025	2024	2025	2024	2025	2024
	\$m	\$m	\$m	\$m	\$m	\$m
Foreign exchange risk						
Hedging revenue and foreign currency borrowings (cross currency swap)	397	(262)	(391)	312	427	436
Hedging revenue and associated receivables (foreign currency borrowings)	–	(69)	–	69	–	69
Hedging revenue and associated receivables (FECs)	22	(32)	(22)	32	(29)	29
Hedging revenue and associated receivables (Options)	19	–	(19)	–	(19)	–
Hedging foreign currency borrowings (FECs)	–	95	–	(95)	–	25
Hedging capital purchases (FECs)	1	–	(1)	–	(1)	–
Interest rate risk						
Hedging AUD borrowings (IRS)	(11)	(25)	112	26	112	26
	328	(293)	(321)	344	490	585

	Change in fair values of hedge instruments ¹		Change in fair values of hedged items ¹	
	2025	2024	2025	2024
	\$m	\$m	\$m	\$m
Foreign exchange risk				
Hedging revenue and foreign currency borrowings (cross currency swap)	703	9	(747)	30
Hedging revenue and associated receivables (foreign currency borrowings)	69	–	(69)	–
Hedging revenue and associated receivables (FECs)	26	14	(26)	(14)
Hedging revenue and associated receivables (Options)	19	–	(19)	–
Hedging foreign currency borrowings (FECs)	–	6	–	(6)
Hedging capital purchases (FECs)	1	–	(1)	–
Interest rate risk				
Hedging AUD borrowings (IRS)	(86)	(50)	86	50
	732	(21)	(776)	60

¹ This table excludes change in fair values of forecast transactions no longer expected to occur.

Notes to the consolidated financial statements (continued)
Capital Management (continued)
17. Financial risk management (continued)

	Hedge effectiveness gain / (loss) ¹		Balance relating to discontinued cash flow hedges	
	2025	2024	2025	2024
	\$m	\$m	\$m	\$m
Foreign exchange risk				
Hedging revenue and foreign currency borrowings (cross currency swap)	1	(1)	424	178
Hedging revenue and associated receivables (foreign currency borrowings)	–	–	87	43
Hedging revenue and associated receivables (FECs)	–	–	–	–
Hedging foreign currency borrowings (FECs)	–	–	–	–
Hedging capital purchases (FECs)	–	–	–	–
Interest rate risk	–	–	–	–
Hedging US\$ denominated borrowings (interest rate swap)	–	–	14	18
	1	(1)	525	239

¹ Hedge ineffectiveness gain / (loss) shown is cumulative and recognised in finance cost.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments held. A 100 basis point increase or decrease is used and represents management's assessment of the possible change in interest rates over the short term. At reporting date, if interest rates had been 100 basis points lower or higher and all other variables were held constant, the Consolidated Entity's equity reserves would decrease by \$130 million with a 100 basis point decrease in interest rates or increase by \$123 million with a 100 basis point increase in interest rates (2024: decrease by \$105 million or increase by \$108 million respectively). This is due to the changes in the fair value of derivative interest instruments used for hedging. The Consolidated Entity's net profit would decrease by \$6 million with a 100 basis point decrease in interest rates or increase by \$5 million with a 100 basis point increase in interest rates (2024: nil). This is due to the changes in the fair value of derivative interest instruments which are fair valued through profit or loss.

The increase/decrease is based on 1.00% p.a. increase/decrease in the yield curve at the reporting date.

Price risk – equity price

The Consolidated Entity is exposed to price risk arising from its forward purchase contracts over listed equities. The forward purchase contracts are held to hedge long-term incentive awards rather than for trading purposes. The Consolidated Entity does not actively trade these holdings.

Price risk – electricity price

The Consolidated Entity is exposed to electricity price risk arising from a contract for difference in an electricity sales agreement with a customer. The contract guarantees the Consolidated Entity a fixed price for electricity offtake. The key assumptions of the contract for difference are provided in the fair value of financial instrument section.

Notes to the consolidated financial statements (continued)
Capital Management (continued)
17. Financial risk management (continued)

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Consolidated Entity.

Credit risk management

The Consolidated Entity mitigates this risk by dealing with creditworthy counterparties or obtaining sufficient collateral or bank guarantees where deemed appropriate. For financial investments or market risk hedging, the Consolidated Entity's policy is to only transact with counterparties that have a credit rating of A- (Standard & Poor's)/A3 (Moody's) or higher unless specifically approved by the Board. The Consolidated Entity's exposure to financial instrument and deposit credit risk is closely monitored against counterparty credit limits imposed by the Treasury Risk Management Policy approved by the Board. These limits are regularly reported to the Audit and Finance Committee.

Overview of the Consolidated Entity's exposure to credit risk

In order to minimise credit risk, the Consolidated Entity categorised exposures according to their degree of risk of default. The Consolidated Entity's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

The Consolidated Entity's current credit risk grading framework comprises the following categories:

- Performing – the counterparty has a low risk of default and does not have any past-due amounts;
- Doubtful – amount is >30 days past due or there has been a significant increase in credit risk since initial recognition; and
- Write-off – there is evidence indicating that the debtor is in severe financial difficulty and the Consolidated Entity has no realistic prospect of recovery.

The table below details the credit quality of the Consolidated Entity's financial assets.

	External credit rating	Internal credit rating	ECL method ¹
Cash and cash equivalents and cash on deposit	A- (Standard & Poor's)/ A3 (Moody's) or higher	Performing	12-month ECL
Trade receivables	N/A	²	Lifetime ECL (simplified approach)
Finance lease receivables	N/A	²	Lifetime ECL (simplified approach)
Contract assets	N/A	²	Lifetime ECL (simplified approach)
Loans advanced to related parties	N/A	Performing	12-month ECL
Redeemable preference shares (GDI)	N/A	Performing	12-month ECL

¹ Lifetime ECL represents the expected credit losses (ECL) that will result from possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

² For trade receivables, finance lease receivables and contract assets, the Consolidated Entity has applied the simplified approach in AASB 9 to measure the loss allowance at lifetime ECL. The Consolidated Entity determines the expected credit losses on these items by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of these assets is presented based on their past due status in terms of the provision matrix. Note 8 includes further details on the loss allowance for these assets respectively if any.

There is no material ECL for any of the financial assets listed in the table above. Refer to note 8 for further information.

Cross guarantee

In accordance with a deed of cross guarantee, APA Infrastructure Limited has agreed to provide financial support, as and when required, to all wholly-owned controlled entities that have ascended to the deed with either a deficit in shareholders' funds or an excess of current liabilities over current assets. The fair value of the financial guarantee as at 30 June 2025 has been determined to be immaterial and no liability has been recorded (2024: \$nil).

Notes to the consolidated financial statements (continued)

Capital Management (continued)

17. Financial risk management (continued)

(c) Liquidity risk

The Consolidated Entity policy details the requirements of an appropriate liquidity risk management framework for the management of the Consolidated Entity's short, medium and long-term funding and liquidity management requirements. Liquidity risk is managed by maintaining adequate cash reserves and banking facilities, by monitoring and forecasting cash flow and where possible, by arranging liabilities with longer maturities to more closely match the underlying assets of the Consolidated Entity.

Detailed in the following table are the Consolidated Entity's remaining contractual maturities for its financial liabilities including AUD and foreign currency denominated notes, cross currency swaps and interest rate swaps in aggregate. The table shows the undiscounted Australian dollar cash flows and includes both interest and principal cash flows. Rates shown are the coupon rate in the currency of issuance.

2025	Maturity	Average interest rate % p.a.	Contract Value		
			< 1 year \$m	1 – 5 years \$m	> 5 years \$m
Secured financial liabilities					
Secured third party borrowings	23-Nov-41	2.25	7	28	49
Secured third party borrowings ¹	23-Nov-46	—	—	—	24
Unsecured financial liabilities					
Trade and other payables			446	—	—
Guaranteed bank loans ²	20-July-31	5.12	25	101	530
Guaranteed bank loans ²	20-July-31	5.32	25	103	532
Guaranteed bank loans ²	31-July-32	6.17	48	193	850
Guaranteed bank loans ²	31-Oct-33	7.18	36	144	625
Denominated in A\$					
Other financial liabilities			3	2	—
Guaranteed Senior Notes					
Denominated in US\$					
2015 US 144A ³	23-Mar-35	5.00	23	91	570
2017 US 144A	15-July-27	4.25	59	1,196	—
2024 US 144A	16-Sept-34	5.13	70	281	1,443
2024 US 144A	16-Sept-44	5.75	53	212	1,518
Denominated in stated foreign currency					
2015 GBP Medium Term Notes ³	22-Mar-30	3.50	60	1,588	—
2015 EUR Medium Term Notes	22-Mar-27	2.00	46	1,084	—
2019 GBP Medium Term Notes	18-July-31	3.13	34	135	793
2019 JPY Medium Term Notes	13-June-34	1.03	6	22	155
2020 EUR Medium Term Notes	15-July-30	2.00	39	157	1,037
2021 EUR Medium Term Notes	15-Mar-29	0.75	27	1,010	—
2021 EUR Medium Term Notes	15-Mar-33	1.25	29	117	861
2021 GBP Medium Term Notes	15-Mar-36	2.50	19	77	567
Guaranteed Subordinated Notes					
Denominated in EUR					
2023 EUR Hybrid Notes	09-Feb-29	7.13	77	1,059	—
			1,132	7,600	9,554

¹ The repayment obligation of the loan is linked to a cash sweep mechanism that applies once a minimum IRR threshold is met. Based on this mechanism, it is expected that this loan will be fully repaid by 30/09/2030. However, this is subject to regular adjustment. If this mechanism does not achieve full repayment of the loan then any remaining balance is to be fully repaid 25 years after project completion as per maturity shown.

² Bank facilities mature on 20 July 2031 (\$1.0 billion limit), 31 July 2032 (\$750 million limit) and 31 October 2033 (\$500 million limit). The facilities are fully drawn at reporting date.

³ Liabilities are denominated in or fully swapped by way of CCS into USD. Cash flows represent the USD cash flow translated at the USD/AUD spot rate at 30 June 2025.

Notes to the consolidated financial statements (continued)

Capital Management (continued)

17. Financial risk management (continued)

		Average	Contract Value		
		interest rate	< 1 year	1 – 5 years	> 5 years
2024	Maturity	% p.a.	\$m	\$m	\$m
Secured financial liabilities					
Secured third party borrowings ¹	23-Nov-41	2.25	7	28	57
Secured third party borrowings ^{1,2}	23-Nov-46	–	–	–	24
Unsecured financial liabilities					
Trade and other payables			556	–	–
Guaranteed bank loans ³	20-May-27	4.92	24	549	–
Guaranteed bank loans ³	20-May-29	5.23	26	605	–
Guaranteed bank loans ³	31-Oct-30	6.75	51	202	825
Guaranteed bank loans ³	31-Oct-33	7.18	36	143	661
Denominated in A\$					
Other financial liabilities			2	4	–
Guaranteed Senior Notes ³					
Denominated in US\$					
2015 US 144A ⁴	23-Mar-25	4.20	1,719	–	–
2015 US 144A ⁴	23-Mar-35	5.00	22	90	585
2017 US 144A	15-Jul-27	4.25	59	1,255	–
Denominated in stated foreign currency					
2012 GBP Medium Term Notes	26-Nov-24	4.25	205	–	–
2015 GBP Medium Term Notes ⁴	22-Mar-30	3.50	60	238	1,388
2015 EUR Medium Term Notes	22-Mar-27	2.00	45	1,130	–
2019 GBP Medium Term Notes	18-Jul-31	3.13	34	135	826
2019 JPY Medium Term Notes	13-Jun-34	1.03	6	23	161
2020 EUR Medium Term Notes	15-Jul-30	2.00	39	158	1,077
2021 EUR Medium Term Notes	15-Mar-29	0.75	28	1,038	–
2021 EUR Medium Term Notes	15-Mar-33	1.25	29	117	891
2021 GBP Medium Term Notes	15-Mar-36	2.50	19	77	587
Guaranteed Subordinated Notes					
Denominated in EUR					
2023 EUR Hybrid Notes	09-Feb-29	7.13	77	1,136	–
			3,044	6,928	7,082

¹ On 1 November 2023, APA Group acquired 100% of Alinta Energy Pilbara Holdings Pty Ltd and Alinta Energy (Newman Storage) Pty Ltd (together referred to as the Pilbara Energy System business). The acquisition included secured third party loan facilities with concessional interest rates.

² The repayment obligation of the loan is linked to a cash sweep mechanism that applies once a minimum IRR threshold is met. Based on this mechanism, it is expected that this loan will be fully repaid by 30/09/2030. However, this is subject to regular adjustment. If this mechanism does not achieve full repayment of the loan then any remaining balance is to be fully repaid 25 years after project completion as per maturity shown.

³ Bank facilities mature on 20 May 2027 (\$500 million limit), 20 May 2029 (\$500 million limit), 31 October 2030 (\$750 million limit) and 31 October 2033 (\$500 million limit). The facilities are fully drawn at reporting date.

⁴ Liabilities are denominated in or fully swapped by way of CCS into USD. Cash flows represent the USD cash flow translated at the USD/AUD spot rate as at 30 June 2024. These amounts are fully hedged by FECs or future USD revenues.

Critical accounting judgements and key sources of estimation uncertainty – fair value of financial instruments

The Consolidated Entity has financial instruments that are carried at fair value in the statement of financial position. The best evidence of fair value is quoted prices in an active market. If the market for a financial instrument is not active, the Consolidated Entity determines fair value by using various valuation models. The objective of using a valuation technique is to establish the price that would be received to sell an asset or paid to transfer a liability between market participants. The chosen valuation models make maximum use of market inputs and rely as little as possible on entity specific inputs. The fair values of all positions include assumptions made as to recoverability based on the counterparty's and the Consolidated Entity's credit risk.

Notes to the consolidated financial statements (continued)

Capital Management (continued)

17. Financial risk management (continued)

Fair value measurements recognised in the statement of financial position

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfers between levels of the fair value hierarchy occur at the end of the reporting period. There have been no transfers between the levels during 2025 (2024: none). Transfers between Level 1 and Level 2 are triggered when there are changes to the availability of quoted prices in active markets. Transfers into Level 3 are triggered when the observable inputs become no longer observable, or vice versa for transfer out of Level 3.

Fair value of the Consolidated Entity's financial assets and liabilities that are measured at fair value on a recurring basis

The fair values of financial assets and financial liabilities are measured at the end of each reporting period and determined as follows:

- The fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices. These instruments are classified in the fair value hierarchy at Level 1;
- The fair values of FECs included in hedging assets and liabilities are calculated using discounted cash flow analysis based on observable forward exchange rates at the end of the reporting period and contract forward rates discounted at a rate that reflects the credit risk of the various counterparties. These instruments are classified in the fair value hierarchy at Level 2;
- The fair values of foreign currency options are calculated using option pricing models based on observable foreign exchange rates and option volatility at the end of the reporting period. These instruments are classified in the fair value hierarchy at Level 2;
- The fair values of interest rate swaps, cross currency swaps, equity forwards and other derivative instruments included in hedging assets and liabilities are calculated using discounted cash flow analysis using observable market inputs (yield curves, foreign exchange rates and equity prices) at the end of the reporting period and contract rates discounted at a rate that reflects the credit risk of the various counterparties. These instruments are classified in the fair value hierarchy at Level 2;
- The fair value of the indexed revenue contract is derived from present value of expected future cash flows based on observable inflation indices and yield curve at the end of the reporting period. These instruments are classified in the fair value hierarchy at Level 2;
- The fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current markets discounted at a rate that reflects the credit risk of the various counterparties. These instruments are classified in the fair value hierarchy at Level 2;
- The fair value of financial guarantee contracts is determined based upon the probability of default by the specified counterparty extrapolated from market-based credit information and the amount of loss, given the default. These instruments are classified in the fair value hierarchy at Level 2; and
- The carrying value of financial assets and liabilities recorded at amortised cost in the financial statements approximate their fair value having regard to the specific terms of the agreements underlying those assets and liabilities.

Notes to the consolidated financial statements (continued)

Capital Management (continued)

17. Financial risk management (continued)

Contract for difference

The financial statements include a contract for difference arising from an electricity sales agreement with a customer that guarantees the Group a fixed price for electricity offtake for the agreed term. The contract is at fair value. The fair value of the contract for difference is derived from internal discounted cash flow valuation methodology, which includes some assumptions that are not able to be supported by observable market prices or rates.

In determining the fair value, the following assumptions were used:

- For the electricity sales agreement, the estimated long term forecast electricity pool prices are applied as market prices are not readily observable for the corresponding term. Forecast electricity volumes are also estimated based on an internal forecast output model;
- The discount rates are based on observable market rates for risk-free instruments of the appropriate term;
- Credit adjustments are applied to the discount rates to reflect the risk of default by either the Consolidated Entity or a specific counterparty. Where a counterparty specific credit curve is not observable, an estimated curve is applied which takes into consideration the credit rating of the counterparty and its industry; and
- This instrument is classified in the fair value hierarchy at Level 3.

Changes in any of the aforementioned assumptions may be accompanied by changes in other assumptions which may have an offsetting impact.

Unlisted investment fund

The financial statements include APA's investment in an unlisted fund focused on nature-based investment strategies. APA does not control, jointly control, or exert significant influence over the fund and therefore accounts for this investment as a financial asset in the scope of AASB 9 Financial Instruments. The Group's investment in the fund is classified as a debt instrument measured at fair value through the profit or loss. The fair value is determined based on the net asset value of the underlying fund.

Fair value hierarchy

	Level 1	Level 2	Level 3	Total
2025	\$m	\$m	\$m	\$m
Financial assets measured at fair value				
Cross currency swap contracts used for hedging	–	643	–	643
Foreign currency forward exchange contracts used for hedging	–	50	–	50
Foreign currency options used for hedging	–	20	–	20
Contracts for difference	–	–	7	7
Unlisted investment fund	–	–	6	6
	–	713	13	726
Financial liabilities measured at fair value				
Interest rate swaps used for hedging	–	111	–	111
Equity forwards designated as fair value through profit or loss	–	2	–	2
Cross currency swap contracts used for hedging	–	246	–	246
Cross currency swap contracts at fair value through profit or loss	–	162	–	162
Foreign currency forward exchange contracts used for hedging	–	26	–	26
Foreign currency options used for hedging	–	2	–	2
Indexed revenue contract	–	12	–	12
	–	561	–	561

Notes to the consolidated financial statements (continued)
Capital Management (continued)
17. Financial risk management (continued)

	Level 1	Level 2	Level 3	Total
2024	\$m	\$m	\$m	\$m
Financial assets measured at fair value				
Interest rate swaps used for hedging	–	22	–	22
Cross currency swap contracts used for hedging	–	217	–	217
Foreign currency options used for hedging	–	127	–	127
Contracts for difference	–	–	4	4
	–	366	4	370
Financial liabilities measured at fair value				
Interest rate swaps used for hedging	–	47	–	47
Equity forwards designated as fair value through profit or loss	–	5	–	5
Cross currency swap contracts used for hedging	–	479	–	479
Foreign currency forward exchange contracts used for hedging	–	63	–	63
Contracts for difference	–	–	11	11
Indexed revenue contract	–	14	–	14
	–	608	11	619

Reconciliation of Level 3 fair value measurements

	2025	2024
	\$m	\$m
Opening balance	(7)	10
Revaluation	6	(20)
Settlement	9	3
Purchases	5	–
Closing balance	13	(7)

Fair value measurements of financial instruments measured at amortised cost

The financial liabilities included in the following table are fixed rate borrowings. Other debts held by the Consolidated Entity are floating rate borrowings and amortised cost as recorded in the financial statements approximate their fair values.

	Carrying amount		Fair value (Level 2) ¹	
	2025	2024	2025	2024
	\$m	\$m	\$m	\$m
Financial liabilities				
Unsecured Japanese Yen Medium Term Notes	105	93	97	84
Unsecured US Dollar 144A Medium Term Notes ²	3,604	3,367	3,713	3,313
Unsecured British Pound Medium Term Notes	2,595	2,606	2,354	2,268
Unsecured Euro Medium Term Notes	4,194	3,753	3,888	3,268
Unsecured Euro Hybrid Notes	887	793	982	848
	11,385	10,612	11,034	9,781

¹ The fair values have been determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current markets, discounted at a rate that reflects the Consolidated Entity's credit risk. These instruments are classified in the fair value hierarchy at Level 2.

² In September 2024, APA issued an aggregate USD 1,250 million of senior guaranteed notes, comprising of a 10-year USD 750 million (AUD 1,127 million) note at 5.125% (swapped to 6.22%) per annum and a 20-year USD 500 million (AUD 752 million) note at 5.75% (swapped to 7.02%) per annum.

Notes to the consolidated financial statements (continued)

Capital Management (continued)

18. Other financial instruments

	Assets		Liabilities	
	2025	2024	2025	2024
	\$m	\$m	\$m	\$m
Derivatives at fair value:				
Contracts for difference	–	–	–	11
Equity forward contracts	–	–	1	1
Cross currency swaps	–	–	16	–
Derivatives at fair value designated as hedging instruments:				
Cross currency swaps – cash flow hedges ¹	13	57	144	154
Foreign exchange contracts – cash flow hedges ²	8	111	26	44
Interest rate swaps – cash flow hedges ¹	–	8	22	5
Current	21	176	209	215
Derivatives at fair value:				
Contracts for difference	7	4	–	–
Equity forward contracts	–	–	1	4
Indexed revenue contracts	–	–	12	14
Cross currency swaps	–	–	150	–
Derivatives at fair value designated as hedging instruments:				
Cross currency swaps – cash flow hedges	643	173	134	359
Foreign exchange contracts – cash flow hedges ²	42	19	–	23
Foreign currency options – cash flow hedges ³	20	–	2	–
Interest rate swaps – cash flow hedges	–	14	91	43
Financial items at fair value:				
Unlisted investment fund	6	–	–	–
Financial items carried at amortised cost:				
Redeemable preference shares ⁴	10	10	–	–
Non-current	728	220	390	443

¹ Derivatives at fair value for cross currency swaps and interest rate swaps include interest receivables and payables.

² Certain new foreign exchange contracts meet the offsetting criteria in AASB 132: Presentation at 30 June 2025. Of the \$50 million asset, a gross asset of \$20 million and a gross liability of \$11 million have been netted to a \$9 million asset. The remaining amounts are presented on a gross basis.

³ Foreign currency options meet the offsetting criteria in AASB 132: Presentation at 30 June 2025. A gross asset of \$74 million and a gross liability of \$56 million have been netted to a \$20 million asset and \$2 million liability at 30 June 2025.

⁴ Redeemable preference shares relate to the Consolidated Entity's 20% interest in GDI (Eil) Pty Ltd. In December 2011, APA sold 80% of its gas distribution network in South East Queensland (Allgas) into an unlisted investment entity, GDI (Eil) Pty Ltd. At that date GDI issued 52 million Redeemable Preference Shares (RPS) to its owners. The shares were redeemed in December 2021 and new redeemable preference shares were issued. The shares attract periodic interest payments and have a redemption date 10 years from issue.

Recognition and measurement

Fair value measurement

For information about the methods and assumptions used in determining the fair value of financial instruments refer to note 17.

Hedge accounting

The Consolidated Entity designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges or cash flow hedges. There are no fair value hedges in the current or prior year, hedges of foreign exchange and interest rate risk are accounted for as cash flow hedges.

The fair value of hedging derivatives is classified as either current or non-current based on the timing of the underlying discounted cash flows of the instrument. Cash flows due within 12 months of the reporting date are classified as current and cash flows due after 12 months of the reporting date are classified as non-current.

Notes to the consolidated financial statements (continued)

Capital Management (continued)

18. Other financial instruments (continued)

Accounting for the forward element of foreign currency forward exchange contracts and foreign currency basis spreads of financial instruments

The Consolidated Entity designates the full change in the fair value of an FEC (i.e. including the forward elements) as the hedging instrument for all of its hedging relationships involving FECs.

The Consolidated Entity separates the foreign currency basis spread from a financial instrument and excludes it from the designation of that financial instrument as the hedging instrument. Changes in the value of the undesignated aligned foreign currency basis spread associated with cross currency swaps are deferred in other comprehensive income.

Cash flow hedge and cost of hedging reserve

The cash flow hedge reserve represents the cumulative amount of gains and losses on hedging instruments deemed effective in cash flow hedges. The cumulative deferred gain or loss on the hedging instrument is recognised in profit or loss only when the hedged transaction impacts the profit or loss, or is included directly in the initial cost or other carrying amount of the hedged non-financial items.

The cost of hedging reserve include the effect of the changes in fair value of the foreign currency basis spread of a financial instrument and time value of foreign currency options. The foreign currency basis spread of a financial instrument and time value of options are excluded from the designation of financial instruments as the hedging instruments (consistent with APA Group's accounting policy to recognise the non-designated component of a foreign currency derivative in equity). The changes in fair value of the foreign currency basis spread and time value of options of financial instruments, in relation to a time-period related hedged item accumulated in the cash flow hedging reserve, are amortised to profit or loss on a rational basis over the term of the hedging relationship.

	2025	2024
	\$m	\$m
Balance at beginning of financial year	(573)	(722)
(Loss)/gain recognised taken to equity:		
Loss arising on changes in fair value of hedging instruments	(552)	(88)
Changes in cost of hedging reserve during the year	21	43
Share of hedge reserve of associate	(5)	(6)
Amount reclassified to P&L for forecast transactions no longer expected to occur	–	22
Amount reclassified to P&L for effective hedges	339	240
Tax effect	60	(62)
Balance at end of financial year	(710)	(573)

In 2025, the cost of hedging reserve balance at the beginning of the financial year is \$48 million and at the end of the financial year is \$89 million (2024: \$13 million at the beginning of the financial year).

Hedge ineffectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument.

In hedges of foreign currency capital equipment purchases, ineffectiveness may arise if the timing of the forecast transaction changes from what was originally estimated, or if there are changes in the credit risk of the Consolidated Entity or the derivative counterparty.

Hedge ineffectiveness for cross currency swaps is assessed using the same principles as for hedges of foreign currency capital equipment purchases. It may occur due to the credit value/debit value adjustment on the swap contracts which is not matched by the debts.

Notes to the consolidated financial statements (continued)

Capital Management (continued)

18. Other financial instruments (continued)

Impairment of financial assets

The Consolidated Entity recognises a loss allowance for ECL on investments in debt instruments that are measured at amortised cost, for example, loans advanced to related parties and trade receivables. No impairment loss is recognised for investments in equity instruments. For trade receivables, finance lease receivables and contract assets, the Consolidated Entity applies the simplified approach to assessing ECL. Under the simplified approach, ECL on these financial assets is estimated using a provision matrix. This matrix is based on the Consolidated Entity's historical credit losses and reasonable and supportable information that is available without undue cost.

The amount of ECL under either approach is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Consolidated Entity recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account. Aside from the additional disclosure requirements in note 17, the history of collection rates and forward-looking information that is available without undue cost or effort shows that the Consolidated Entity has limited expected loss on collection of debtors or loans.

Significant increase in credit risk

An actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating.

Definition of default

When there is a breach of financial covenants by the debtor.

Write-off policy

The Consolidated Entity writes off a financial asset when all reasonable attempts at recovery have been taken and failed e.g. debts that are considered irrecoverable, or where the cost of recovery is uneconomic, must be written off as a bad debt.

19. Issued capital

	2025	2024
	\$m	\$m
Shares		
62,127,252 shares, fully paid (2024: 62,127,252 shares, fully paid) ¹	117	117
	2025	2024
	No. of shares	No. of shares
	in millions	in millions
	2025	2024
	\$m	\$m
Movements		
Balance at beginning of financial year	62	117
Balance at end of financial year	62	117

¹ Fully paid securities carry one vote per security and carry the right to distributions.

Changes to the then Corporations Law abolished the authorised capital and par value concept in relation to issued capital from 1 July 1998. Therefore, the Company does not have a limited amount of authorised capital and issued shares do not have a par value.

Notes to the consolidated financial statements (continued)

Group Structure

20. Non-controlling interests

	2025	2024
	\$m	\$m
Issued capital		
Balance at beginning of financial year	119	119
Balance at end of financial year	119	119
Retained earnings		
Balance at beginning of financial year	–	–
Profit for the year	22	19
Distributions paid	(22)	(19)
Balance at end of financial year	–	–
	119	119

21. Joint arrangements and associates

The table below lists the Consolidated Entity's interest in joint ventures and associates that are reported as part of the Energy Investments segment. The Consolidated Entity provides asset management, operation and maintenance services and corporate services, in varying combinations, to the majority of energy infrastructure assets housed within these entities.

Name of entity	Principal activity	Country of incorporation	Ownership interest %	
			2025	2024
Joint ventures:				
SEA Gas	Gas transmission	Australia	50.0	50.0
SEA Gas (Mortlake)	Gas transmission	Australia	50.0	50.0
EII 2	Power generation (wind)	Australia	20.2	20.2
Associate:				
GDI (EII)	Gas distribution	Australia	20.0	20.0
			2025	2024
			\$m	\$m
Investment in joint ventures and associates using the equity method			237	243
Aggregated information in respect of the joint ventures and associate is set out below:				
Joint Ventures				
Aggregate carrying amount of investment			216	218
The Consolidated Entity's aggregated share of:				
Profit from continuing operations			17	16
Other comprehensive income			(3)	(5)
Total comprehensive income			14	11
Associate				
Aggregate carrying amount of investment			21	25
The Consolidated Entity's aggregated share of:				
Profit from continuing operations			5	6
Other comprehensive income			(2)	(1)
Total comprehensive income			3	5

Notes to the consolidated financial statements (continued)

Group Structure (continued)

21. Joint arrangements and associates (continued)

Investment in associates

An associate is an entity over which the Consolidated Entity has significant influence and that is neither a subsidiary nor a joint arrangement.

Interest in joint arrangements

A joint arrangement is an arrangement whereby two or more parties have joint control i.e. decisions about the relevant activities of the arrangement (those that significantly affect the returns) require the unanimous consent of the parties sharing control. APA Group has one type of joint arrangement being joint ventures, where the parties that share joint control have rights to the net assets of the arrangement.

Investments in Joint ventures and associates are accounted for using the equity accounting method.

Carrying values of the investment in joint arrangements and associates are subject to impairment testing if there is objective evidence of impairment. No material indicators were identified in the joint arrangements and associates as at the date of the issuance of these financial statements.

Notes to the consolidated financial statements (continued)
Group Structure (continued)
22. Subsidiaries

Subsidiaries are entities controlled by the Consolidated Entity. The country of registration or incorporation is also their principal place of business.

Name of entity	Type of entity	Country of registration/ incorporation	Ownership interest	
			2025 %	2024 %
Parent entity				
APA Infrastructure Limited ¹				
Subsidiaries				
Agex Pty. Ltd. ^{2,3}	Body Corporate	Australia	100	100
APA (BWF Holdco) Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
APA (Chichester) Pty Ltd ^{2,6,7}	Body Corporate	Australia	100	100
APA (EDWF Holdco) Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
APA (EPX) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA (NBH) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA (Newman Storage) Pty Ltd ^{2,3,6}	Body Corporate	Australia	100	100
APA (Pilbara Pipeline) Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
APA (SWQP) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA (WA) One Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA AIS 1 Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA AIS 2 Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
APA AIS Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA AM (Allgas) Pty Limited ^{2,3,12}	Body Corporate	Australia	100	100
APA BIDCO Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA Biobond Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA BK Holdco Pty Ltd ^{2,3}	Body Corporate	Australia	100	–
APA Brigalow Pipeline Pty Ltd ^{2,3}	Body Corporate	Australia	100	–
APA Bulloo Interlink Pipeline Pty Ltd ^{2,3}	Body Corporate	Australia	100	–
APA Country Pipelines Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA DEWAP Pty Ltd ^{2,3,6}	Body Corporate	Australia	100	100
APA DEWAH Pty Ltd ^{2,3,6}	Body Corporate	Australia	100	100
APA DPS Holdings Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA DPS2 Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA East Pipelines Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA EE Australia Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA EE Corporate Shared Services Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA EE Holdings Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA EE Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA Electricity T&D Holdings Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
APA Electricity T&D Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
APA Ethane Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA Facilities Management Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA GGT Holdings Pty Ltd ^{2,3,6}	Body Corporate	Australia	100	100
APA GGT Pty Limited ^{2,3,6}	Body Corporate	Australia	100	100
APA GGT Sub Pty Limited ^{2,3,6}	Body Corporate	Australia	100	100
APA Group Limited ²	Body Corporate	Australia	100	100
APA Midstream Holdings Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA Northern Goldfields Interconnect Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
APA Operations (Eil) Pty Limited ^{2,3}	Body Corporate	Australia	100	100

Notes to the consolidated financial statements (continued)
Group Structure (continued)
22. Subsidiaries (continued)

Name of entity	Type of entity	Country of registration/ incorporation	Ownership interest	
			2025 %	2024 %
APA Operations Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA Orbest Gas Plant Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
APA Pilbara Finance Pty Ltd ^{2,6}	Body Corporate	Australia	100	100
APA Pilbara Holdings Pty Ltd ^{2,3,6}	Body Corporate	Australia	100	100
APA Pilbara Solar Holdings Pty Ltd ^{2,6}	Body Corporate	Australia	100	100
APA Pipelines Investments (BWP) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA Power Holdings Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA Power PF Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA Reedy Creek Wallumbilla Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA Riverina Pipeline Pty Ltd ^{2,3}	Body Corporate	Australia	100	–
APA SEA Gas (Mortlake) Holdings Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
APA SEA Gas (Mortlake) Pty Ltd ²	Body Corporate	Australia	100	100
APA SPP (Holdco) Pty Ltd ^{2,3}	Body Corporate	Australia	100	–
APA SPP Pty Ltd ^{2,3}	Body Corporate	Australia	100	–
APA Sub Trust No 1 ^{2,4,8}	Trust	–	100	100
APA Sub Trust No 2 ^{2,4,8}	Trust	–	100	100
APA Sub Trust No 3 ^{2,4,8}	Trust	–	100	100
APA Transmission (Chichester) Pty Ltd ^{2,6,7}	Body Corporate	Australia	100	100
APA Transmission (Roy Hill) Finance Pty Ltd ^{2,3,6}	Body Corporate	Australia	100	100
APA Transmission (Roy Hill) Holdings Pty Ltd ^{2,3,6}	Body Corporate	Australia	100	100
APA Transmission (Roy Hill) Pty Ltd ^{2,3,6}	Body Corporate	Australia	100	100
APA Transmission (Roy Hill) Sub Pty Ltd ^{2,3,6}	Body Corporate	Australia	100	100
APA Transmission Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA VTS A Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA VTS Australia (Holdings) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA VTS Australia (NSW) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA VTS Australia (Operations) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA VTS Australia Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA VTS B Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA Western Slopes Pipeline Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APA WGP Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
APT (MIT) Services Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APT AM (Stratus) Pty Limited ^{2,3,12}	Body Corporate	Australia	100	100
APT AM Employment Pty Limited ^{2,3,12}	Body Corporate	Australia	100	100
APT AM Holdings Pty Limited ^{2,3,12}	Body Corporate	Australia	100	100
APT Facility Management Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APT Goldfields Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
APT Management Services Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APT O&M Holdings Pty Ltd ^{2,3,12}	Body Corporate	Australia	100	100
APT O&M Services (QLD) Pty Ltd ^{2,3,12}	Body Corporate	Australia	100	100

Notes to the consolidated financial statements (continued)

Group Structure (continued)

22. Subsidiaries (continued)

Name of entity	Type of entity	Country of registration/ incorporation	Ownership interest	
			2025 %	2024 %
APT O&M Services Pty Ltd ^{2,3,12}	Body Corporate	Australia	100	100
APT Parmelia Holdings Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
APT Parmelia Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
APT Parmelia Trust ^{2,4,9}	Trust	–	100	100
APT Petroleum Pipelines Holdings Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APT Petroleum Pipelines Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APT Pipelines (NSW) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APT Pipelines (NT) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APT Pipelines (QLD) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APT Pipelines (SA) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APT Pipelines (WA) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APT Pipelines Investments (NSW) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APT Pipelines Investments (WA) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APT Sea Gas Holdings Pty Limited ^{2,3}	Body Corporate	Australia	100	100
APT SPV2 Pty Ltd ²	Body Corporate	Australia	100	100
APT SPV3 Pty Ltd ²	Body Corporate	Australia	100	100
ARC Pipeline Pty Ltd ¹³	Body Corporate	Australia	100	–
Basslink Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
Basslink Telecoms Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
Central Ranges Pipeline Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
Darling Downs Solar Farm Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
Diamantina Holding Company Pty Limited ^{2,3}	Body Corporate	Australia	100	100
Diamantina Power Station Pty Limited ^{2,3}	Body Corporate	Australia	100	100
East Australian Pipeline Pty Limited ^{2,3}	Body Corporate	Australia	100	100
EDWF Holdings 1 Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
EDWF Holdings 2 Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
EDWF Manager Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
Epic Energy East Pipelines Trust ^{2,4,10}	Trust	–	100	100
EPX Holdco Pty Limited ^{2,3}	Body Corporate	Australia	100	100
EPX Member Pty Limited ^{2,3}	Body Corporate	Australia	100	100
EPX Trust ^{2,4,11}	Trust	–	100	100
Gasinvest Australia Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
GasNet A Trust ⁴	Trust	–	100	100
GasNet Australia Trust ^{2,4}	Trust	Australia	100	100
Goldfields Gas Transmission Pty Ltd ²	Body Corporate	Australia	100	100
Gorodok Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
Griffin Windfarm 2 Pty Ltd ²	Body Corporate	Australia	100	100
InfraEnergy Solutions Pty Limited ^{2,3}	Body Corporate	Australia	100	100
N.T. Gas Distribution Pty Limited ^{2,3}	Body Corporate	Australia	100	100
N.T. Gas Pty Limited	Body Corporate	Australia	96	96

Notes to the consolidated financial statements (continued)

Group Structure (continued)

22. Subsidiaries (continued)

Name of entity	Type of entity	Country of registration/ incorporation	Ownership interest	
			2025 %	2024 %
Power Solutions 2 Holdco Pty Limited ^{2,3}	Body Corporate	Australia	100	–
Power Solutions 2 Pty Limited ^{2,3}	Body Corporate	Australia	100	–
Roverton Pty. Ltd. ^{2,3}	Body Corporate	Australia	100	100
SCP Investments (No. 1) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
SCP Investments (No. 2) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
SCP Investments (No. 3) Pty Limited ^{2,3}	Body Corporate	Australia	100	100
Sopic Pty. Ltd. ^{2,3}	Body Corporate	Australia	100	100
Southern Cross Pipelines (NPL) Australia Pty Limited ^{2,3}	Body Corporate	Australia	100	100
Southern Cross Pipelines Australia Pty Limited ^{2,3}	Body Corporate	Australia	100	100
Trans Australia Pipeline Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
Votaint No. 1606 Pty Limited ²	Body Corporate	Australia	100	100
Votaint No. 1613 Pty Limited ²	Body Corporate	Australia	100	100
Western Australian Gas Transmission Company 1 Pty Ltd ^{2,3}	Body Corporate	Australia	100	100
Wind Portfolio Pty Ltd ^{2,3}	Body Corporate	Australia	100	100

¹ The parent of APA Infrastructure Limited, APA Infrastructure Trust and its wholly-owned Australian resident entities formed a tax-consolidated group with effect from 1 July 2003 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is APA Infrastructure Trust.

² These entities are members of the APA tax-consolidated group.

³ These wholly-owned subsidiaries have entered into a deed of cross guarantee with APA Infrastructure Limited pursuant to ASIC Corporations Instrument 2016/785 and are relieved from the requirement to prepare and lodge an audited financial report.

⁴ These trusts are unincorporated and not required to be registered.

⁵ This entity was deregistered on 14 May 2025.

⁶ The following subsidiary was acquired as part of the acquisition of Alinta Energy Pilbara Holdings Pty Ltd and Alinta Energy (Newman Storage) Pty Ltd (together referred to as the Pilbara Energy System business) on 1 November 2023.

⁷ The following subsidiaries have entered into a deed of cross guarantee with APA Pilbara Finance Pty Ltd pursuant to ASIC Corporations Instrument 2016/785 and are relieved from the requirement to prepare and lodge an audited financial report.

⁸ Trustees of APA EE Holdings Pty Ltd and its related subsidiaries, which are included in the APA consolidated group.

⁹ Trustee of APT Parmelia Pty Ltd, which is included in the APA consolidated group.

¹⁰ Trustee of APA East Pipelines Pty Ltd, which is included in the APA consolidated group.

¹¹ Trustee of APA (EPX) Pty Ltd, which is included in the APA consolidated group.

¹² These entities are classified as held for sale at 30 June 2025. Refer to Note 10 for further details.

¹³ ARC Pipeline Pty Ltd was acquired on 24 June 2025 as part of the Atlas to Reedy Creek Pipeline asset acquisition.

Notes to the consolidated financial statements (continued)
Group Structure (continued)
22. Subsidiaries (continued)

The consolidated statement of profit or loss and other comprehensive income of the entities party to the deed of cross guarantee is set out below.

	Cross Guarantee Group	
	2025	2024
	\$m	\$m
Continuing operations		
Revenue	3,120	2,994
Share of net profits of associates and joint ventures using the equity method	11	12
	3,131	3,006
Asset operation and management expenses	(94)	(231)
Depreciation and amortisation expenses	(975)	(911)
Other operating costs – pass-through	(491)	(473)
Finance costs	(733)	(664)
Employee benefit expense	(544)	(470)
Other expenses	(123)	914
Fair value gains/(losses) on contracts for difference	15	(17)
Impairment of property, plant and equipment	–	(144)
Profit before tax	186	1,010
Income tax expense	(113)	(62)
Profit for the year	73	948
Other comprehensive income, net of income tax		
Items that will not be reclassified subsequently to profit or loss:		
Actuarial gain on defined benefit plan	2	7
Income tax relating to gain on defined benefit plan	(1)	(3)
	1	4
Items that may be reclassified subsequently to profit or loss:		
Transfer of gain on cash flow hedges to profit or loss	339	262
Loss on cash flow hedges taken to equity	(531)	(45)
Loss on associate hedges taken to equity	(5)	(6)
Income tax expense	60	(62)
	(137)	149
Other comprehensive (loss)/income for the year, net of income tax	(136)	153
Total comprehensive (loss)/income for the year	(63)	1,101

Notes to the consolidated financial statements (continued)
Group Structure (continued)
22. Subsidiaries (continued)

The consolidated statement of financial position of the entities party to the deed of cross guarantee is set out below.

	Cross Guarantee Group	
	2025	2024
	\$m	\$m
Current assets		
Cash and cash equivalents	684	627
Trade and other receivables	342	583
Other financial assets	21	176
Inventories	74	82
Other	188	18
Assets classified as held for sale ¹	130	–
Current assets	1,439	1,486
Non-current assets		
Trade and other receivables	21	7
Other financial assets	728	850
Investments accounted for using the equity method	92	96
Property, plant and equipment	12,409	12,294
Goodwill	1,869	1,882
Other intangible assets	2,897	3,199
Other	95	35
Non-current assets	18,111	18,363
Total assets	19,550	19,849
Current liabilities		
Trade and other payables	3,208	3,082
Lease liabilities	13	20
Borrowings	1	1,896
Other financial liabilities	209	215
Provisions	142	159
Unearned revenue	18	13
Liabilities directly associated with assets classified as held for sale ¹	70	–
Current liabilities	3,661	5,385

Notes to the consolidated financial statements (continued)

Group Structure (continued)

22. Subsidiaries (continued)

	Cross Guarantee Group	
	2025	2024
	\$m	\$m
Non-current liabilities		
Trade and other payables	95	940
Lease liabilities	29	50
Borrowings	13,901	10,950
Other financial liabilities	390	443
Deferred tax liabilities	1,516	1,515
Provisions	395	374
Unearned revenue	48	55
Non-current liabilities	16,374	14,327
Total liabilities	20,035	19,712
Net assets/(liabilities) ²	(485)	137
Equity		
Issued capital	117	117
Reserves	(689)	(556)
Retained earnings	87	576
Equity attributable to equityholders of the parent ²	(485)	137

¹ Amounts relate to APA's gas distribution operations and maintenance business and its Tamworth gas distribution network that are classified as held for sale as at 30 June 2025. Refer to Note 11 for further details.

² The working capital position as at 30 June 2025 for the Cross Guarantee Group is that current liabilities exceed current assets by \$2,222 million (2024: \$3,899 million) and total asset exceed total liabilities for the Cross Guarantee Group by \$485 million (2024: total liabilities exceed total assets by \$137 million). Excluding related party loans from APA Infrastructure Trust, total assets exceed total liabilities by \$2,165 million (2024: \$3,430 million). The Cross Guarantee Group has access to available committed, undrawn bank facilities of \$1,600 million as at 30 June 2025 (2024: \$1,600 million). Further to this, APA Group Limited, as the responsible entity for APA Infrastructure Trust and APA Investment Trust, has agreed to provide financial support, to enable the Cross Guarantee Group to pay its debts as and when they fall due. Refer to note 2, working capital position, for further details.

Notes to the consolidated financial statements (continued)

Other items

23 Acquisition of Atlas to Reedy Creek Pipeline Asset

On 24 June 2025, APA Group completed the acquisition of 100% of the issued share capital of ARC Pipeline Pty Ltd which owns the Atlas to Reedy Creek Pipeline (ARCP), for a total purchase consideration of \$117 million inclusive of transaction costs.

The ARCP is a 56km 189 TJ/day operational gas transmission pipeline located near Wandoan in Queensland. Mechanical completion of the ARCP was achieved in January 2025, with first gas flowing in February 2025.

The acquisition is underpinned by a 20-year, 60 TJ/day take-or-pay Gas Transportation Agreement (GTA) with Senex CSG Assets Pty Ltd (Senex), an existing East Coast Gas Grid customer. The ARCP transports gas from Senex's Atlas East Compression Facility to APA's Reedy Creek to Wallumbilla Pipeline (RCWP), which has a maximum capacity of 520 TJ/day.

At the acquisition date, substantially all of the gross fair value of the identifiable assets acquired is concentrated in a single identifiable asset, being the gas transmission pipeline and the related facilities, classified within property, plant and equipment. The Directors have elected to apply the optional concentration test allowed under AASB 3 Business Combinations and concluded that the transaction does not constitute a business combination. Accordingly, the transaction has been accounted for as an asset acquisition.

Details of the purchase consideration inclusive of transaction costs and its allocation to the individual identifiable assets and liabilities at the date of the acquisition are set out below:

	\$m
Cash consideration	110
Transaction costs	7
Purchase consideration	117
Net assets acquired	\$m
Non-current assets	
Property, plant and equipment ¹	118
Non-current assets	118
Total assets	118
Non-current liabilities	
Provisions	(1)
Non-current liabilities	(1)
Total liabilities	(1)
Net assets acquired	117

¹ Transaction costs of \$7 million include estimated stamp duty and acquisition costs. Transaction costs have been capitalised into the cost of the pipeline in accordance with AASB 116 Property, Plant & Equipment.

Notes to the consolidated financial statements (continued)

Other items (continued)

24. Commitments and contingencies

	2025	2024
	\$m	\$m
Capital expenditure commitments		
APA Group – plant and equipment	232	209
	232	209
Contingent liabilities		
Bank guarantees	50	47

The Consolidated Entity is subject to a range of operational matters, which can at times raise exposure to assets and liabilities that are uncertain and cannot be measured reliably, these are disclosed as contingent assets or liabilities. This includes exposure to matters such as regulatory requirements, changes in law, climate policy, changes to licensing and recognised practising codes including health, safety and environment, employee entitlements, environmental laws and regulations, occupational health and safety requirements, technical and safety standards and asset construction and operation compliance requirements. The preparation of the financial statements requires management to make judgements and estimates and form assumptions that affect the amounts of contingent assets and liabilities reported in the financial statements.

These judgements, estimates and assumptions are based on the most current facts and circumstances and are reassessed on an ongoing basis, the results of which form the basis of the reported amounts that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions and conditions. This may materially affect financial results and the financial position to be reported in future periods. The Consolidated Entity continues to assess these judgements, estimates and assumptions relating to the disclosure of contingent assets and liabilities.

As at 30 June 2025 and 30 June 2024 the Consolidated Entity had no material contingent liabilities, other than the bank guarantees disclosed above.

The Consolidated Entity had nil contingent assets as at 30 June 2025 and 30 June 2024.

Notes to the consolidated financial statements (continued)

Other items (continued)

25. Director and Executive Key Management Personnel remuneration

Remuneration of Directors

The aggregate remuneration of Directors of the Consolidated Entity is set out below:

	2025	2024
	\$	\$
Short-term employment benefits	1,803,043	1,742,212
Post-employment benefits	167,964	165,545
Total remuneration: Non-Executive Directors¹	1,971,007	1,907,757
Short-term employment benefits	2,923,700	2,475,001
Post-employment benefits	29,932	27,399
Equity settled security-based payments	1,039,049	900,215
Total remuneration: Executive Director	3,992,681	3,402,615
Total remuneration: Directors	5,963,688	5,310,372

Remuneration of Executive Key Management Personnel

The aggregate remuneration of Executive Key Management Personnel of the Consolidated Entity is set out below:

	2025	2024
	\$	\$
Short-term employment benefits	7,178,134	5,966,026
Post-employment benefits	119,728	102,746
Cash settled security-based payments	–	92,405
Equity settled security-based payments	2,765,224	1,802,626
Total remuneration: Executive Key Management Personnel^{2,3}	10,063,086	7,963,803

¹ Non-executive Directors remuneration includes remuneration for Varya Davison (appointed 1 March 2025), Samantha (Sam) Lewis (appointed 1 October 2024) and David Lamont (appointed 1 October 2024). In addition, Non-executive Director remuneration includes the remuneration of Debra (Debbie) Goodin (retired 24 February 2025) and Peter Wasow (retired 24 October 2024) until their respective dates of retirement.

² Executive Key Management Personnel includes Adam Watson (Chief Executive Officer), Garrick Rollason (Chief Financial Officer), Petrea Bradford (Group Executive Operations) and Darren Rogers (Group Executive Energy Solutions).

³ During FY24, APA appointed Garrick Rollason as Chief Financial Officer on 16 October 2023 and Petrea Bradford as Group Executive Operations on 28 August 2023. Their remuneration is included in the remuneration disclosure of Key Management Personnel. All existing non-executive directors and executive management personnel served a term of at least 12 months in FY25.

Notes to the consolidated financial statements (continued)

Other items (continued)

26. Remuneration of external auditor

	2025	2024
	\$	\$
Amounts received or due and receivable by Deloitte Touche Tohmatsu for:		
Audit or review of the financial reports:		
Group	1,014,200	1,216,200
Subsidiaries	139,800	150,500
Total audit or review of the financial reports¹	1,154,000	1,366,700
Audit or review of the regulatory financial reporting to the Australian Energy Regulator and Economic Regulation Authority		
Subsidiaries	700,000	627,600
Total audit or review of the financial reports	700,000	627,600
Statutory assurance services required by legislation to be provided by the auditor		
Agreed-upon procedures in relation to ASIC Regulatory Guide 231 requirements ²	13,400	12,900
ASIC compliance plan audit	25,000	24,100
Australian financial services licence audit	9,800	9,500
Total statutory assurance services required by legislation to be provided by the auditor	48,200	46,500
Other assurance services ³	745,390	958,600
Total assurance services	2,647,590	2,999,400
Non-audit services^{4,5}	41,229	208,505
Total remuneration of external auditor	2,688,819	3,207,905

¹ Audit or review in the year ended 30 June 2024 included procedures over the acquisition of Pilbara Energy System ('PES').

² Service provided includes agreed-upon procedures in relation to ASIC Regulatory Guide 231 requirements.

³ Services provided were in accordance with the external auditor independence policy. These services include:

- agreed upon procedure engagements in relation to the FY25 US 144A debt raising.
- assurance engagements relating to APA's Climate Transition Plan and reported sustainability metrics; and
- assurance procedures on the energy and emissions reports and submissions required under the relevant National Greenhouse and Energy Reporting legislations, and review of APA Group's National Greenhouse and Energy Reporting systems and controls.

⁴ In the year ended 30 June 2025 services provided were in accordance with the external auditor independence policy. Non-audit services mainly comprise of enhanced methane reporting assurance readiness assessments.

⁵ In the year ended 30 June 2024 services provided were in accordance with the external auditor independence policy. Non-audit services mainly comprise provision of technology licensing and related support services that were provided by an entity acquired by the external auditor during FY22, including the provision of support services to meet the data reporting requirements of the Wholesale Electricity Market (WEM) in Western Australia. These services were ceased during FY24 and are not expected in future years.

Notes to the consolidated financial statements (continued)

Other items (continued)

27. Related party transactions

(a) Equity interest in related parties

Details of the percentage of ordinary securities held in subsidiaries are disclosed in note 22 and the details of the percentage held in joint operations, joint ventures and associates are disclosed in note 21.

(b) Responsible Entity – APA Group Limited

The Responsible Entity is wholly owned by APA Infrastructure Limited.

(c) Transactions with related parties within the Consolidated Entity

Transactions between the entities that comprise the Consolidated Entity during the financial year consisted of:

- Dividends;
- Asset lease rentals;
- Loans advanced and payments received on long-term inter-entity loans;
- Management fees;
- Operational services provided between entities; and
- Payments of distributions.

The above transactions were made on normal commercial terms and conditions. The Consolidated Entity charges interest on inter-entity loans from time to time.

All transactions between the entities that comprise the Consolidated Entity have been eliminated on consolidation.

Refer to note 22 for details of the entities that comprise the Consolidated Group.

APA Group Limited

Management fees of \$7 million (2024: \$7 million) were paid to the Responsible Entity of APA Infrastructure Trust and APA Investment Trust as reimbursement of costs incurred on behalf of the Consolidated Entity. No amounts were paid directly by the Consolidated Entity to the Directors of the Responsible Entity, except as disclosed at note 25.

APA Group Limited, in its capacity as trustee and Responsible Entity of APA Infrastructure Trust and APA Investment Trust, has guaranteed the payment of principal, interest and other amounts as provided in the senior debt facilities of APA Infrastructure Limited, the principal borrowing entity of APA Group.

(d) Transactions with associates and joint ventures

The following transactions occurred with the Consolidated Entity's associates and joint ventures on normal market terms and conditions:

	Dividends from related parties	Capital return to related parties	Sales to related parties	Purchases from related parties	Amount owed by related parties	Amount owed to related parties
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2025						
SEA Gas	13,527	–	2,637	–	–	9
Energy Infrastructure Investments	–	–	46,483	–	7,205	–
EII 2	3,227	–	946	–	356	–
GDI (EII)	7,284	–	73,125	–	8,661	–
	24,038	–	123,191	–	16,222	9
2024						
SEA Gas	–	–	2,367	–	171	–
Energy Infrastructure Investments	–	–	43,298	–	8,192	–
EII 2	3,446	13,489	892	–	1,472	–
GDI (EII)	7,457	–	68,924	–	6,507	–
	10,903	13,489	115,481	–	16,342	–

Notes to the consolidated financial statements (continued)

Other items (continued)

28. Parent entity information

The accounting policies of the parent entity, which have been applied in determining the financial information below, are the same as those applied in the consolidated financial statements.

	2025	2024
	\$m	\$m
Financial position		
Assets		
Current assets	759	789
Non-current assets	25,266	22,404
Total assets	26,025	23,193
Liabilities		
Current liabilities	360	2,390
Non-current liabilities	25,170	20,178
Total liabilities	25,530	22,568
Net assets	495	625
Equity		
Issued capital	117	117
Retained earnings	754	673
Reserves	(376)	(165)
Total equity	495	625
Financial performance		
Profit for the year	732	781
Other comprehensive (loss)/income	(210)	26
Total comprehensive income	522	807

Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

APA Infrastructure Limited has entered into a deed of cross guarantee with a number of its wholly-owned subsidiaries. These subsidiaries are listed in full in note 22.

Contingent liabilities of the parent entity

Refer to note 24 for contingent liabilities. Bank guarantees are issued by the parent entity.

Notes to the consolidated financial statements (continued)

Other items (continued)

29. Adoption of new and revised Accounting Standards (continued)

Standards and Interpretations affecting amounts reported in the current period

New and amended Accounting Standards that are effective for the current period:

- AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current
- AASB 2022-6 Amendments to Australian Accounting Standards – Non-current Liabilities with Covenants
- AASB 2023-1 Amendments to Australian Accounting Standards – Supplier Finance Arrangements
- AASB 2022-5 Amendments to Australian Accounting Standards – Lease Liability in a Sale and Leasebacks

The Consolidated Group has adopted the new and amended Standards that are relevant to its operations. The adoption of the new and amended Standards does not have a material impact on the Consolidated Group's accounting policies or any of the amounts recognised in the financial statements.

Standards and Interpretations issued not yet adopted

At the date of authorisation of the financial statements, the Standards and Interpretations on issue but not yet effective are not expected to have material impact on the Consolidated Entity's accounting policies or any of the amounts recognised in the financial statements.

In June 2024, the AASB issued a new presentation and disclosure standard, AASB 18 Presentation and Disclosure in Financial Statements (AASB 18) which sets out requirements for the presentation and disclosure of information in general purpose financial statements. AASB 18 will be applicable for the Consolidated Entity from 1 July 2027. The adoption of this standard is not expected to change the recognition and measurement of items in the Consolidated Entity's consolidated financial statements however it is expected to affect the presentation and disclosures in the Consolidated Entity's financial statements.

Sustainability Standards

In September 2024, the AASB issued the first two Australian Sustainability Reporting Standards.

- AASB S1 General Requirements for Disclosure of Sustainability-related Financial Information – a voluntary standard covering disclosure of all sustainability-related risks and opportunity.
- AASB S2 Climate-related Disclosures – a mandatory standard covering disclosure of climate-related risks and opportunities.

The Standards will be effective for the Group from 1 July 2025, with earlier adoption permitted.

30. Events occurring after reporting date

Divestment of gas distribution operations and maintenance entities

On 19 August 2025, the Group executed an agreement to divest its Networks business, including entities which undertake gas distribution operations and maintenance business, to Australian Gas Infrastructure Group (AGIG). The transaction is expected to complete around the second quarter of FY26, subject to satisfaction of conditions precedent, including separation and completion readiness activities. As at 30 June 2025, the Networks business disposal group has been classified as held for sale. Refer to Note 10 of the APA Infrastructure Limited Financial Report for further details on the classification and its impact on the financial statements.

Final dividend declaration

On 20 August 2025, the Directors declared and paid a final dividend of 136.6 cents per share (\$85 million) to the sole equity holder, APA Group Limited as Responsible Entity and Trustee of APA Infrastructure Trust.

Other than the events disclosed above, there have not been any events or transactions that have occurred subsequent to year end that would require adjustment to or disclosure in the financial statements.

Declaration by the Directors of APA Infrastructure Limited

The Directors declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that APA Infrastructure Limited will be able to pay its debts as and when they become due and payable;
- (b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with Accounting Standards and giving a true and fair view of the financial position and performance of the Consolidated Entity;
- (c) in the Directors' opinion, the financial statements and notes thereto are in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board;
- (d) the Directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the Corporations Act 2001;
- (e) in the Directors' opinion, the consolidated entity disclosure statement included in note 22 to the financial statements is prepared in accordance with the Corporations Act 2001 and is true and correct at reporting date; and
- (f) At the date of this declaration, APA Infrastructure Limited is within the class of companies affected by ASIC Corporations Instrument 2016/785. The nature of the deed of cross guarantee is such that each company, which is party to the deed, guarantees to each creditor, payment in full of any debt in accordance with the deed of cross guarantee. In the Directors' opinion, there are reasonable grounds to believe that APA Infrastructure Limited and the companies to which the ASIC Class Order applies, as detailed in note 22 to the financial statements will, as a group, be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee.

Signed in accordance with a resolution of the Directors made pursuant to section 295(5) of the Corporations Act 2001.

On behalf of the Directors



Michael Fraser
Chairman



Adam Watson
CEO and Managing Director

SYDNEY, 20 August 2025

Auditor's independence declaration



Deloitte Touche Tohmatsu
ABN 74 490 121 060
Quay Quarter Tower
50 Bridge Street
Sydney NSW 2000

Tel: +61 (0) 2 9322 7000
Fax: +61 (0) 2 9322 7001

20 August 2025

The Directors
APA Infrastructure Limited
Level 25, 580 George Street
Sydney NSW 2000

Dear Directors

Auditor's Independence Declaration to APA Infrastructure Limited

In accordance with section 307C of the *Corporations Act 2001*, I am pleased to provide the following declaration of independence to the directors of APA Infrastructure Limited.

As lead audit partner for the audit of the financial report of APA Infrastructure Limited for the financial year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- (ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully

A handwritten signature in black ink that reads "Deloitte Touche Tohmatsu".

DELOITTE TOUCHE TOHMATSU

A handwritten signature in black ink, appearing to be "H Fortescue".

H Fortescue
Partner
Chartered Accountants

Independent Auditor's report



Deloitte Touche Tohmatsu
ABN 74 490 121 060
Quay Quarter Tower
50 Bridge Street
Sydney NSW 2000

Tel: +61 (0) 2 9322 7000
Fax: +61 (0) 2 9322 7001
www.deloitte.com.au

Independent Auditor's Report to the Members of APA Infrastructure Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of APA Infrastructure Limited ("APAIL") and its subsidiaries (the "Consolidated Entity") which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the consolidated entity disclosure statement, and the directors' declaration.

In our opinion, the accompanying financial report of the Consolidated Entity is in accordance with the *Corporations Act 2001*, including:

- Giving a true and fair view of the Consolidated Entity's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Consolidated Entity 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 our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Consolidated Entity, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditor's report (continued)



Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. APA Group refers to APA Infrastructure Trust and APA Investment Trust, as the parent of APAIL.

Key audit matter	How the scope of our audit responded to the key audit matter
Carrying value of assets At 30 June 2025, APA Group's consolidated statement of financial position includes property, plant and equipment of \$12.7 billion, goodwill of \$1.9 billion and other intangible assets of \$3.0 billion. Management conducts annual impairment tests (or more frequently if impairment indicators exist) to assess the recoverable amount of property, plant and equipment and intangible assets including goodwill. This assessment is performed through the preparation of discounted cash flow value in use models. The impairment test requires the exercise of significant judgement in respect of factors such as future supply and demand, regulatory and legislative changes, outcomes of commercial negotiations with counterparties, impacts of climate change and discount rates. Management also considers the ongoing appropriateness of useful lives as part of the carrying value of assets assessment as outlined in Note 11. In the period the Australian Energy Regulator ("AER") released their final decision to approve the application to convert Basslink to a regulatory asset. The determination of the regulatory asset base ("RAB") is a key judgement in the assessment of the recoverable amount of the Basslink asset.	Our audit procedures, in conjunction with our valuation specialists, included the following: - obtained an understanding of the process flows and key controls associated with the impairment models prepared by management and the carrying value paper reviewed by the Board of Directors used to estimate the recoverable amount of each asset, cash generating unit ("CGUs") or group of CGUs, where applicable; - obtained and assessed the position papers prepared by management to support the carrying value assessment; - evaluated the process used by management to assess for indicators of impairment including: - management's determination of APA Group's assets, CGUs and groups of CGUs, the level at which goodwill is monitored and consistency with the assessment of segment reporting; - challenged management's assessment through consideration of factors including historical results, asset management plans, any contractual negotiations, economic data, industry forecasts and the potential impact of climate change; - reviewed the asset specific discount rates applied by comparing to our independent estimate, third party evidence and broker consensus data; and - confirmed that each CGU or group of CGUs containing goodwill had been included in management's impairment testing; - evaluated management's methodology and key assumptions utilised in the Basslink discounted cash flow value in use model, including: - performed inquiries of management to understand the process to estimate an expected RAB and challenge the reasonableness and supportability of the estimate; and - assessed the appropriateness of the assumptions in respect of revenue forecasts and cost assumptions using our knowledge of the business and the industry, including discussions with operational management. We have also assessed the appropriateness of the disclosures included in Note 13 to the financial report.

Independent Auditor's report (continued)



Key audit matter	How the scope of our audit responded to the key audit matter
Information Technology ("IT") systems APA Group's technology environment is integral to the operations of the business. The technology environment related to financial reporting is complex, with a degree of automation, varying levels of integration, transformation and a combination of automated and manual controls which govern the integrity of the financial reporting process. The assessment of the technology environment forms a key component of our external audit and is considered a key audit matter.	Our procedures in conjunction with our IT specialists, included but were not limited to: • updating our understanding of the technology environment and the identification of key financial systems, controls and processes relevant to the financial report; • evaluating the design and implementation and operating effectiveness of the key IT controls of relevant financial reporting systems and processes; and where we identified matters relating to IT systems or application controls relevant to our audit, we designed and performed additional procedures, including the identification and testing of mitigating controls and performing alternative substantive procedures.

Other information

The directors of APAIL (the "directors") are responsible for the other information. The other information comprises the information included in the Consolidated Entity's annual report for the year ended 30 June 2025 but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors are responsible:

- For the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Consolidated Entity in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Consolidated Entity, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Consolidated Entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Consolidated Entity or to cease operations, or has no realistic alternative but to do so.

Independent Auditor's report (continued)



Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Consolidated Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Consolidated Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Consolidated Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Consolidated Entity as a basis for forming an opinion on the Consolidated Entity financial report. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's report (continued)



Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report of APA Group Limited, as Responsible Entity for APA Infrastructure Trust, the parent company of APA Infrastructure Limited, which is included on pages 8 to 26 of the Directors' Report for the year ended 30 June 2025.

In our opinion, the Remuneration Report of APA Group Limited for the year ended 30 June 2025 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors have voluntarily presented the Remuneration Report of the APA Group Limited, as Responsible Entity for APA Infrastructure Trust, which has been prepared in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

A handwritten signature in black ink that reads "Deloitte Touche Tohmatsu".

DELOITTE TOUCHE TOHMATSU

A handwritten signature in black ink, appearing to read "H Fortescue".

H Fortescue
Partner
Chartered Accountants
Sydney, 20 August 2025

A handwritten signature in black ink, appearing to read "J McGarty".

J McGarty
Partner
Chartered Accountants
Sydney, 20 August 2025