

Australian Gas Infrastructure Holdings Pty Limited

ACN 120 456 573

Financial Statements for the year ended - 31 December 2025

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General information

The financial statements cover Australian Gas Infrastructure Holdings Pty Limited as a Group consisting of Australian Gas Infrastructure Holdings Pty Limited and the entities it controlled at the end of, or during, the year. The financial statements are presented in Australian dollars, which is Australian Gas Infrastructure Holdings Pty Limited's functional and presentation currency.

Australian Gas Infrastructure Holdings Pty Limited is a company limited by shares, incorporated and domiciled in Australia. It's registered office and principal place of business is:

Level 22-23
140 St George's Terrace
Perth
Western Australia

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 11 March 2026.

The Directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the Group) consisting of Australian Gas Infrastructure Holdings Pty Limited (AGIH) (the Company or the Parent) and the entities it controlled at the end of, or during, the year ended 31 December 2025.

Directors

The following persons held office as Directors of AGIH during the whole of the financial year and up to the date of these financial statements unless otherwise stated:

Hing Lam Kam
Loi Shun Chan (Dominic)
Andrew John Hunter
Simon Man
Duncan Nicholas Macrae
Craig de Laine
Michelle Sarah Si De Li
Trena McFarland
Wendy Wai Che Tong Barnes
John Benjamin Luk

Principal activities

The Group owns and operates key gas infrastructure across a national portfolio of companies that provides distribution, transmission and gas storage assets making it one of the largest gas infrastructure businesses in Australia.

The Dampier Bunbury Pipeline (DBNGP) is Western Australia's key gas transmission pipeline. Stretching almost 1,600kms, it transports gas to mining, industrial, commercial and residential customers across Western Australia. Leveraging the world-class pipeline engineering and operating skills of the DBP management team, the Australian Gas Infrastructure Development Group (AGID) of companies builds, owns and operates new pipelines and laterals in Western Australia and the Northern Territory as well as the largest gas storage facility in Western Australia.

The Multinet Gas Holdings Pty Ltd Group (MGN) of companies distributes natural gas to customers throughout Melbourne's inner and outer east, the Yarra ranges and South Gippsland. The network transports gas to residential, commercial and industrial customers.

The AGI O&M Services Group (AGIOMS) of companies provides operations and maintenance services to the gas infrastructure facilities in various states on the east coast of Australia.

AGI Finance Pty Limited (AGIF) is the financing vehicle to the Group. AGIF acts as the borrowing entity and on-lends to the AGIH Group of Companies via intercompany loans. AGIH and AGIF both have a Standard and Poor's credit rating of A-, and A3 from Moody's, both with a stable outlook.

Review of operations

The profit of the Group after providing for income tax amounted to \$212.4 million (2024: \$206.2 million). Revenues for the year ended 31 December 2025, totalled \$764.9 million (2024: \$748.6 million).

During the financial year, the Group raised a total of \$999.7 million through its European Medium Term Note (EMTN) and Australian Medium Term Note (AMTN) programme and \$200.0 million in bank bilateral facilities. These were used to refinance \$400.0 million in bilateral facilities, the \$350.0 million AMTN loan in DBP which matured in May 2025 and the AMTN note of \$325.0 million which matured in January 2026.

Dividends

The Company paid dividends of \$181.0 million during the 12 months to 31 December 2025 (2024: \$169.0 million).

Significant changes in the state of affairs

On 30 November 2025, a newly incorporated entity within the AGIH Group, AGI O&M Services Pty Ltd acquired APT AM Holdings Pty Ltd and its wholly owned subsidiaries from APA Group. Refer to note 29 for details on the business combination.

Other than the above, there were no significant changes in the state of affairs of the Group during the financial year.

Matters subsequent to the end of the financial year

No matter or circumstance has arisen since 31 December 2025 that 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.

Likely developments and expected results of operations

At the date of this report, there are no other likely developments in the operations of the Group that, in the opinion of the Directors, are likely to significantly impact the Group during the coming financial year that have not already been disclosed.

Environmental regulation

The Group is subject to all environmental legislation as per the Environmental Protection Act. During the year ended 31 December 2025 the Group adhered to all environmental regulation set under the law of the Commonwealth and the State and any other environmental regulator. The Group is committed to environmental management principles through compliance with ISO 14001 for proactive planning, sustainable development and self-assessment for continuous improvement. The Group did not receive any notification from the *Environmental Protection Agency (EPA)* for violation of the Act during the current or previous years, and up to the date of signing this report.

Indemnity and insurance of officers

During the year ended 31 December 2025, the Group paid insurance premiums for cover which indemnifies individual Directors' and officers' personal legal liability and legal defence costs for claims arising out of actions taken in connection with Group business, to the extent permitted by law, other than:

- a wilful breach of duty;
- a contravention of sections 182 or 183 of the *Corporations Act 2001*, as permitted by section 199B of the *Corporations Act 2001*.

The Directors and the officers of the Group, and certain employees serving as Executive General Managers at the Group's request, have been indemnified in accordance with these provisions. No amount has been paid under any of these indemnities during the year.

Indemnity and insurance of auditor

The Group has not, during or since the end of the financial year, indemnified or agreed to indemnify the auditor of the Group or any related entity against a liability incurred by the auditor.

During the financial year, the Group has not paid a premium in respect of a contract to insure the auditor of the Group or any related entity.

Rounding of amounts

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest million dollars, or in certain cases, the nearest dollar.

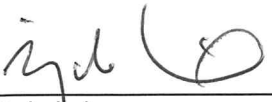
Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out immediately after this Directors' report.

Australian Gas Infrastructure Holdings Pty Limited
Directors' report
31 December 2025

This report is made in accordance with a resolution of Directors, pursuant to section 298(2)(a) of the *Corporations Act 2001*.

On behalf of the Directors



C de Laine
Director

11 March 2026

11 March 2026

The Board of Directors
Australian Gas Infrastructure Holdings Pty Limited
Levels 22/23, 140 St Georges Terrace
Perth, WA 6000

Dear Board Members

Auditor's Independence Declaration to Australian Gas Infrastructure Holdings Pty 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 Australian Gas Infrastructure Holdings Pty Limited.

As lead audit partner for the audit of the financial report of Australian Gas Infrastructure Holdings Pty Limited for the financial year ended 31 December 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- The auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
- Any applicable code of professional conduct in relation to the audit.

Yours faithfully



DELOITTE TOUCHE TOHMATSU



PG Janse van Nieuwenhuizen
Partner
Chartered Accountants

Australian Gas Infrastructure Holdings Pty Limited
Consolidated statement of profit or loss and other comprehensive income
For the year ended 31 December 2025

	Note	2025 \$m	2024 \$m
Revenue from continuing operations			
Operating revenue		762.6	748.6
Other revenue from operating and maintenance services		2.3	-
	4	764.9	748.6
Expenses			
Operating costs	6	(348.7)	(347.6)
Net finance costs	7	(112.8)	(105.1)
Profit before income tax expense		303.4	295.9
Income tax expense	8	(91.0)	(89.7)
Profit after income tax expense for the year attributable to the shareholders of Australian Gas Infrastructure Holdings Pty Limited		212.4	206.2
Other comprehensive expense			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Changes in fair value of cash flow hedges		(13.8)	(80.8)
Deferred income tax on change in fair value of cash flow hedges		4.1	24.3
Actuarial gain on defined benefits plan		(2.6)	1.1
Deferred income tax on actuarial gain on defined benefits plan		0.9	(0.3)
Other comprehensive expense for the year, net of tax		(11.4)	(55.7)
Total comprehensive income for the year attributable to the shareholders of Australian Gas Infrastructure Holdings Pty Limited		201.0	150.5

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

Australian Gas Infrastructure Holdings Pty Limited
Consolidated statement of financial position
As at 31 December 2025

	Note	2025 \$m	2024 \$m
Assets			
Current assets			
Cash and cash equivalents	9	154.7	74.6
Trade and other receivables	10	35.7	21.8
Finance lease receivable	11	26.5	23.5
Contract assets	12	93.4	44.2
Inventories	13	35.5	8.8
Investment in financial assets	14	1.8	1.5
Derivative financial instruments	15	24.2	99.8
Other assets	17	23.0	12.2
Total current assets		394.8	286.4
Non-current assets			
Finance lease receivable	11	138.6	164.8
Property, plant and equipment	18	4,407.1	4,342.1
Intangible assets	19	1,215.6	1,181.0
Right-of-use assets	16	32.2	11.1
Investment in financial assets	14	8.9	10.6
Derivative financial instruments	15	97.4	42.2
Defined benefit asset	20	9.9	2.7
Total non-current assets		5,909.7	5,754.5
Total assets		6,304.5	6,040.9
Liabilities			
Current liabilities			
Trade and other payables	21	94.7	25.8
Lease liabilities	22	10.2	2.8
Contract liabilities	5	50.9	38.5
Provisions	23	27.1	8.9
Borrowings	24	452.0	550.0
Derivative financial instruments	15	40.0	24.8
Intercompany tax payable		157.8	150.5
Other liabilities	25	186.8	158.6
Total current liabilities		1,019.5	959.9
Non-current liabilities			
Lease liabilities	22	34.5	17.6
Contract liabilities	5	128.3	122.0
Provisions	23	61.5	59.4
Borrowings	24	3,193.2	3,031.5
Derivative financial instruments	15	73.1	81.2
Deferred tax liability	8	407.3	402.2
Total non-current liabilities		3,897.9	3,713.9
Total liabilities		4,917.4	4,673.8
Net assets		1,387.1	1,367.1

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

Australian Gas Infrastructure Holdings Pty Limited
Consolidated statement of financial position
As at 31 December 2025

	Note	2025 \$m	2024 \$m
Equity			
Contributed equity	26	2,980.1	2,980.1
Retained profits	27	496.9	465.5
Reserves	29	80.7	92.1
Common control reserve	28	(2,170.6)	(2,170.6)
Total equity		<u>1,387.1</u>	<u>1,367.1</u>

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

Australian Gas Infrastructure Holdings Pty Limited
Consolidated statement of changes in equity
For the year ended 31 December 2025

	Contributed equity \$m	Common control reserve \$m	Reserves \$m	Retained profits \$m	Total equity \$m
Balance at 1 January 2024	2,980.1	(2,170.6)	147.9	428.3	1,385.7
Profit after income tax expense for the year	-	-	-	206.2	206.2
Other comprehensive expense for the year, net of tax	-	-	(56.6)	-	(56.6)
Total comprehensive income/ (expense) for the year	-	-	(56.6)	206.2	149.6
Movement in actuarial valuation of defined benefit funds	-	-	0.8	-	0.8
Dividends paid	-	-	-	(169.0)	(169.0)
Balance at 31 December 2024	<u>2,980.1</u>	<u>(2,170.6)</u>	<u>92.1</u>	<u>465.5</u>	<u>1,367.1</u>

	Contributed equity \$m	Common control reserve \$m	Reserves \$m	Retained profits \$m	Total equity \$m
Balance at 1 January 2025	2,980.1	(2,170.6)	92.1	465.5	1,367.1
Profit after income tax expense for the year	-	-	-	212.4	212.4
Other comprehensive expense for the year, net of tax	-	-	(9.7)	-	(9.7)
Total comprehensive income/ (expense) for the year	-	-	(9.7)	212.4	202.7
Movement in actuarial valuation of defined benefit funds	-	-	(1.7)	-	(1.7)
Dividends paid	-	-	-	(181.0)	(181.0)
Balance at 31 December 2025	<u>2,980.1</u>	<u>(2,170.6)</u>	<u>80.7</u>	<u>496.9</u>	<u>1,387.1</u>

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

Australian Gas Infrastructure Holdings Pty Limited
Consolidated statement of cash flows
For the year ended 31 December 2025

	Note	2025 \$m	2024 \$m
Cash flows from operating activities			
Receipts from customers (inclusive of GST)		788.2	784.0
Payments to suppliers (inclusive of GST)		(179.0)	(213.7)
		609.2	570.3
Interest received		3.4	3.6
Interest and other finance costs paid		(86.6)	(99.3)
Net cash inflow from operating activities	32	526.0	474.6
Cash flows from investing activities			
Payment for purchase of subsidiary, net of cash acquired	30	(43.9)	-
Payments for property, plant and equipment		(202.7)	(231.0)
Payments for intangibles		(14.8)	(15.7)
Proceeds from disposal of property, plant and equipment		0.4	-
Net cash outflow from investing activities		(261.0)	(246.7)
Cash flows from financing activities			
Proceeds from borrowings		1,865.7	883.0
Repayment of borrowings		(1,796.0)	(862.0)
Repayment of lease liabilities		(6.0)	(4.7)
Dividends paid		(181.0)	(169.0)
Distributions - Intercompany loan repayments		(63.0)	(81.0)
Debt and capital raising costs		(4.0)	(3.2)
Net cash outflow from financing activities		(184.3)	(236.9)
Net increase/ (decrease) in cash and cash equivalents		80.7	(9.0)
Cash and cash equivalents at the beginning of the financial year		74.6	83.6
Effects of exchange rate changes on cash and cash equivalents		(0.6)	-
Cash and cash equivalents at the end of the financial year	9	154.7	74.6

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

1. Material accounting policies

The material accounting policies adopted in the preparation of these consolidated financial statements are set out below and within the relevant note. These policies have been consistently applied to all the years presented unless otherwise stated. The financial statements are for the consolidated entity consisting of Australian Gas Infrastructure Holdings Pty Limited and its subsidiaries (referred to hereafter as "the Group"). The financial statements are presented in Australian dollars.

(a) New or amended Accounting Standards and Interpretations adopted and forthcoming requirements

The Group has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of any new Accounting Standards did not have a material impact on the financial performance or position of the Group.

The following Accounting Standards and Interpretations are most relevant to the Group:

Australian Sustainability Reporting Standards (ASRS) AASB S1 *General Requirements for Disclosure of Sustainability-related Financial Information* and AASB S2 *Climate-related Disclosures*

The Group has adopted AASB S2 *Climate-related Disclosures* from 1 January 2025. The standard is intended to provide users of financial statements with climate-related financial disclosures. The disclosures are presented as a Sustainability Report within the Financial Statements.

AASB S1 *General Requirements for Disclosure of Sustainability-related Financial Information* was issued for application in 2025 however it provides for voluntary disclosures and the Group has not applied this standard.

There are no other AASBs or Interpretations that are not yet effective that would be expected to have a material impact on the Group.

(b) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the *Corporations Act 2001*, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB'). The policies have been consistently applied to all the periods presented, unless otherwise stated.

Historical cost convention

The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of financial assets and liabilities at fair value through profit or loss, financial assets at fair value through other comprehensive income and derivative financial instruments.

Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

Going concern

The Group meets its day-to-day working capital requirements through its bank facilities. The accompanying financial statements have been prepared on the going concern basis, which contemplates continuity of business activities and the realisation of assets and liabilities in the ordinary course of business.

At 31 December 2025 the Group had net current liabilities of \$624.7 million (2024: \$673.5 million) arising primarily as a result of senior debt facilities of \$452.0 million maturing in 2026 (2024: \$550.0 million) and the Inter-Company loan with CK William Australia Bidco Pty Limited (CKW) of \$157.8 million (2024: \$150.5 million) in respect of the intercompany tax sharing agreement. The tax liability is repayable on demand and is therefore recorded as a current liability however no request has been received from CKW for payment.

1. Material accounting policies (continued)

The Group has a successful track record of refinancing its senior debt maturities. Over the course of 2025, the Group raised a total of \$999.7 million through its European Medium-Term Note (EMTN) programme and Australian Medium-Term Note (AMTN) programme, and \$200.0 million of new bank bilateral facilities via AGIF. These were used to refinance \$400.0 million in bilateral facilities, the \$350.0 million AMTN loan in DBP which matured in May 2025 and the AMTN note of \$325.0 million which matured in January 2026.

All other current liabilities are expected to be met from surplus net operating cash flows. Owing to this and the fact that the entity, through the operation of the Common Funding Vehicle (together with the other guarantor group entities), has access to undrawn facilities of \$595.0 million (2024: \$417.5 million), the Directors believe the Group is able to pay its debts as and when the debts become due and payable, and the Group continues to adopt the going concern basis in preparing its consolidated financial statements.

Comparative figures

Where necessary, comparative information has been updated to conform with current period presentation.

(c) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all entities of the Group as at 31 December 2025 and the results for the period then ended. Supplementary information about AGIH's controlled entities are disclosed in note 35.

Subsidiaries are all those entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the Group are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred.

In accordance with the *Corporations Act 2001*, these financial statements present the results of the Group only. Supplementary information about the parent entity is disclosed in note 33.

(d) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to costs to be incurred on particular projects are deferred and recognised in the income statement over the period necessary to match them with the costs that they are intended to compensate.

Government grants relating to depreciable assets are recognised by reducing the carrying amount of the asset.

(e) Foreign currency

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss, except when deferred in equity as qualifying cash flow hedges.

(f) Distributions/ dividends

A provision is recognised for the amount of any distribution/ dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period. Distributions/ dividends approved after the end of the reporting period, whether or not paid prior to signing of the accounts are not recognised as a liability

(g) Investments and other financial assets

Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. Such assets are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on both the business model within which such assets are held and the contractual cash flow characteristics of the financial asset unless an accounting mismatch is being avoided.

1. Material accounting policies (continued)

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met: (i) it is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and (ii) the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

Investments

Investments includes non-derivative financial assets with fixed or determinable payments and fixed maturities where the Group has the positive intention and ability to hold the financial asset to maturity. This category excludes financial assets that are held for an undefined period. Investments are carried at amortised cost using the effective interest rate method adjusted for any principal repayments. Gains and losses are recognised in profit or loss when the asset is derecognised or impaired.

Impairment of financial assets

The Group recognises a loss allowance for expected credit losses on financial assets which are either measured at amortised cost or fair value through other comprehensive income. The measurement of the loss allowance depends upon the Group's assessment at the end of each reporting period as to whether the financial instrument's credit risk has increased significantly since initial recognition, based on reasonable and supportable information that is available, without undue cost or effort to obtain.

Where there has not been a significant increase in exposure to credit risk since initial recognition, a 12-month expected credit loss allowance is estimated. This represents a portion of the asset's lifetime expected credit losses that is attributable to a default event that is possible within the next 12 months. Where a financial asset has become credit impaired or where it is determined that credit risk has increased significantly, the loss allowance is based on the asset's lifetime expected credit losses. The amount of expected credit loss recognised is measured on the basis of the probability weighted present value of anticipated cash shortfalls over the life of the instrument discounted at the original effective interest rate.

For financial assets mandatorily measured at fair value through other comprehensive income, the loss allowance is recognised in other comprehensive income with a corresponding expense through profit or loss. In all other cases, the loss allowance reduces the asset's carrying value with a corresponding expense through profit or loss.

(h) Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

(i) Goods and Services Tax ('GST') and other similar taxes

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

1. Material accounting policies (continued)

(j) Rounding of amounts

The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest million dollars, or in certain cases, the nearest dollar.

2. Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with Australian Accounting Standards and generally accepted accounting principles requires management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. On an on-going basis, the Group evaluates its estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances; the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These accounting policies involve "critical accounting estimates" because they are particularly dependent on estimates and assumptions made by the Group about matters that are inherently uncertain.

Contract assets

There is a certain level of estimation involved in the measurement of the Group's revenue, including for distribution revenue where an estimation of unbilled revenue is primarily based on historical consumption patterns by customer and weather conditions for the unbilled period.

Valuation of financial instruments

To determine the fair value of financial instruments, as outlined in note 15, the Group uses valuation techniques to determine fair values, based on Level 2 inputs of market observable data such as counterparty credit rating. The Directors believe that the chosen valuation techniques and assumptions used are appropriate in determining the fair value of financial instruments.

Estimates of useful lives

Management advises the Board in respect to the estimated useful lives and related depreciation charges for the Group's property, plant and equipment. These estimates are based on the concept that the effective lives should truly reflect the profile of the loss of economic benefits to the Group. Refer to note 18 for details of the estimated useful lives used by the Group.

Estimated impairment of goodwill and indefinite life intangibles

The Group tests goodwill annually for impairment, in accordance with the accounting policy. The recoverable amounts of cash generating units have been determined based on the higher of the value-in-use and fair value less costs to dispose calculations. These calculations require the use of assumptions. These assumptions and the potential impact of changes to these assumptions are outlined in the notes.

Provisions

The Group calculates the carrying mount of provisions under AASB 117 *Provisions, Contingent Liabilities and Contingent Assets* based on a variety of available information, some of which is based on estimates of the likely outflow of economic benefits.

Long service leave provisions

The liability for long service leave is recognised and measured as the present value of expected future payments to be made in respect of services provided by employees up to the date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currencies that match, as closely as possible, the estimated future cash outflows.

2. Critical accounting judgements and key sources of estimation uncertainty (continued)

Provision for decommissioning

As part of the identification and measurement of assets and liabilities, the Group has recognised a provision for decommissioning obligations. In determining the fair value of the provision, assumptions and estimates are made in relation to discount rates, the expected cost to dismantle and remove the plant from the site and the expected timing of those costs.

Unaccounted for Gas

A provision for the estimated unaccounted for gas liability at 31 December 2025 has been included for the 2025 and 2024 regulatory periods. The provision relates to the cost that is incurred to reimburse gas retailers for the loss of gas between the point that gas enters the network and the consumption read at the meter, in excess of the allowed benchmark. The benchmark is based on a historical average of gas losses. The provision represents estimated above benchmark volumes for the 2025 and 2024 years at the respective wholesale gas prices.

Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the long-term nature and complexity of existing contractual agreements, differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expenses already recorded.

The Group accounts for income taxes based on reasonable estimates, taking into consideration learnings from previous tax audits and differing interpretations of tax regulations. Such differences in interpretation may arise for a wide variety of issues depending on the specific circumstances and conditions prevailing in the respective Group companies.

The Group applies the criteria outlined in AASB 112 *Income Taxes* in determining the recognition of deferred tax assets. This involves the exercise of judgement, particularly in assessing tax bases and the recoverability of deferred tax assets. Deferred tax assets arising from unused tax losses are recognised only to the extent that it is probable that taxable profit will be available against which the losses can be utilised. The recognition of deferred tax assets requires management judgment regarding the timing and quantum of future taxable profits. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the Group to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

3. Operating segments

(a) Basis of segmentation

Identification of reportable operating segments

The Group is organised into two operating segments: Gas Distribution and Gas Transmission. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers (CODM)) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The Group's Chief Executive Officer reviews the internal management reports of each division at least monthly.

There are varying levels of integration between the Gas Distribution and Gas Transmission segments, with various national functions in operation as the segments leveraging one another through the provision of internal labour which is recharged as incurred, on terms that have been independently calculated using standardised rates. AGIF, which serves as the funding vehicle for the Group, recharges all costs to the Gas Distribution and Gas Transmission operating segments, it is not reported on as a segment in its own right.

Types of products and services

The principal products and services of each of these operating segments are as follows:

Gas Distribution

The MGN Group of companies distribute natural gas to customers throughout Melbourne's inner and outer east, the Yarra Ranges and South Gippsland. The network transports gas to residential, commercial and industrial customers.

The AGIOMS Group of companies provide operating and maintenance services of gas networks and natural gas pipelines to customers across the east coast of Australia.

Gas Transmission

The DBNGP is Western Australian's key gas transmission pipeline. Stretching almost 1,600kms, it transports gas to mining, industrial, commercial and residential customers across Western Australia. Leveraging the world-class pipeline engineering and operating skills of the DBP management team, the AGID group of companies build, own and operate new pipelines and laterals in Western Australia and the Northern Territory as well as the largest gas storage facility in Western Australia.

(b) Information about reporting segments

Information related to each reportable segment is set out below.

	Distribution 2025 \$m	Transmission 2025 \$m	Distribution 2024 \$m	Transmission 2024 \$m
Customer revenues	248.9	436.7	239.6	437.6
Customer contributions	14.8	13.8	6.6	9.9
Finance lease income	-	23.6	-	25.5
Other revenues	7.5	19.7	-	29.5
Segment revenue	<u>271.2</u>	<u>493.8</u>	<u>246.2</u>	<u>502.5</u>
Operating and maintenance expenses	(73.5)	(122.4)	(61.0)	(127.5)
Depreciation and amortisation	(57.4)	(92.9)	(62.3)	(95.0)
Net finance costs	(57.3)	(56.9)	(53.2)	(53.7)
Segment expenses	<u>(188.2)</u>	<u>(272.2)</u>	<u>(176.5)</u>	<u>(276.2)</u>
Segment earnings before tax	<u>83.0</u>	<u>221.6</u>	<u>69.7</u>	<u>226.3</u>

3. Operating segments (continued)

(c) Reconciliation of information on reportable segments to the amounts reported in the financial statements

	Reportable segment totals 2025 \$m	Adjustments and non- reportable segments 2025 \$m	Consolidated totals 2025 \$m	Reportable segment totals 2024 \$m	Adjustments and non- reportable segments 2024 \$m	Consolidated totals 2024 \$m
Revenues	764.9	-	764.9	748.7	-	748.7
Operating and maintenance expenses	(195.9)	(3.6)	(199.5)	(188.5)	(1.3)	(189.8)
Depreciation and amortisation	(150.3)	1.1	(149.2)	(157.3)	0.5	(156.8)
Net finance costs	(114.2)	1.4	(112.8)	(106.9)	1.8	(105.1)
Earnings before tax	304.5	(1.1)	303.4	296.0	1.0	297.0
Total assets	6,289.0	15.5	6,304.5	6,030.7	10.2	6,040.9
Total liabilities	(4,905.1)	(12.3)	(4,917.4)	(4,668.6)	(5.2)	(4,673.8)
Total equity	1,383.9	3.2	1,387.1	1,362.1	5.0	1,367.1

(d) Geographic information

AGIH operates exclusively in Australia. The Gas Distribution business has operations in South Australia, Victoria and Queensland while the Gas Transmission Business has operations in the Northern Territory and Western Australia. Geographical information is not used to manage segmental performance or operations.

4. Revenue from continuing operations

	2025 \$m	2024 \$m
<i>Revenue</i>		
Distribution revenues	248.9	239.6
Customer contributions	14.8	6.6
Storage and transportation revenues	436.7	437.6
Finance lease income	23.6	25.5
Contract liabilities discharged during the year - Shipper funded construction revenues	13.8	9.9
	737.8	719.2
<i>Other operating revenue</i>		
Sale of natural gas	18.4	18.4
Gain on sale of property, plant and equipment	0.1	-
Operating and maintenance revenues	4.4	9.2
Other revenues	1.9	1.8
	24.8	29.4
Operating revenue	762.6	748.6
	2025 \$m	2024 \$m
<i>Other revenue from operating and maintenance services</i>		
Operating and maintenance services revenue	49.1	-
Costs incurred	(46.8)	-
	2.3	-

4. Revenue from continuing operations (continued)

(a) Disaggregation of revenue

The Group has recognised the following amounts in relation to revenue derived from the transfer of goods and services over time and at a point in time:

	2025 \$m	2024 \$m
<i>Revenue from contracts with customers recognised at a point in time</i>		
Revenue from contracts with customers: Storage and transportation revenues and finance lease income	460.3	463.1
<i>Revenue from contracts with customers recognised over time</i>		
Revenue from contracts with customers: Distribution, customer contribution, and shipper funded construction revenue	277.5	256.1
	<u>737.8</u>	<u>719.2</u>

(b) Accounting policy

Revenue is recognised at the fair value of the consideration received or receivable net of indirect taxes, rebates and trade discounts and consists primarily of services rendered.

Revenue is recognised when the following criteria are met:

- evidence of an arrangement exists;
- services have been rendered and the performance obligations, as specified in the contract with the customer, have been satisfied;
- the selling price is fixed or determinable; and
- collectability is reasonably assured.

Revenue from services rendered is recognised over time based on the stage of completion of the transaction, based on the proportion that costs incurred to date bear to the total cost of the project.

Distribution revenues

The Group delivers natural gas to its customers through its distribution network, and provides ancillary services in relation to the network. Haulage services and ancillary services are distinct performance obligations and revenue on each of these is recognised when the service is provided to the customer. The price of the services is based on tariffs included in approved Access Arrangements and applied to the volume of gas delivered. The customer receives the benefit of the haulage and other network services as it is delivered, therefore the performance obligation is satisfied over time. Revenue is recognised using an output method where the performance obligation is satisfied as gas is transported to the customer or as the service is provided. Where the service has been provided and the customer has been billed a trade receivable is recognised on the balance sheet. Where the service has been provided and the customer has not yet been billed a contract asset is recognised on the balance sheet.

Customer contributions

The Group performs alteration and construction works on its distribution network at the request of customers. These works are funded by the customer. The contract price is agreed with the customer based on work to be performed. Where the contract only allows for capital works there is one performance obligation and revenue is recognised when the service is provided. The customer receives the benefit of the service as the work is performed therefore the performance obligation is satisfied over time. As the contribution to the capital works is received from the customer it is recognised as a contract liability on balance sheet and taken to revenue over time using an input method, either percentage of completion based on costs incurred to date, or milestones reached if specified in the contract.

Some contracts will include more than one deliverable, being the capital works and the subsequent provision of haulage services and/or maintenance services.

4. Revenue from continuing operations (continued)

- Where the performance obligations are determined to be distinct, the transaction price is allocated to each performance obligation using estimated or actual construction costs, an estimation of maintenance costs if applicable and commercial tariffs for haulage revenue. Revenue is then recognised as each performance obligation is satisfied.
- Where the performance obligations are determined not to be distinct, the total contract price is recognised over the life of the contract.

Storage and transportation revenues

Storage and transportation revenues represent the revenues from the storage, transportation and haulage of gas through the DBNGP, its access points, lateral pipelines and underground storage facilities. Revenue is calculated in accordance with the terms and conditions of the haulage or storage contracts applying tariffs to the volume of gas transported and services provided.

Revenue is recognised at the point in time when the counterparty injects or withdraws gas from the pipeline/ storage facility and the performance obligations in the haulage or storage contract have been met.

Finance lease income

Finance lease income represents the revenue from the construction of, and haulage of gas through the respective AGI Pipelines. Revenue is calculated based on the expected rate of return of the net investment in the lease. Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Shipper funded construction revenues

Shipper funded construction revenues represent the revenues from construction works on its transmission network at the request of customers. The customer receives the benefit of the service as the work is performed therefore the performance obligation is satisfied "over time". As the contribution to the shipper funded construction works is received from the customer it is recognised as a contract liability on balance sheet and taken to revenue over time.

Contracts will include more than one deliverable, being the shipper funded construction works and the subsequent provision of haulage services and/or maintenance services. The total contract price is recognised over the life of the contract.

Sale of natural gas

Revenue from natural gas represents native gas sales from Tubridgi Gas Storage. Revenue is calculated in accordance with the terms and conditions of contracted quantity and price.

Revenue is recognised at a point in time when control of the product is transferred to the customer. Royalties are considered to be production-based taxes and are therefore accrued on the basis of physical production.

Other revenues

Other revenues predominately represent the revenues from recharging costs incurred by the Group on behalf of related party entities. The remainder of these revenues represent immaterial services or the sale of goods which are calculated in accordance with the terms and conditions of the associated contracts.

Revenue is recognised at the point in time when the cost is incurred and recharged or when the good/ service is delivered.

Operating and maintenance revenues

Operating and maintenance (O&M) revenues represent the revenues from the maintenance of customer access points connected to the DBNGP Pipeline and its lateral pipelines. Revenue is calculated in accordance with the terms and conditions of the O&M contract to the services provided.

Revenue is recognised at the point in time when the service is delivered.

Other revenue from operating and maintenance services

Other revenue from operating and maintenance services represents revenue for services provided to entities for the operation and maintenance of their gas infrastructure. Under the agreements, costs incurred in providing the services are fully recovered. As the customer receives and consumes the benefits of the services as they are delivered, the Group recognises revenue over time, on a gross basis when it acts as a principal and on a net basis, being the fee earned, when it acts as an agent.

5. Contract liabilities

	2025 \$m	2024 \$m
<i>Current</i>		
Reservation charges	35.2	32.0
Shipper funded construction revenues	15.7	6.5
	<u>50.9</u>	<u>38.5</u>
<i>Non-current</i>		
Reservation charges	6.8	12.1
Shipper funded construction revenues	121.5	109.9
	<u>128.3</u>	<u>122.0</u>

(a) Accounting policy

Contract liabilities represent the Group's obligation to transfer goods or services to a customer and are recognised when a customer pays consideration, or when the Group recognises a receivable to reflect its unconditional right to consideration (whichever is earlier) before the Group has transferred the goods or services to the customer. The contract liabilities predominantly represent reservation charges and shipper funded revenues received in advance.

	2025 \$m	2024 \$m
Contract liabilities - Shipper funded construction revenues		
Balance at the beginning of the financial year	116.4	109.8
Contract liabilities recognised during the year	34.6	16.5
Contract liabilities discharged during the year	(13.8)	(9.9)
	<u>137.2</u>	<u>116.4</u>
Balance at the end of the financial year		

6. Operating costs

	2025 \$m	2024 \$m
Employee benefits	72.8	64.7
Insurance	5.1	5.1
Fuel gas	23.9	24.3
IT costs	17.7	17.4
Maintenance	47.7	46.3
Permits and fees	9.7	9.1
Legal and consulting	4.6	7.8
Depreciation and amortisation	149.2	156.8
Other expenses	18.0	16.1
	<u>348.7</u>	<u>347.6</u>

7. Net finance costs

	2025 \$m	2024 \$m
Interest income	(3.4)	(3.6)
Interest expense - borrowings	105.1	98.8
Interest expense - decommissioning	2.3	2.2
Interest on lease liabilities	1.1	1.5
Hedge ineffectiveness	1.7	(0.4)
Amortisation of capitalised borrowing costs	3.2	3.0
Other finance charges	2.8	3.6
	<u>112.8</u>	<u>105.1</u>

8. Income tax

	2025 \$m	2024 \$m
(a) Income tax expense		
Current tax	71.0	57.0
Deferred tax	<u>20.0</u>	<u>32.7</u>
Aggregate income tax expense	<u>91.0</u>	<u>89.7</u>
(b) Numerical reconciliation of income tax expense and tax at the statutory rate		
Profit before income tax expense	<u>303.4</u>	<u>295.9</u>
Tax at the statutory tax rate of 30%	91.0	88.8
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:		
Non-deductible expenses	0.2	0.9
Prior year unders/(overs)	<u>(0.2)</u>	<u>-</u>
Income tax expense	<u>91.0</u>	<u>89.7</u>
	2025 \$m	2024 \$m
(c) Amounts charged to equity		
Deferred tax	<u>(5.0)</u>	<u>(24.0)</u>

8. Income tax (continued)

	2025	2024
	\$m	\$m
(d) Deferred tax assets/(liabilities)		
<i>Deferred tax assets</i>		
Deferred tax assets comprise temporary differences attributable to:		
Accrued expenses	7.6	11.0
Project pool	6.1	6.3
Decommissioning asset	15.9	12.8
Contract liabilities	49.4	36.9
Property, plant and equipment	54.0	78.6
Lease liabilities	10.2	3.9
Provisions	19.9	12.9
Other	6.6	0.1
	<u>169.7</u>	<u>162.5</u>
Set-off of deferred tax assets pursuant to set-off provisions	<u>(169.7)</u>	<u>(162.5)</u>
Total deferred tax assets	<u>-</u>	<u>-</u>
 <i>Deferred tax liabilities</i>		
Deferred tax liabilities comprise temporary differences attributable to:		
Amounts recognised in profit or loss:		
Derivative financial instruments	(32.0)	(10.8)
Distribution licence	(121.1)	(121.1)
Finance lease assets	(49.5)	(56.5)
Intellectual property	(6.3)	(4.2)
Fair value debt	-	(27.5)
Property, plant and equipment	(331.5)	(315.4)
Government loan	(24.3)	(24.6)
Right of use assets	(8.1)	(3.3)
Defined benefit asset	(2.0)	-
Other	(2.2)	(1.3)
	<u>(577.0)</u>	<u>(564.7)</u>
Set-off of deferred tax assets pursuant to set-off provisions	<u>169.7</u>	<u>162.5</u>
Deferred tax liability	<u>(407.3)</u>	<u>(402.2)</u>
 Movements:		
Opening balance	(402.2)	(393.5)
Tax expense during the period recognised in profit or loss	(20.0)	(32.7)
Tax expense during the period recognised in OCI	5.0	24.0
Additions through business combinations	10.5	-
Prior year unders/(overs)	(0.6)	-
Closing balance	<u>(407.3)</u>	<u>(402.2)</u>

8. Income tax (continued)

(e) Accounting policy

Income tax on the profit or loss for the period is comprised of current and deferred tax. Income tax is recognised in the statement of profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current income tax is the expected tax payable on the taxable contribution to the Group for the year, using tax rates enacted or substantively enacted at the balance date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the balance sheet liability method, providing for temporary differences between 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: goodwill not deductible for tax purposes; the initial recognition of assets and liabilities that affect neither accounting nor taxable profit and differences relating to investments in subsidiaries to the extent that it is probable that they will not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the balance date.

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

(f) Tax consolidation

The Group are members of the CK William Australia Holdings Pty Ltd ("William Hold Co") tax consolidated group comprising it and its Australian wholly-owned subsidiaries. The implementation date for this group was 15 May 2017. Immediately prior to this date the members of the Group were either stand alone tax payers, or members of other tax consolidated groups.

Current tax expense or benefit, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax consolidated group are recognised in the separate financial statements of the members of the tax consolidated group using the "group allocation" approach by reference to the carrying amounts at the tax consolidated group level and their tax values as applicable under the tax consolidation legislation.

Any current tax liabilities (or assets) and deferred tax assets arising from unused tax losses of the subsidiaries were assessed and where appropriate, assumed by the head entity in the tax consolidated group on joining the tax consolidated group. Such amounts were recognised as amounts payable to, or receivable from, the head company in accordance with the Tax Funding Agreement ("TFA")

The William Hold Co tax consolidated group entered into a TFA with effect from 15 May 2017. The TFA facilitates members of the Group making and receiving contributions for current tax assets and liabilities arising from external transactions occurring after to the joined group from 15 May 2017. These contributions are recorded as an intercompany receivable/payable. The TFA allows for contributions to be calculated on a "group allocation basis" so that the contributions are equivalent to the tax balances generated by the subsidiaries on a stand alone basis.

9. Cash and cash equivalents

	2025 \$m	2024 \$m
<i>Current</i>		
Cash at bank	<u>154.7</u>	<u>74.6</u>

(a) Accounting policy

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

10. Trade and other receivables

	2025 \$m	2024 \$m
<i>Current</i>		
Trade receivables	16.4	16.6
Less: Allowance for expected credit losses	(0.4)	(0.2)
	<u>16.0</u>	<u>16.4</u>
Related party receivable	18.5	3.1
Unaccounted for gas receivable	1.2	2.2
Other receivable	-	0.1
	<u>35.7</u>	<u>21.8</u>

(a) Accounting policy

Trade receivables represent amounts that have been billed to customers for the provision of services and are recognised initially at fair value and subsequently measured at amortised cost, less provision for credit loss.

Interest receivable is from the major banks and is generally settled within a few days after the end of the month.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the consolidated entity's maximum exposure to credit risk without taking account of the value of any collateral obtained.

(b) Fair value and credit risk

Due to the short-term nature of the current receivables, their fair value is considered the same as their carrying value.

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate as a means of mitigating the risk of financial loss from defaults. The Group's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions contracted is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

Trade receivables consist of a large number of customers with ongoing credit evaluation performed on their financial condition. Where appropriate, additional collateral credit support is obtained to mitigate the risk of loss. The Group does not have significant credit risk exposure to any single counterparty. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The consolidated entity therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

11. Finance lease receivable

	2025 \$m	2024 \$m
<i>Current</i>		
Finance lease receivable	<u>26.5</u>	<u>23.5</u>
<i>Non-current</i>		
Finance lease receivable	<u>138.6</u>	<u>164.8</u>

11. Finance lease receivable (continued)

	2025 \$m	2024 \$m
Amounts receivable under finance lease		
Less than 1 year	46.8	46.8
2-5 years	130.3	160.6
Greater than 5 years	69.6	86.1
	<u>246.7</u>	<u>293.5</u>
Less: unearned finance income	<u>(81.6)</u>	<u>(105.2)</u>
Net investment in finance lease	<u>165.1</u>	<u>188.3</u>

The finance lease receivable relates to the construction and haulage contracts with Fortescue Metals Group ("FMG") and Newmont Tanami. Management concluded these contracts contained a finance lease on the basis that risks and rewards were transferred, mainly due to:

- The customer has the ability to direct the operations of the asset;
- The customer has the right to control other shippers using the pipeline;
- The customer has first right of refusal for spare capacity; and
- The customer has a buy-out option (for FMG).

The finance lease receivable has been calculated using an implied discount rate of 13.07% for FMG and 13.42% for Tanami.

12. Contract assets

	2025 \$m	2024 \$m
<i>Current</i>		
Contract assets relating to haulage services	<u>93.4</u>	<u>44.2</u>

(a) Accounting policy

Contract assets represent amounts that are accrued and yet to be billed to customers for the provision of network services.

13. Inventories

	2025 \$m	2024 \$m
Stock on hand - at cost	42.6	16.3
Less: Provision for obsolescence	<u>(7.1)</u>	<u>(7.5)</u>
	<u>35.5</u>	<u>8.8</u>

Certain critical spares were reclassified from inventory to property, plant and equipment owing to the fact that they do not meet the definition of inventory. These items have been depreciated in a manner consistent with the fixed assets to which they relate.

Inventories comprise fuel, store items, spares and other consumables.

13. Inventories (continued)

(a) Accounting policy

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs and is based on the weighted average principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. It excludes borrowing costs.

14. Investment in financial assets

	2025 \$m	2024 \$m
<i>Burrup Extension Pipeline finance lease</i>		
Current financial asset	1.8	1.5
Non-current financial asset	8.9	10.6
	<u>10.7</u>	<u>12.1</u>

In May 2008 DBP entered into a conditional lease agreement with EPIC Energy (Pilbara Pipeline) Pty Ltd to lease a portion of the Burrup Extension Pipeline ("BEP"), with the lease becoming unconditional on 18 December 2010. The lease agreement specifies an initial base rent of \$1.7 million per annum (calculated as at 1 January 2008 and escalated by CPI annually on 1 January) over an initial lease term of 20 years. The fair value of the lease at the start of the lease term (18 December 2010) was determined at \$22.8 million and equates to an implicit interest rate of 6.8% per annum.

15. Derivative financial instruments

	2025 \$m	2024 \$m
<i>Current assets</i>		
Interest rate swap contracts - cash flow hedges	18.3	94.0
Interest rate swap contracts - fair value hedges	5.9	5.3
Forward foreign exchange contracts - cash flow hedges	-	0.5
	<u>24.2</u>	<u>99.8</u>
<i>Non-current assets</i>		
Cross currency interest rate swap contracts - fair value and cash flow hedges	3.7	-
Interest rate swap contracts - cash flow hedges	93.7	40.5
Interest rate swap contracts - fair value hedges	-	1.5
Forward foreign exchange contracts - cash flow hedges	-	0.2
	<u>97.4</u>	<u>42.2</u>
<i>Current liabilities</i>		
Cross currency interest rate swap contracts - fair value and cash flow hedges	(15.3)	-
Interest rate swap contracts - cash flow hedges	(1.0)	-
Interest rate swap contracts - fair value hedges	(23.5)	(24.8)
Forward foreign exchange contracts - cash flow hedges	(0.2)	-
	<u>(40.0)</u>	<u>(24.8)</u>
<i>Non-current liabilities</i>		
Interest rate swap contracts - cash flow hedges	(1.0)	(7.5)
Interest rate swap contracts - fair value hedges	(72.1)	(73.7)
	<u>(73.1)</u>	<u>(81.2)</u>
	<u>8.5</u>	<u>36.0</u>

15. Derivative financial instruments (continued)

Refer to note 31 for further information on financial instruments.

(a) Classification of derivatives

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedging criteria, they are classified as "held for trading" for accounting purposes and accounted for at fair value through profit or loss. Amounts are presented as current or non-current assets or liabilities based on timing of future cash flows.

(b) Instruments used by the Group

The Group is party to derivative financial instruments in the normal course of business in order to hedge exposure to fluctuations in interest and foreign exchange rates in accordance with the Group's financial risk management policies.

At balance date, the notional principal amounts and years of expiry of hedging instruments are as follows:

	2025 \$m	2024 \$m
<i>Fixed rate interest rate swap contracts - floating to fixed</i>		
Less than 1 year	123.5	2,398.5
1-2 years	73.5	73.5
3-5 years	2,668.5	562.0
Greater than 5 years	490.0	470.0
	<u>3,355.5</u>	<u>3,504.0</u>
	2025 \$m	2024 \$m
<i>Floating rate interest rate swap contracts - fixed to floating</i>		
Less than 1 year	-	350.0
1-2 years	450.0	-
3-5 years	825.0	875.0
Greater than 5 years	525.0	525.0
	<u>1,800.0</u>	<u>1,750.0</u>
	2025 \$m	2024 \$m
<i>Cross-currency interest rate swaps</i>		
Greater than 5 years	<u>399.7</u>	<u>-</u>

(c) Accounting policy

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either: (1) hedges of the fair value of recognised liabilities (fair value hedge); or (2) hedges of highly probable forecast transactions (cash flow hedge).

AGIF as the Common Funding Vehicle, enters into interest rate swaps to swap fixed rate borrowings into a floating rate in order to on-lend to the other Group entities. Cross currency swaps are entered into to hedge foreign exchange risk on foreign borrowings with the fixed rate component swapped to floating rate. The AGIF operating entities which borrow funds from AGIF, enter into floating-to-fixed interest rate swaps in order to manage interest rate risk.

The Group designates its interest rate swaps and foreign exchange contracts for hedge accounting. The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been,

15. Derivative financial instruments (continued)

and will continue to be, highly effective in offsetting changes in fair values or cash flows of hedged items.

The fair values of various derivative financial instruments used for hedging purposes are disclosed above. The fair value of a hedging derivative is classified as a current or non-current asset or liability based on the timing of future cash flows.

The Group has determined the fair value of the interest rate swaps by calculating the present value of the estimated future cash flows based on observable yield curves for the particular currency. Forward foreign exchange contracts are measured using the discounted cash flow method where future cash flows are estimated based on forward exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discount at a rate that reflects the credit risk of various counterparties.

(i) Fair value hedge

Fair value hedges are used to cover the Company's exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment, or an identified portion thereof, that is attributable to a particular risk and could affect profit or loss. The hedged item is adjusted for gains and losses attributable to the risk being hedged and the derivative is remeasured to fair value. Gains and losses from both are taken to profit or loss.

Fair value hedge accounting is discontinued if the hedging instrument is sold, terminated, expires, exercised, it no longer meets the criteria for hedge accounting or designation is revoked. Any adjustment to the carrying amount of a hedged financial instrument is amortised to profit or loss using the effective interest rate method. Amortisation may begin as soon as an adjustment exists and shall begin no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged.

(ii) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are recognised in equity in the hedging reserve, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts accumulated in equity are reclassified to the profit and loss in the periods when the hedged item affects profit and loss. The gain or loss relating to the ineffective portion of the interest rate swaps hedging variable rate borrowings is recognised in profit or loss within "finance costs".

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement.

(iii) Derivatives that do not qualify for hedge accounting

Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss.

(d) Hedging gains or losses recognised in profit or loss

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.

The Group enters into interest rate swaps where the critical terms of the hedging instrument match the terms of the hedged item, and so a qualitative assessment of effectiveness is performed.

Hedge ineffectiveness for interest rate swaps may occur due to:

- the credit value/debit value adjustment on the interest rate swap which is not matched by the loan / hypothetical; and
- differences in critical terms between the interest rate swaps and loans / hypothetical.

15. Derivative financial instruments (continued)

Hedge ineffectiveness for cross currency swaps may occur when the hedge relationship is effected by the alignment of repricing and repayments dates.

For forward foreign exchange contracts designated as cash flow hedges, hedge effectiveness is assessed by comparing the nominal amount of the firm commitment with the nominal amount of the hedging instrument.

Any ineffectiveness in relation to interest rate swaps and cross currency swaps is disclosed in note 7.

16. Right-of-use assets

	2025 \$m	2024 \$m
<i>Non-current</i>		
Land and buildings - right-of-use	30.0	15.8
Less: Accumulated depreciation	(6.2)	(4.9)
	<u>23.8</u>	<u>10.9</u>
Motor vehicles - right-of-use	8.8	0.1
Less: Accumulated depreciation	(0.4)	-
	<u>8.4</u>	<u>0.1</u>
Office equipment - right-of-use	-	0.1
	<u>32.2</u>	<u>11.1</u>

(a) Reconciliations

Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	Land and buildings \$m	Motor vehicles \$m	Office equipment \$m	Total \$m
Balance at 1 January 2024	8.1	-	-	8.1
Additions	5.2	0.1	0.1	5.4
Depreciation expense	(2.4)	-	-	(2.4)
Balance at 31 December 2024	10.9	0.1	0.1	11.1
Additions	14.6	8.4	-	23.0
Depreciation expense	(1.7)	(0.1)	(0.1)	(1.9)
Balance at 31 December 2025	<u>23.8</u>	<u>8.4</u>	<u>-</u>	<u>32.2</u>

(a) Accounting policy

A right-of-use asset is recognised at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Group expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any remeasurement of lease liabilities.

16. Right-of-use assets (continued)

The Group has elected not to recognise a right-of-use asset and corresponding lease liability for short-term leases with terms of 12 months or less and leases of low-value assets. Lease payments on these assets are expensed to profit or loss as incurred.

17. Other assets

	2025 \$m	2024 \$m
<i>Current</i>		
Prepayments	13.5	10.8
Pipeline imbalances	9.5	1.4
	<u>23.0</u>	<u>12.2</u>

Pipeline imbalances represents a temporary net difference between the natural gas purchased for system use and that actually used during the period (including gas unaccounted for). This account is either a current asset or liability depending on whether the imbalance is positive or negative.

18. Property, plant and equipment

	2025 \$m	2024 \$m
Land and buildings - at cost	168.5	166.7
Less: Accumulated depreciation	(57.7)	(55.1)
	<u>110.8</u>	<u>111.6</u>
Plant and equipment - at cost	5,853.7	5,680.8
Less: Accumulated depreciation	(1,926.9)	(1,834.3)
	<u>3,926.8</u>	<u>3,846.5</u>
Motor vehicles - at cost	12.7	10.2
Less: Accumulated depreciation	(11.4)	(9.7)
	<u>1.3</u>	<u>0.5</u>
Site restoration and dismantling cost - at cost	22.4	25.9
Less: Accumulated depreciation	(15.6)	(14.4)
	<u>6.8</u>	<u>11.5</u>
Gas linepack - at cost	<u>21.6</u>	<u>20.7</u>
Capital Works in Progress	385.6	383.1
Less: Accumulated depreciation	(47.4)	(33.6)
	<u>338.2</u>	<u>349.5</u>
Critical spares - at cost	7.0	7.0
Less: Accumulated depreciation	(5.4)	(5.2)
	<u>1.6</u>	<u>1.8</u>
	<u>4,407.1</u>	<u>4,342.1</u>

18. Property, plant and equipment (continued)

Reconciliations of the written down values at the beginning and end of the current and previous financial years are set out below:

	Construc- tion in progress \$m	Critical spares \$m	Land and buildings \$m	Plant and equipment \$m	Motor vehicles \$m	Gas linepack \$m	Site restoration and dismantling costs \$m	Total \$m
Balance at 1 January 2024	318.6	1.9	114.8	3,795.2	0.9	19.5	19.1	4,270.0
Additions	104.6	-	-	123.3	-	-	-	227.9
Revaluations	-	-	-	-	-	1.2	(6.2)	(5.0)
Transfers between class of assets	(53.7)	-	1.7	30.0	-	-	-	(22.0)
Depreciation expense	(20.0)	(0.1)	(4.9)	(102.0)	(0.4)	-	(1.4)	(128.8)
Balance at 31 December 2024	349.5	1.8	111.6	3,846.5	0.5	20.7	11.5	4,342.1
Additions	65.2	-	-	126.1	-	-	-	191.3
Additions through business combinations (note 30)	-	-	-	1.2	-	-	-	1.2
Revaluations	-	-	-	5.8	-	0.8	(3.4)	3.2
Transfers between class of assets	(54.0)	-	1.3	47.8	2.5	-	-	(2.4)
Disposals	-	-	-	(0.2)	(0.1)	-	-	(0.3)
Depreciation expense	(11.3)	(0.2)	(2.1)	(111.0)	(2.1)	-	(1.3)	(128.0)
Balance at 31 December 2025	349.4	1.6	110.8	3,916.2	0.8	21.5	6.8	4,407.1

(a) Accounting policy

Property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Property, plant and equipment is initially measured at cost. Cost includes all of the expenditure which is directly attributable to the acquisition or construction of the asset, including the capitalisation of borrowing costs on qualifying assets and adjustments in respect of hedge accounting, where appropriate.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment is capitalised if it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged on a straight line method to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the Group.

Depreciation is provided on property, plant and equipment, including freehold buildings but excluding land. Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale or derecognised.

18. Property, plant and equipment (continued)

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period. The following estimated useful lives are used in the calculation of depreciation:

Buildings	15 - 68 years
Plant and equipment	7 - 120 years
Pipelines related assets	30 - 120 years
Turbines	8 years
Motor vehicles	2 - 12 years
Other property, plant and equipment	2 - 30 years

The cost of an item of property, plant and equipment includes all costs directly attributable to bringing the asset to the location and condition necessary for its intended use. This includes the initial estimate of the costs of dismantling and removing the asset and restoring the site on which it is located, where the Group is obligated to incur such expenditure as a result of acquiring the asset or using it for purposes other than the production of inventories.

Each part of an item of property, plant and equipment that has a cost that is significant in relation to the total cost of the item is accounted for and depreciated separately. Major inspection costs that are a condition of continuing use of an item of property, plant and equipment and that meet the recognition criteria are capitalised as a replacement within the cost of the asset, with any remaining carrying amount of the previous inspection derecognised. Major spare parts and standby equipment expected to be used for more than one year are recognised as property, plant and equipment. Depreciation is recognised in profit or loss unless it is included in the carrying amount of another asset.

An item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising on derecognition is recognised in profit or loss and is measured as the difference between the net disposal proceeds, if any, and the carrying amount of the asset.

Gas linepack

The contents of the pipeline ('linepack') are recorded at the value of the normal operating level for linepack, at the lower of cost and net realisable value. Linepack is recorded as part of property, plant and equipment. The balance is not depreciated over the life of the pipeline, as the Directors believe the recoverable value of linepack will exceed the historical cost at the time the pipeline is closed down. The actual balance of linepack may vary from the normal operating level as a result of either a "shipper" or a "pipeline" imbalance.

Shipper imbalance represents a temporary net difference between gas put into the pipeline by shippers and the contracted amount delivered to shippers. This account is either a current asset or liability depending on whether the imbalance is positive or negative. Refer to note 17.

Site restoration and dismantling cost

The Group has an obligation to dismantle, remove and restore items of property, plant and equipment. Such obligations are referred to as 'decommissioning, restoration and similar liabilities. Subsequently only changes in the liability are added to, or deducted from, the cost of the related asset in the current period.

19. Intangible assets

	2025 \$m	2024 \$m
<i>Non-current assets</i>		
Goodwill - at cost	759.6	723.7
Intellectual property - at cost	36.3	36.3
Less: Accumulated amortisation	(22.2)	(21.9)
	14.1	14.4
Software - at cost	193.3	178.1
Less: Accumulated amortisation	(155.1)	(138.9)
	38.2	39.2
Licences - at cost	403.7	403.7
	1,215.6	1,181.0

	Goodwill \$m	Licences \$m	Intellectual property \$m	Software \$m	Total \$m
Balance at 1 January 2024	723.7	403.7	14.7	29.7	1,171.8
Additions	-	-	-	13.3	13.3
Transfers in/(out)	-	-	-	22.0	22.0
Amortisation expense	-	-	(0.3)	(25.8)	(26.1)
Balance at 31 December 2024	723.7	403.7	14.4	39.2	1,181.0
Additions	-	-	-	14.8	14.8
Additions through business combinations (note 30)	35.9	-	-	-	35.9
Transfers in/(out)	-	-	-	2.4	2.4
Amortisation expense	-	-	(0.3)	(18.2)	(18.5)
Balance at 31 December 2025	759.6	403.7	14.1	38.2	1,215.6

(a) Accounting policy

Intangible assets are initially recognised at cost and are carried at cost less any accumulated amortisation and any impairment losses.

An intangible asset is regarded as having an indefinite useful life when, based on all relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows. Amortisation is not provided for these intangible assets, but they are tested for impairment annually and whenever there is an indication that the asset may be impaired. For all other intangible assets amortisation is provided on a straight-line basis over their useful life.

The amortisation period and the amortisation method for intangible assets are reviewed every period-end.

The Group has a licence that entitles it to distribute gas within its region. The distribution licence in the opinion of the Directors has an indefinite life. Therefore no amortisation charge has been included in the financial statements. An assessment of the recoverable amount of the licence is made annually to ensure it is not below its carrying amount.

19. Intangible assets (continued)

(b) Impairment tests for intangible assets

Intangible assets comprise goodwill in relation to the transmission and distribution businesses.

AGIH assesses impairment at the Cash Generating Unit (CGU) level for fixed assets and other intangible assets. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

The Group reviews the carrying amounts of its CGU's at each reporting period, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, a formal estimate of the asset's recoverable amount is measured as described in note 1(h).

Recoverable amount is the higher of fair value less cost of disposal and value in use. In assessing fair value less costs to dispose calculations, using an income approach based on a discounted cash flow model. The cashflow model is based on estimates and assumptions disclosed in note 19(c).

If the carrying amount of the CGU exceeds its recoverable amount, the asset or CGU is written down and an impairment loss is recognised in the income statement. Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years.

(c) Critical accounting adjustments and key sources of estimation uncertainty

Goodwill exists as follows:

	2025 \$m	2024 \$m
DBP	650.9	650.9
MGN	72.8	72.8
AGIOMS	35.9	-
	<u>759.6</u>	<u>723.7</u>

Within each of the stand-alone financial statements of DBP and MGN, the basis on which these cash-generating units' recoverable amounts have been determined is their fair value less costs of disposal. A discounted cash flow analysis has been used to determine fair value less costs of disposal. The key assumptions on which management have based their assessment of future cash-flows and the approach to determining values for each were:

Cash Generating Unit	Terminal Value	Forecast Cash Flow Period	Post Tax Discount Rate 2025 %	Post Tax Discount Rate 2024 %
DBP	EBITDA Multiple	22 Years	5.49	5.19
MGN	RAB Multiple	22 Years	5.49	5.19

Management monitors risks on an ongoing basis including recent market transactions for changes in RAB multiples or other changes in assumptions that may impact future cash flows or discount rates.

Cash flows are based on the CGUs business plans and range from 5 to 10 years for regulated businesses and up to 26 years for unregulated businesses. Regulated revenue and expenditure for the regulated businesses is primarily based on the Australian Energy Regulator's approved regulatory determinations plus a forecast of the current business plan for subsequent years. Non-regulated revenue and expenditure is based on management's best estimates with reference to historic performance.

The perpetual growth is estimated based on the long-term inflationary target of each region of operation and weighted based on net present value.

19. Intangible assets (continued)

(d) Reasonably possible changes in key assumptions

Discount rate

The discount rate has been identified as a key assumption for all CGU's. An increase in discount rate of 0.8% would result in breakeven in the impairment assessment.

Terminal value assumption

The EBITDA and RAB multiples used in the terminal value calculation have been identified as key assumptions for the Group's regulated business CGU's. This assumption is based on an assessment of recent transaction multiples. If there were a change in the market that resulted in the observable transaction multiple decreasing by 16.0x (DBP) or 0.7x (MGN) this is likely to result in impairment of these CGU's.

No other reasonable possible changes in key assumptions would result in impairment for any of the CGUs.

20. Defined benefit asset

Certain employees of MGN are entitled to benefits from the Group's superannuation plan on retirement, disability or death. MGN has one plan with a defined benefit section and a defined contribution section. The defined benefit section provides lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from entities in MGN and MGN's legal or constructive obligation is limited to these contributions.

Certain employees of the AGIOMS Group are entitled to benefits from the Group's superannuation plan on retirement, disability or death. AGIOMS became party to the APA Group plan as a result of the business combination disclosed in note 30. The defined benefit plan provides lump sum benefits based on years of service and final average salary.

(a) Defined benefit asset

The Superannuation Industry (Supervision) (SIS) legislation governs the superannuation industry and provides the framework within which superannuation plans operate. The SIS regulations require an actuarial valuation to be performed for each defined benefit superannuation plan every three years or every year if the plan pays defined benefit pensions.

The expected return on plan assets assumption is determined by weighting the expected long-term return for each asset class by the target allocation of assets to each asset class and allowing for correlations of the investment returns between asset classes. The expected long-term returns for each asset class are determined by investment specialists based on their long term forecasts for each asset class. The returns used for each asset class are net of investment tax and investment fees. An allowance for administration expenses has been deducted from the expected return.

MGN Plan

Under the UE & Multinet Defined Benefit Superannuation Plan employees are entitled to retirement benefits based on their final salary at the time of retirement or resignation. No other post-retirement benefits are provided to these employees.

The defined benefit superannuation plan is a funded plan. The Equipsuper Contribution and Funding Policy provides for a review of the financial position of the Plan each six months.

In the most recent review of the financial position as at 30 June 2025 the actuary recommended the employing entities contribute at a nil rate of defined benefit members' salaries. The next review of the financial position and employer contribution rate is due as at 31 December 2025, to be completed by 31 March 2026.

AGIOMS Plan

Under the APA APT AM Defined Benefit Plan, a section of the APA Group Superannuation Plan within the MLC Superannuation Fund, employees are entitled to retirement benefits based on their final salary at the time of retirement or resignation. No other post-retirement benefits are provided to these employees.

The defined benefit superannuation plan is a funded plan. There is a review of the financial position of the Plan annually.

20. Defined benefit asset (continued)

(b) Statement of financial position amounts

The amounts recognised in the statement of financial position are determined as follows:

	2025 \$m	2024 \$m
<i>Non-current assets</i>		
Present value of the defined benefit obligation	(92.6)	(7.5)
Fair value of defined benefit plan assets	102.5	10.2
Net asset in the statement of financial position	9.9	2.7

(i) Reconciliations of movements

	2025 \$m	2024 \$m
Reconciliation of the present value of the defined benefit obligation, which is fully funded:		
Balance at the beginning of the year	7.5	9.2
Additions through business combinations (note 30)	80.4	-
Current service cost	0.4	0.1
Interest cost	2.5	0.5
Contributions by plan participants	0.1	-
Actuarial losses / (gains)	3.4	(0.5)
Benefits paid	(1.6)	(1.8)
Taxes premiums and expenses paid	(0.1)	-
Balance at the end of the year	92.6	7.5
Reconciliation of the fair value of plan assets:		
Balance at the beginning of the year	10.2	10.8
Additions through business combinations (note 30)	84.4	-
Return on plan assets	6.1	0.6
Interest income	2.8	0.6
Contributions by the company	0.6	-
Contributions from plan participants	0.1	-
Benefits paid	(1.6)	(1.8)
Taxes, premiums and expenses paid	(0.1)	-
Balance at the end of the year	102.5	10.2

(ii) Categories of plan assets

The major categories of plan assets are as follows:

	2025 \$m	2024 \$m
Investment funds	102.5	10.2

20. Defined benefit asset (continued)

The present value of the defined benefit liability, and the related current service cost and past service cost, were measured using the projected unit credit method. The principal assumptions used for the purposes of the actuarial valuations were as follows:

The significant actuarial assumptions used (expressed as weighted averages) were as follows:

	APT AM Plan 2025 %	APT AM Plan 2024 %	UE&M Plan 2025 %	UE&M Plan 2024 %
Discount Rate	5.5	-	5.2	5.1
Expected salary increase rate	3.5	-	3.5	3.5
Expected pension increase rate	2.5	-	2.5	2.5

(c) Accounting policy

For defined benefit superannuation plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out each six months, as at 30 June and 31 December. Actuarial gains and losses are recognised in full, directly in other comprehensive income, in the period in which they occur.

Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

A liability or asset in respect of defined benefit superannuation plans is recognised in the statement of financial position, and is measured at the present value of the defined benefit obligation at the reporting date less the fair value of the superannuation fund's assets at that date and any unrecognised past service cost. The present value of the defined benefit obligation is based on expected future payments which arise from membership of the fund to the reporting date, calculated annually by independent actuaries using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

21. Trade and other payables

	2025 \$m	2024 \$m
<i>Current</i>		
Trade payables	85.4	21.6
GST payable	6.8	2.7
Related party payables	2.5	1.5
	<u>94.7</u>	<u>25.8</u>

(a) Accounting policy

These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 days of recognition.

22. Lease liabilities

	2025 \$m	2024 \$m
<i>Current</i>		
Burrup extension pipeline	2.9	1.3
Land and buildings - Right of use asset	7.3	1.5
	<u>10.2</u>	<u>2.8</u>

22. Lease liabilities (continued)

	2025 \$m	2024 \$m
<i>Non-current</i>		
Burrup extension pipeline	9.2	7.4
Land and buildings - Right of use asset	25.3	10.2
	<u>34.5</u>	<u>17.6</u>

In May 2008 DBP entered into a conditional lease agreement with EPIC Energy (Pilbara Pipeline) Pty Ltd to lease a portion of the Burrup Extension Pipeline (BEP), with the lease becoming unconditional on 18 December 2010. The lease agreement specifies an initial base rent of \$1.7 million per annum (calculated as at 1 January 2008 and escalated by CPI annually on 1 January) over an initial lease term of 20 years. The fair value of the lease at the start of the lease term (18 December 2010) was determined at \$22.8 million and equates to an implicit interest rate of 6.8% per annum.

23. Provisions

	2025 \$m	2024 \$m
<i>Current</i>		
Employee related provisions	26.6	8.4
Property lease break cost provision	0.5	0.5
	<u>27.1</u>	<u>8.9</u>
<i>Non-current</i>		
Employee related provisions	3.1	0.3
Decommissioning	53.0	54.2
Unaccounted for gas (UAFG)	1.5	3.1
Other	3.9	1.8
	<u>61.5</u>	<u>59.4</u>

Movements in provisions

Movements in each class of provision during the current financial year are set out below:

23. Provisions (continued)

	Employee benefits \$m	Decomm- issioning \$m	Unaccounted for gas \$m	Other \$m	Total \$m
Carrying amount at the start of the year - 1 January 2024	8.1	58.1	2.9	2.1	71.2
Additional provisions recognised	0.6	-	(2.0)	0.4	(1.0)
Unwinding of interest expense	-	2.2	-	-	2.2
Release through profit and loss	-	-	2.2	(0.2)	2.0
Revaluation due to change in discount rate	-	(6.1)	-	-	(6.1)
Closing amount at the end of the year - 31 December 2024	8.7	54.2	3.1	2.3	68.3
Assumed in business combination note 30	20.2	-	-	1.8	22.0
Additional provisions recognised	0.8	-	-	0.5	1.3
Unwinding of interest expense	-	2.3	-	-	2.3
Release through profit and loss	-	-	(0.7)	(0.5)	(1.2)
Revaluation due to change in discount rate	-	(3.5)	-	0.3	(3.2)
Reclassification to receivables	-	-	(0.9)	-	(0.9)
Closing amount at the end of the year - 31 December 2025	29.7	53.0	1.5	4.4	88.6

(a) Accounting policy

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, the future outflow of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

Decommissioning

The Group has recorded a provision for the remediation costs associated with the dismantling and demolition of pipeline infrastructure, the removal of residual materials and the remediation of disturbed areas. Although the ultimate cost to be incurred is uncertain, the Group has estimated the costs using current restoration standards and techniques. Removal and remediation costs are provided for based on the net present value of the estimated future costs of removal and remediation to be incurred in the accounting period when the obligation arises, which usually corresponds to the period when the Group will commence remediation operations at a particular site. The costs are estimated on the basis of an estimated site exit date, and are reviewed at each reporting period during the life of the operation to reflect known developments. The Group has used a discount rate of 4.4% (2024: 4.2%) which is indicative of the one year trailing average on a 10 year Australian government bond rate), CPI rate of 3.0% (reviewed half yearly) with the remaining life of the assets ranging between 5 to 61 years, which is used to calculate the provisions.

Employee benefits

The provision for employee benefits relates to the Group liability for long service leave and other payments.

Unaccounted for gas

A provision has been made for the estimated unaccounted for gas liability as at 31 December 2025.

24. Borrowings

	2025 \$m	2024 \$m
<i>Current</i>		
Bank loans	127.0	200.0
Medium term notes	325.0	350.0
	<u>452.0</u>	<u>550.0</u>
<i>Non-current</i>		
Bank loans	832.4	1,139.4
Medium term notes	2,366.7	1,898.2
Other - government loan	7.2	6.2
Capitalised borrowing costs	(13.1)	(12.3)
	<u>3,193.2</u>	<u>3,031.5</u>

(a) Total secured liabilities

The total secured liabilities (current and non-current) are as follows:

	2025 \$m	2024 \$m
Bank loans	959.4	1,339.4
Medium term notes	2,789.7	2,340.0
	<u>3,749.1</u>	<u>3,679.4</u>

The \$3,645.2 million book value of debt differs from the \$3,749.1 million principal outstanding due to unamortised borrowing costs and adjustments for fair value hedges.

Bank loans have maturities ranging from May 2026 to October 2034, syndicated facilities mature in December 2032 and medium term note maturities range from Jan 2026 to Dec 2036.

(b) Assets pledged as security

The carrying amounts of assets pledged as security for current and non-current borrowings are:

	2025 \$m	2024 \$m
Total current assets	394.8	286.4
Total non current assets	5,150.1	5,030.8
	<u>5,544.9</u>	<u>5,317.2</u>

(c) Compliance with loan covenants

The Group is part of a multi-borrower group comprising of various guarantor entities within the AGIH Group. These entities are parties to a General Security Deed and an Amended Security Trust and Inter-creditor Deed, with cross-guarantee provisions providing senior debt holders with security across the multi-borrower group. The Group has complied with the financial covenants of its borrowing facilities during the 2025 and 2024 reporting periods.

(d) Financing arrangements

Unrestricted access was available at 31 December 2025 to the following lines of credit:

24. Borrowings (continued)

	2025 \$m	2024 \$m
Floating rate		
Expiring within one year	50.0	75.0
Expiring beyond one year	545.0	340.0
	<u>595.0</u>	<u>415.0</u>

(e) Accounting policy

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs.

25. Other liabilities

	2025 \$m	2024 \$m
<i>Current</i>		
Security deposit payable	0.3	26.1
Pipeline imbalance	7.5	3.6
Accrued interest payable	43.2	25.8
Capital accruals	43.7	55.0
Accrued expenses	61.6	28.9
Employee benefits	30.5	19.2
	<u>186.8</u>	<u>158.6</u>

Pipeline imbalance represents a temporary net difference between the natural gas purchased for system use and that actually used during the period (including gas unaccounted for). This account is either a current asset or liability depending on whether the imbalance is positive or negative.

26. Contributed equity

	2025 Shares	2024 Shares	2025 \$m	2024 \$m
Contributed equity	4,815,948,095	4,815,948,095	2,980.1	2,980.1

(a) Capital risk management

The Group's objectives when managing capital is to safeguard its ability to continue as a going concern, so that it can provide returns for unitholders and benefits for other stakeholders and to maintain an optimum capital structure to reduce the cost of capital.

Capital is regarded as total equity, as recognised in the statement of financial position, plus net debt. Net debt is calculated as total borrowings less cash and cash equivalents.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to unitholders, return capital to unitholders, issue new shares or sell assets to reduce debt.

The Group is subject to certain financing arrangements covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

26. Contributed equity (continued)

(b) Accounting policy

Contributed equity is recorded at the value of the consideration received. The costs of issuing securities are charge as a deduction, net of tax, from the proceeds.

2,170,554,469 shares were issued as part of the common control transaction referred to in note 28.

27. Retained profits

	2025 \$m	2024 \$m
Retained profits at the beginning of the financial year	465.5	428.3
Profit after income tax expense for the year	212.4	206.2
Dividends paid	(181.0)	(169.0)
	<u>496.9</u>	<u>465.5</u>
Retained profits at the end of the financial year		

28. Common control reserve

	2025 \$m	2024 \$m
Common Control Reserve	<u>(2,170.6)</u>	<u>(2,170.6)</u>

In 2020 the Group was restructured to create administrative efficiencies and optimise the operating structure, renaming DUET Investment Holdings Pty Limited as AGIH. 100% of the ownership holding of the MGN Group of companies was transferred from DUET 1 Trust (A related group intermediate company) to AGIH and the remaining 60% of the ownership holding of the DBP Group of companies was transferred from DUET Dampier Bunbury Pty Limited (A related group intermediate company) to AGIH.

A common control reserve has been established to reflect the accounting choice made by the Group to account for the assets and liabilities of the acquired entities at the historical cost per the consolidated financial statements of those acquired entities.

29. Reserves

	2025 \$m	2024 \$m
Hedging reserve - cash flow hedges	74.6	88.2
Defined benefit fund reserve	6.1	3.9
	<u>80.7</u>	<u>92.1</u>
	2025 \$m	2024 \$m
Balance at 1 January	92.1	147.8
Fair value movements on cash flow hedges	(13.8)	(80.8)
Deferred tax on fair value movements	4.1	24.3
Movement in actuarial valuation of defined benefit funds	(2.6)	1.1
Deferred tax on actuarial gain on defined benefits plan	0.9	(0.3)
	<u>80.7</u>	<u>92.1</u>
Balance at 31 December		

The hedging reserve is used to record gains or losses on the effective portion of cash flow hedges that are recognised directly in equity. Amounts are recognised in the statement of profit or loss when the associated hedged transaction affects profit and loss.

30. Business combinations

(a) Summary of acquisition

On 30 November 2025, AGI O&M Services Pty Ltd, a subsidiary of Australian Gas Infrastructure Holdings Pty Ltd acquired the APT AM Holdings Pty Ltd Group from the APA Group.

This was achieved by acquiring 100% of the share capital of APT AM Holdings Pty Ltd.

(b) Consideration transferred

	2025 \$m
Purchase consideration - cash paid	46.9
Purchase consideration - other payables	6.9
	53.8

(c) Assets acquired and liabilities assumed at the date of acquisition

Details of the net assets acquired, and goodwill recognised are as follows:

	2025 \$m
Trade and other receivables	44.5
Inventories	17.2
Other current assets	2.5
Property, plant and equipment	1.2
Defined Benefit Fund asset	4.0
Deferred tax assets	10.5
Trade and other payables	(16.5)
Provisions	(22.0)
Other current liabilities	(23.5)
Identifiable Net Assets	17.9
Goodwill recognised	35.9
Net assets acquired	53.8

(i) Goodwill

The goodwill of \$35.9 million arising from the acquisition is supported by the acquisition of the assembled workforce which permits the acquirer to continue operations of the acquired group following acquisition date. The goodwill has been determined to have an indefinite useful life and is not subject to amortisation.

(ii) Acquired receivables

The acquired receivables relate to services rendered under Operating & Maintenance Agreements and are recognised at fair value. They are expected to be collected under normal terms and conditions.

(iii) Contingent liabilities

Contingent liabilities of \$1.8 million have been recognised as part of the acquisition. These relate to ongoing litigations with customers. The liabilities have been estimated based on external and internal legal advice and are expected to result in cash outflows beyond the next financial year, as such they have been disclosed as provisions within non-current liabilities.

(d) Net cash outflow on acquisition of business

	2025 \$m
Purchase consideration paid in cash	46.9
Less: cash and cash equivalents balance acquired	-
Net cash outflow per the consolidated statement of cash flows	46.9

30. Business combinations (continued)

(i) Acquisition-related costs

Acquisition-related costs of \$2.5 million that were not directly attributable to the purchase of shares are included in expenses in the statement of profit or loss and in operating cash flows in the statement of cash flows.

(e) Impact on profit and loss

The amount of the APT AM Holdings Pty Ltd Group revenue and net profit and loss included in the Australian Gas Infrastructure Holdings Pty Ltd results for the financial year, and the revenue and net profit and loss had the acquisition date been 1 January 2025 are as follows:

	Revenue \$m	Profit/(loss) after tax \$m
Actual from 1 December 2025 - 31 December 2025	2.3	(0.7)
Estimated from 1 January 2025 - 31 December 2025	30.6	17.8

(f) Provisional accounting

The initial accounting for the business combination is incomplete because under the terms of the agreement, the APA Group must provide a Final Completion Balance Sheet within 40 working days of the acquisition date, which extends beyond the reporting date. As such, the balances recognised are provisional and are expected to be finalised in the following financial year.

Whilst all reported balances may be impacted, the change is not expected to be material. The deferred tax balance will be impacted by the resetting of tax bases. The Group will retrospectively adjust these provisional amounts to reflect the final acquired balance sheet within the maximum one year measurement period.

(g) Accounting policy

The acquisition method of accounting is used to account for business combinations regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred and the liabilities incurred. Acquisition-related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at acquisition date.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in the income statement as a bargain purchase.

31. Financial instruments

(a) Financial risk management objectives

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange, and interest rate), credit risk, liquidity risk and commodity price risk. Our major exposure to interest rate risk and foreign currency risk arises from our long-term borrowings. We also have transactional foreign currency risk associated with foreign denominated exposures, such as purchases made in foreign currencies.

The Group's overall risk management strategy focuses on monitoring and managing these financial risks such that potential adverse effects on the Group's financial performance are minimised. Financial risk management is carried out by the Group's central treasury function under a treasury policy approved by the Board of Directors. The policy covers specific areas such as foreign exchange risk, interest rate risk, credit risk, liquidity risk, use of derivative and non-derivative financial instruments and the investment of excess liquidity.

There has been no change in the types of risks facing the Group.

The consolidated entity uses the following type of derivative financial instruments to hedge these risk exposures:

31. Financial instruments (continued)

- Interest rate swap contracts: the Group agrees to exchange the difference between fixed and floating interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of changing interest rates on the fair value of fixed rate debt held and the cash flow exposures of floating rate debt held.
- Cross-currency swap contracts: the Group agrees to exchange specified principal and interest foreign currency amounts at an agreed future date at a specified exchange rate. Such contracts enable the Group to mitigate the risk of adverse movements in foreign exchange rates.
- Foreign currency forward contracts: the Group undertakes certain transactions denominated in foreign currencies, primarily USD, from which exposure to exchange rate fluctuations arise. Such contracts enable the Group to lock in the exchange rate at a future date for the payment or receipt.

Hedge accounting is a technique that enables the matching of the gains and losses on designated hedging instruments and hedged items in the same accounting period to minimise volatility in profit or loss. To the extent permitted by AASB 9, we formally designate and document these financial instruments as fair value and cash flow hedges for accounting purposes. In order to qualify for hedge accounting, AASB 9 requires that at inception and prospectively hedge effectiveness testing meets all of the following criteria:

- an economic relationship exists between the hedged item and hedging instrument;
- the effect of credit risk does not dominate the value changes resulting from the economic relationship; and
- the hedge ratio is the same as that resulting from amounts of hedged items and hedging instruments for risk management.

(i) Fair value estimation

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

The table below 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 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) and applied within a valuation technique.
- Level 3 fair value measurements are those derived from inputs that are not based on observable market data (unobservable inputs) and applied within a valuation technique.

31. Financial instruments (continued)

As at 31 December 2025	Level 1 \$m	Level 2 \$m	Level 3 \$m	Total \$m
<i>Assets</i>				
Cross currency swaps – fair value and cash flow hedges	-	3.7	-	3.7
Interest Rate Swaps – cash flow hedges	-	112.0	-	112.0
Interest Rate Swaps – fair value hedges	-	5.9	-	5.9
	-	121.6	-	121.6
<i>Liabilities</i>				
Cross currency swaps – fair value and cash flow hedges	-	(15.3)	-	(15.3)
Interest Rate Swaps – cash flow hedges	-	(2.0)	-	(2.0)
Interest Rate Swaps – fair value hedges	-	(95.6)	-	(95.6)
Forward foreign exchange contracts - cash flow hedges	-	(0.2)	-	(0.2)
	-	(113.1)	-	(113.1)
	-	8.5	-	8.5
As at 31 December 2024	Level 1 \$m	Level 2 \$m	Level 3 \$m	Total \$m
Interest Rate Swaps – cash flow hedges	-	134.5	-	134.5
Interest Rate Swaps – fair value hedges	-	6.7	-	6.7
Forward foreign exchange contracts - cash flow hedges	-	0.7	-	0.7
	-	141.9	-	141.9
<i>Liabilities</i>				
Interest Rate Swaps – cash flow hedges	-	(7.5)	-	(7.5)
Interest Rate Swaps – fair value hedges	-	(98.4)	-	(98.4)
	-	(105.9)	-	(105.9)
	-	36.0	-	36.0

The Group measures and recognises financial assets and financial liabilities at fair value through profit or loss (FVTPL) on a recurring basis.

Interest rate swaps are measured using the discounted cash flow method. Future cash flows are estimated based on forward interest rates (from observable yield curves at the end of the reporting period), discounted at a rate that reflects the credit risk of various counterparties. These are classified as level 2 instruments.

(ii) Fair value of borrowings

Except as detailed in the following table, the Directors consider that the carrying amounts of financial liabilities recognised in the consolidated financial statements approximate their fair values. These instruments are valued using the same methodology as the level 2 instruments described in this note.

	Carrying Value 2025 \$m	Fair value 2025 \$m	Carrying Value 2024 \$m	Fair value 2024 \$m
Medium term notes	2,685.6	2,691.7	2,243.5	2,248.2
Bank loans	952.4	959.4	1,331.8	1,339.4
Other - government loan	7.2	7.2	6.2	6.2
	<u>3,645.2</u>	<u>3,658.3</u>	<u>3,581.5</u>	<u>3,593.8</u>

31. Financial instruments (continued)

The cumulative amount of fair value hedge adjustments which are included in the carrying amount of our borrowings at 31 December 2025 is a debit of \$98.0 million (2024: debit of \$89.6 million).

The carrying value of \$3,645.2 million differs to the fair value of \$3,658.3 million due to borrowing costs included in the carrying value.

(iii) Fair value measurement

	Notional \$m	Weighted average effective interest rate %	Net carrying amount asset / (liability) \$m	Changes in the value of hedging instrument used for calculating hedge ineffectiveness ss \$m	Changes in fair value of hedged item used for calculating hedge ineffectiveness ss \$m	Weighted average maturity date
At 31 December 2025						
Cross-currency risk						
Cross-currency swaps	399.7	4.97	(11.6)	(11.6)	11.6	Jan 2032 - Jan 2035
- cash flow hedge component			(29.1)	(29.1)	29.1	
- fair value hedge component			17.5	17.5	(17.5)	
Interest rate risk						
Interest Rate Swaps - cash flow hedges	3,355.5	3.50	110.0	(17.0)	18.6	Jan 2026 - July 2035
Interest Rate Swaps - fair value hedges	1,800.0	4.92	(89.7)	2.0	(1.6)	Jun 2027 - Sep 2031
At 31 December 2024						
Interest rate risk						
Interest Rate Swaps - cash flow hedges	3,504.0	1.39	127.0	(81.4)	81.1	Jan 2025 - Jul 2034
Interest Rate Swaps - fair value hedges	1,750.0	5.80	(91.7)	30.4	(30.5)	Jun 2027 - Jun 2031

(c) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign exchange rates and interest rates. The Group measures the market risk exposures using sensitivity analysis and cash flow forecasting. There has been no change from the prior year to the types of market risks the Group is exposed to or manner in which the risks are managed and measured.

(i) Foreign exchange risk

Foreign exchange risk arises from recognised assets and liabilities that are denominated in a currency that is not the entity's functional currency. The Group undertakes certain transactions denominated in foreign currencies, from which exposure to exchange rate fluctuations arise. Exchange rate exposures are managed within approved Treasury Policy parameters.

(ii) Cash flow and fair value interest rate risk

The Group is exposed to interest rate risk as it invests and borrows funds at both fixed and floating interest rates. The risks are managed by firstly swapping all fixed rate debt to floating AUD debt. In order to meet certain regulatory requirements the Group enters into floating to fixed interest rate swaps. As per the Treasury policy, 90 - 100% of floating rate debt is hedged in the operating subsidiaries, where applicable. Hedging activities are evaluated regularly to confirm alignment with the Board approved Treasury Policy and ensure that the Group is not exposed to excess risk from interest rate volatility.

31. Financial instruments (continued)

As at reporting date, the Group had the following variable rate borrowings and interest rate swap contracts outstanding (excluding borrowing costs):

	2025 Weighted average interest rate %	2025 Balance \$m	2024 Weighted average interest rate %	2024 Balance \$m
Variable rate debt	4.8	1,549.4	5.6	1,929.4
Fixed rate debt swapped to floating	3.8	2,199.7	5.8	1,750.0
		3,749.1		3,679.4
Interest rate swaps floating to fixed		(3,355.5)		(3,504.0)
Net exposure to cash flow interest rate risk		393.6		175.4

Based on the balance of gross debt at 31 December, if interest rates changed by +/-1% with all other variables held constant and taking into account the hedging in place at 31 December, the estimated impact on after-tax profit and equity is set out below:

	2025 \$m	2024 \$m
<i>Impact of after-tax profit</i>		
Interest rates + 1%	(1.7)	(1.0)
Interest rates - 1%	1.7	1.0
<i>Impact on equity</i>		
Interest rates + 1%	33.4	15.3
Interest rates - 1%	(35.5)	(16.1)

Changes in market rates under this scenario are assumed to have a nil impact on derivative hedge ineffectiveness as the consolidated entity has highly effective hedges in place.

Profit would be affected mainly as a result of the ineffective portion of cash flow and fair value hedge transactions and floating rate financial assets and liabilities. Equity, through the cash flow hedge reserve, would be affected mainly as a result of an increase/decrease in the fair value of interest rate swaps which qualify for cash flow hedge accounting.

(iii) Commodity price risk

The Group is not exposed to commodity price risk.

(d) Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss. The Group has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral where appropriate as a means of mitigating the risk of financial loss from defaults. The Group exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions contracted is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

The Group does not have significant credit risk exposure to any single counterparty. The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

The carrying amount of financial assets recorded in the financial statements, net of any allowance for losses, represents the consolidated entity's maximum exposure to credit risk without taking account of the value of any collateral obtained.

Trade receivables consist of a large number of customers with ongoing credit evaluation performed on their financial condition. Where appropriate, additional collateral credit support is obtained to mitigate the risk of loss.

31. Financial instruments (continued)

The Group applies the AASB 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Impaired trade receivables

At 31 December the aging of trade receivables was as follows:

	Current \$m	More than 30 days past due \$m	More than 60 days past due \$m	More than 90 days past due \$m	Total \$m
At 31 December 2025					
Gross carrying amount – trade receivables	14.2	-	-	2.2	16.4
Loss allowance	-	-	-	(0.4)	(0.4)
	<u>14.2</u>	<u>-</u>	<u>-</u>	<u>1.8</u>	<u>16.0</u>

	Current \$m	More than 30 days past due \$m	More than 60 days past due \$m	More than 90 days past due \$m	Total \$m
At 31 December 2024					
Gross carrying amount – trade receivables	14.8	-	-	1.8	16.6
Loss allowance	-	-	-	(0.2)	(0.2)
	<u>14.8</u>	<u>-</u>	<u>-</u>	<u>1.6</u>	<u>16.4</u>

Allowance for expected credit losses

Set out below is the movement in the expected credit losses allowance of trade receivables and contract assets:

	2025 \$m	2024 \$m
Balance at the beginning of the financial year	0.2	0.2
Additional provisions recognised	0.2	-
Increase in loss allowance recognised in profit or loss during the year	-	-
Balance at the end of the financial year	<u>0.4</u>	<u>0.2</u>

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, and a failure to make contractual payments for a period of greater than 90 days past due. Impairment losses on trade receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

31. Financial instruments (continued)

(e) Liquidity risk

The Board of Directors is ultimately responsible for liquidity risk and has approved the Treasury Policy to manage the Group's funding and liquidity requirements. The Group manages liquidity risk at a Group level by:

- maintaining adequate liquidity sources being cash held and undrawn bank facilities;
- continuously monitoring forecast and actual cash flows; and
- matching the maturity profiles of financial assets and liabilities.

The following table details the Group's remaining contractual maturity for its derivative and non-derivative financial liabilities. The table is presented based on the future undiscounted principal and interest cash flows.

	Less than one year	1 to 2 years	3 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
	\$m	\$m	\$m	\$m	\$m	\$m
At 31 December 2025						
Financial liabilities						
Cross currency swaps	3.7	5.1	18.2	38.1	65.1	15.3
Interest rate swaps	31.4	30.7	37.1	5.4	104.6	97.6
Bank loans	169.6	78.2	508.9	414.4	1,171.1	952.4
Medium term notes	422.7	542.4	1,225.4	1,115.9	3,306.4	2,685.6
Trade and other payables	85.4	-	-	-	85.4	85.4
Lease Liabilities	11.9	11.0	22.4	5.0	50.3	44.7
Total financial liabilities	724.7	667.4	1,812.0	1,578.8	4,782.9	3,881.0
	Less than 1 year	1 to 2 years	3 to 5 years	Over 5 years	Total contractual cash flows	Carrying amount
	\$m	\$m	\$m	\$m	\$m	\$m
At 31 December 2024						
Financial liabilities						
Interest rate swaps	37.4	29.3	49.6	6.8	123.1	106.0
Bank loans	271.1	355.1	716.6	257.5	1,600.3	1,331.8
Medium term notes	433.2	387.1	1,027.5	852.8	2,700.5	2,243.5
Trade and other payables	25.5	-	-	-	25.5	25.5
Lease Liabilities	3.2	6.8	11.3	0.3	21.6	20.5
Total financial liabilities	770.4	778.3	1,805.0	1,117.4	4,471.0	3,727.3

Balances represent the contractual undiscounted cash flows, including principal and interest payments calculated based on contractual maturities.

32. Cashflow reconciliations

(a) Reconciliation of profit after income tax to net cash inflow from operating activities

	2025 \$m	2024 \$m
Profit after income tax expense for the year	212.4	206.2
<i>Non cash items:</i>		
Depreciation and amortisation	149.2	156.8
Net gain on disposal of property, plant and equipment	(0.1)	-
Net fair value loss/(gain) on derivative financial instruments	1.7	(0.4)
Amortisation of loan establishment fees	3.2	3.0
Revaluation of gas linepack	(0.9)	(1.4)
Non-Cash interest	4.3	5.1
Foreign exchange differences	(0.6)	-
<i>Change in operating assets and liabilities:</i>		
Decrease/(increase) in trade and other receivables	(3.4)	1.5
Increase in contract assets	(15.2)	(5.4)
Decrease/(increase) in other current assets	(8.3)	1.0
Increase in inventories	(10.3)	(0.7)
Decrease in investments in financial assets	1.5	1.3
Decrease in finance lease receivable	23.2	20.9
Increase/(decrease) in trade and other payables	44.0	(11.6)
Increase in contract liabilities	18.7	3.1
Increase in intercompany tax payable	70.4	57.0
Increase in provisions	1.8	2.5
Increase in other current liabilities	34.7	2.4
Increase/(decrease) in deferred tax liabilities	(0.3)	33.3
Net cash inflow from operating activities	526.0	474.6

(b) Net borrowings reconciliation

	2025 \$m	2024 \$m
Net borrowings at the beginning of the year	3,584.8	3,529.1
Cash movement in debt facilities	69.7	21.0
Non-Cash movements in debt facilities	(10.1)	35.0
Debt and Capital raising costs	4.0	3.4
Non-Cash movement in Debt and Capital raising costs	(3.2)	(3.7)
	3,645.2	3,584.8

33. Parent entity information

(a) Summary financial information

Statement of profit or loss and other comprehensive income

	Parent 2025 \$m	2024 \$m
Profit after income tax	180.9	168.9
Total comprehensive income	180.9	168.9

Statement of financial position

	Parent 2025 \$m	2024 \$m
Total current assets	5.9	5.9
Total assets	3,408.7	3,408.8
Total current liabilities	-	-
Total liabilities	0.1	0.1
Equity		
Contributed equity	2,980.1	2,980.1
Common control reserve	57.1	57.1
Retained profits	371.4	371.5
Total equity	3,408.6	3,408.7

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

There were cross guarantees given by Australian Gas Infrastructure Holdings Pty Ltd, AGI O&M Services Pty Ltd, APT AM Holdings Pty Ltd, APT AM Employment Pty Limited, APT AM (Stratus) Pty Limited, APT AM (Allgas) Pty Limited, APT O&M Holdings Pty Ltd, APT O&M Services Pty Ltd, and APT O&M Services (Qld) Pty Ltd as described in note 34. There were no guarantees in relation to the debts of its subsidiaries as at 31 December 2024.

(c) Contingent liabilities of the parent entity

The parent entity had no contingent liabilities as at 31 December 2025 or 31 December 2024.

(d) Accounting policy

In accordance with the *Corporations Act 2001*, these financial statements present the results of the Group only. Supplementary information about the parent entity has been prepared on the same basis as the consolidated financial statements, except as set out below.

Investment in subsidiaries

Investments in subsidiaries are accounted for at cost in the financial statements of Australian Gas Infrastructure Holdings Pty Ltd.

Tax consolidation legislation

For details of tax consolidation legislation refer to note 8(f).

34. Deed of cross guarantee

During the financial year, the Company and certain companies within the Australian Gas Infrastructure Holdings Pty Limited Group executed a Deed of Cross Guarantee under which each company guarantees the debts of the others. By entering into the Deed, the wholly-owned entities have been relieved from the requirement to prepare a financial report and Directors' Report under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 issued by the Australian Securities and Investments Commission.

The companies that are party to the Deed represent a 'Closed Group' for the purposes of the Class Order, and as there are no other parties to the Deed of Cross Guarantee that are controlled by Australian Gas Infrastructure Holdings Pty Limited, they also represent the 'Extended Closed Group'.

The Closed Group consists of Australian Gas Infrastructure Holdings Pty Ltd, AGI O&M Services Pty Ltd, APT AM Holdings Pty Ltd, APT AM Employment Pty Limited, APT AM (Stratus) Pty Limited, APT AM (Allgas) Pty Limited, APT O&M Holdings Pty Ltd, APT O&M Services Pty Ltd, and APT O&M Services (Qld) Pty Ltd.

As this is the first financial year in which the Deed of Cross Guarantee is in effect only the information relating to the financial year ended 31 December 2025 has been presented.

(a) Consolidated statement of profit or loss and summary of movement in consolidated retained profits

Set out below is a consolidated statement of profit or loss and other comprehensive income and statement of financial position of the 'Closed Group'.

	2025 \$m
Statement of profit or loss and other comprehensive income	
Revenue from continuing operations	
Operating revenue	181.0
Other revenue from operating and maintenance services	2.3
Expenses	
Operating costs	(3.3)
Net finance costs	(0.2)
Profit before income tax expense	<u>179.8</u>
Income tax benefit	0.3
Profit after income tax benefit	<u>181.9</u>
Net change in fair value of cash flow hedges taken to equity, net of tax	1.8
Other comprehensive expense for the year, net of tax	<u>1.8</u>
Total comprehensive income for the year	<u>181.9</u>
Equity - retained profits	2025 \$m
Retained profits at the beginning of the financial year	371.5
Retained profits assumed in business combination	0.3
Dividends paid	<u>(181.0)</u>
Retained profits at the end of the financial year	<u>190.8</u>

34. Deed of cross guarantee (continued)

(b) Balance sheet

Set out below is a consolidated balance sheet for the Closed Group as at 31 December 2025.

Statement of financial position	2025 \$m
Current assets	
Cash and cash equivalents	46.3
Trade and other receivables	9.1
Contract assets	45.3
Inventories	18.5
Income tax refund due	0.1
Loans to related parties	5.9
Other assets	3.6
	128.8
Non-current assets	
Property, plant and equipment	0.6
Intangible assets	35.9
Right-of-use assets	23.0
Investments accounted for using the equity method	3,402.8
Deferred tax asset	10.0
Defined benefit asset	6.6
	3,478.9
Total assets	3,607.7
Current liabilities	
Trade and other payables	64.8
Lease liabilities	5.6
Provisions	17.3
Other liabilities	42.5
	130.2
Non-current liabilities	
Provisions	4.9
Borrowings	46.1
Lease liabilities	16.8
	67.8
Total liabilities	198.0
Net assets	3,409.7
Equity	
Contributed equity	2,980.1
Retained profits	370.7
Reserves	1.8
Common control reserve	57.1
	57.1
Total equity	3,409.7

35. Interests in subsidiaries

Details of the Group's principal subsidiaries at 31 December 2025 are set out below.

Name	Principal place of business / Country of incorporation	Ownership interest	
		2025	2024
		%	%
DBNGP Trust	Australia	100.00%	100.00%
DBNGP Holdings Pty Limited	Australia	100.00%	100.00%
DBNGP Finance Company Limited	Australia	100.00%	100.00%
DBNGP (WA) Nominees Pty Limited	Australia	100.00%	100.00%
DBNGP (WA) Transmission Pty Limited	Australia	100.00%	100.00%
DBNGP Compressor Co. Pty Limited	Australia	100.00%	100.00%
DBNGP (WA) Finance Company Limited	Australia	100.00%	100.00%
AGI Development Group Pty Ltd (formerly DBP Development Group Pty Limited)	Australia	100.00%	100.00%
DBP Development Group Trust	Australia	100.00%	100.00%
AGI Development Group Nominees Pty Ltd (formerly DBP Development Group Nominees Pty Limited)	Australia	100.00%	100.00%
AGI Operations Pty Ltd (formerly DDG Operations Pty Limited)	Australia	100.00%	100.00%
AGI Fortescue River Pty Ltd (Formerly DDG Fortescue River Pty Limited)	Australia	100.00%	100.00%
AGI Ashburton Pty Ltd (Formerly DDG Ashburton Pty Limited)	Australia	100.00%	100.00%
AGI Tubridgi Pty Ltd (Formerly DDG Tubridgi Pty Limited)	Australia	100.00%	100.00%
AGI Tanami Pty Limited	Australia	100.00%	100.00%
Fortescue River Gas Pipeline Joint Venture	Australia	57.00%	57.00%
Australia Energy Finance Pty Limited	Australia	100.00%	100.00%
Utilicorp Southern Cross Pty Limited	Australia	100.00%	100.00%
Utilicorp Australia (Gas) Holdings Pty Limited	Australia	100.00%	100.00%
Utilicorp Australia (Gas) Finance Pty Limited	Australia	100.00%	100.00%
Energy Partnership (Holdings) Pty Limited	Australia	100.00%	100.00%
Energy Partnership Pty Limited	Australia	100.00%	100.00%
Energy Partnership (Gas) Pty Limited	Australia	100.00%	100.00%
Multinet Gas (DB No. 1) Pty Limited	Australia	100.00%	100.00%
Multinet Gas (DB No. 2) Pty Limited	Australia	100.00%	100.00%
Multinet Gas Distribution Partnership	Australia	100.00%	100.00%
Multinet Gas (IE) Pty Limited	Australia	100.00%	100.00%
UE & Multinet Pty Limited	Australia	100.00%	100.00%
Amistel Pty Limited	Australia	100.00%	100.00%
Australian Energy Fund No.2	Australia	100.00%	100.00%
AGI Finance Pty Limited	Australia	100.00%	100.00%
AGI Services (formerly Dampier Bunbury Investment Company Pty Limited)	Australia	100.00%	100.00%
AGI Renewable Developments Pty limited	Australia	100.00%	100.00%
AGI O&M Services Pty Limited	Australia	100.00%	-
APT AM Holdings Pty Limited	Australia	100.00%	-
APA AM (Allgas) Pty Limited	Australia	100.00%	-
APT O&M Holdings Pty Limited	Australia	100.00%	-
APT AM Employment Pty Limited	Australia	100.00%	-
APT AM (Stratus) Pty Limited	Australia	100.00%	-
APT O&M Services Pty Limited	Australia	100.00%	-
APT O&M Services (QLD) Pty Limited	Australia	100.00%	-

An application has been lodged with the Australian Tax Office for the wholly owned entities incorporated and acquired during 2025 to be added as members of the tax-consolidated group, of which CK William Australia Holdings Pty Ltd is the head entity. All other wholly owned entities are members of the tax-consolidated group.

35. Interests in subsidiaries (continued)

(a) Significant restrictions

There are no significant restrictions applied to members of the Group.

(b) Significant judgement: joint ventures

The Consolidated Entity has determined that its 57% investment in Fortescue River Group Pty Ltd is a joint arrangement, because both parties have joint control of the arrangements, including rights to the gross assets and liabilities of the joint ventures, and joint control has been contractually agreed (all activities require unanimous consent of both parties).

(c) Subsidiaries accounting policies

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

36. Related party transactions

(a) Parent entity

The parent entity of the Group is CK William Australia Bidco Pty Limited.

CK William Australia Bidco Pty Limited, incorporated in Australia, owns 100% (2024: 100%) of Australian Gas Infrastructure Holdings (Pty) Limited's equity.

The ultimate Australian parent entity is CK William Australia Holdings Pty Limited. CK William Australia Holdings Pty Ltd is ultimately owned by a consortium comprising Cheung Kong Infrastructure Holdings Limited (CKI), Cheung Kong Asset Holdings Limited (CAH) and Power Asset Holdings Limited (PAH) which are incorporated in Hong Kong.

(b) Subsidiaries

Interest in subsidiaries are set out in note 35.

(c) Key management personnel disclosure

	2025 \$	2024 \$
Key management personnel compensation	3,946,079	4,982,923

(d) Transactions with related parties

The following transactions occurred with related parties:

	2025 \$	2024 \$
<i>Operational and administration costs / income</i>		
Operational and maintenance revenues	43,152,457	-
Recoupment of IT Project costs	38,317,825	-
Sale of goods and services	10,451,981	11,063,694
Operational and maintenance costs	(41,507,851)	-
Purchase of goods and services	(18,528,668)	(6,647,244)
<i>Tax funding</i>		
Payment for tax funding loan	(63,000,000)	(81,000,000)
<i>Capital expenditure</i>		
Purchase of goods and services	(363,192)	(279,255)

36. Related party transactions (continued)

The following balances are outstanding at the reporting date in relation to transactions with related parties:

	2025 \$'000	2024 \$'000
<i>Current receivables</i>		
Trade receivables	32,616,682	17,172,973
<i>Current payables</i>		
Trade payables	(5,601,649)	(5,605,594)
Tax payable	(157,843,914)	(152,930,407)

(e) Terms and conditions

All transactions were made on normal commercial terms and conditions and at market rates.

37. Remuneration of auditors

During the financial year the following fees were paid or payable for services provided by Deloitte Touche Tohmatsu, the auditor of the Group:

	2025 \$'000	2024 \$'000
<i>Audit services - Deloitte Touche Tohmatsu</i>		
Audit of the financial statements	629	531
<i>Other services - Deloitte Touche Tohmatsu</i>		
Tax compliance	9	15
Other assurance services and regulatory compliance	138	262
Advisory and consultancy services	266	129
	413	406
	1,042	937

38. Commitments

(a) Capital expenditure commitments

Capital expenditure contracted for at the end of the reporting year but not recognised as liabilities is as follows:

	2025 \$m	2024 \$m
Capital commitments		
Payable:		
Within one year	94.7	145.6

38. Commitments (continued)

(b) Operating expenditure commitments

	2025 \$m	2024 \$m
<i>Operating expense commitments</i>		
Commitments in relation to non-cancellable service management contracts or operating expenditure contracted for at the reporting date but not recognised as liabilities, payable:		
Within one year	84.8	49.0
One to five years	156.6	55.2
	<u>241.4</u>	<u>104.2</u>
<i>Lease commitments - Right of use asset</i>		
Committed at the reporting date and recognised as liabilities, payable:		
Within one year	8.6	1.9
One to five years	23.5	8.5
More than five years	5.0	2.8
	<u>37.1</u>	<u>13.2</u>
Total commitment	37.1	13.2
Less: Future finance charges	(4.5)	(1.5)
	<u>32.6</u>	<u>11.7</u>
Net commitment recognised as liabilities	<u>32.6</u>	<u>11.7</u>
<i>Lease commitments</i>		
Committed at the reporting date and recognised as liabilities, payable:		
Within one year	3.3	2.2
One to five years	9.9	8.7
More than five years	-	2.1
	<u>13.2</u>	<u>13.0</u>
Total commitment	13.2	13.0
Less: Future finance charges	(1.1)	(4.3)
	<u>12.1</u>	<u>8.7</u>
Net commitment recognised as liabilities	<u>12.1</u>	<u>8.7</u>
Representing:		
Current	2.9	1.3
Non-current	9.2	7.4
	<u>12.1</u>	<u>8.7</u>

(c) Pipeline licence obligations

DBP has been granted a pipeline licence to operate and maintain the Dampier to Bunbury Natural Gas Pipeline ("DBNGP"), and an access licence granting rights of access to the DBP corridor. Both licences have been granted by the Government of Western Australia. As the charges are determined annually, no accurate determination of these licence commitments is possible.

39. Contingencies

The Group has provided bank guarantees of \$3.6 million (2024: \$2.5 million) to landlords and certain counterparties in relation to gas trading agreements.

40. Events after the reporting period

No matter or circumstance has arisen since 31 December 2025 that 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.

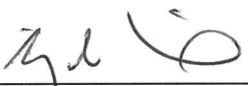
Australian Gas Infrastructure Holdings Pty Limited
Directors' declaration
31 December 2025

In the Directors' opinion:

- the attached financial statements and notes comply with the *Corporations Act 2001*, the Australian Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes give a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the financial year ended on that date;
- at the date of this declaration, there are reasonable grounds to believe that the members of the Closed Group identified in note 34 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee; and
- there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable.

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

On behalf of the Directors



C de Laine
Director

11 March 2026

Independent Auditor's Report to the members of Australian Gas Infrastructure Holdings Pty Ltd

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australian Gas Infrastructure Holdings Pty Ltd (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 31 December 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, other explanatory information and the directors' declaration.

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

- Giving a true and fair view of the Group's financial position as at 31 December 2025 and of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards Board 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 Group 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 Group, 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.

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.

Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Recoverability of Cash Generating Units (CGUs) As at 31 December 2025, the carrying value of intangible assets and property, plant and equipment was \$1,215 million (31 December 2024: \$1,181 million) and \$4,407 million (31 December 2024: \$4,342 million) respectively, as disclosed in Notes 19 and 18. As the intangible assets include Goodwill of \$650.9 million (31 December 2024: \$650.9 million) for the DBP CGU, \$72.8 million (31 December 2024: \$72.8 million) for the MGN CGU, and \$35.9 million (31 December 2024: \$nil) for the AGIOMS, the Group monitors and tests the recoverability for these CGUs on an annual basis. The Group prepares fair value less costs of disposal (FVLCD) models to assess the recoverable values for each CGU. The assessment of recoverable values requires significant judgment from the Group, particularly regarding key assumptions including: • forecast revenue growth rates and associated margins; • forecast periods; • discount rates; and • EBITDA and RAB multiples.	Our audit procedures included, but were not limited to: • Understanding the Group's process for developing the fair value less cost of disposal models; • Evaluating historical forecasting accuracy by comparing actual performance against budgeted figures; • Agreeing the forecasts used in calculating the recoverable amount are aligned with Board-approved business plans; • Working with our valuation experts to critically assess key assumptions by: ○ Comparing EBITDA and RAB multiples against industry data; ○ Performing an independent assessment of an appropriate discount rate; ○ Evaluating the forecasted revenue with reference to forecast tariffs and capacity volumes; and ○ Evaluating the appropriateness of the forecast period. • Conducting sample tests to verify the mathematical accuracy of management's models; • Performing sensitivity analyses on the RAB multiple, EBITDA multiples, and discount rate; and • Evaluating the appropriateness and completeness of disclosures in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report included in the Group's annual report for the year ended 31 December 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 of the Group 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 Group 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 Group, 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 Group 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 Group or to cease operations, or has no realistic alternative but to do so.

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 Group'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 Group'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 Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's 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.

Deloitte Touche Tohmatsu
DELOITTE TOUCHE TOHMATSU



PG Janse van Nieuwenhuizen

Partner

Chartered Accountants

Perth, 11 March 2026