

Australian Gas Infrastructure Holdings Pty Limited

ACN 120 456 573

Interim report - 30 June 2026

Australian Gas Infrastructure Holdings Pty Limited
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30 June 2026

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General information

The consolidated interim 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 period. The interim 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.

The Group's registered office and principal place of business is:

Level 22
140 St George's Terrace
Perth
Western Australia

The interim financial statements were authorised for issue, in accordance with a resolution of Directors, on 23 September 2026.

The directors present their report, together with the interim 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 period ended 30 June 2026.

Directors

The following persons held office as Directors of AGIH during the whole of the period 1 January 2026 to 30 June 2026 and up to the date of this report 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 (DBP) 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 Group Holdings Pty Ltd (MGN) group 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 Pty Ltd (AGIOMS) group 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

Profit after tax for the Group was \$104.6 million (half year ended 30 June 2025: \$102.8 million). Revenues for the half year ended 30 June 2026, were \$628.3 million (half year ended 30 June 2025: \$370.2 million).

During the period to 30 June 2026, a new syndicated facility arrangement in the form of Asian Term Loans was established for \$150 million, with a maturity of seven years. These were used to refinance the DBP \$127 million syndicated facility that matured in May 2026.

Dividends

The Company paid dividends of \$75.0 million during the half year ended 30 June 2026 (half year ended June 2025: \$85.5 million).

Matters subsequent to the end of the financial period

No matter or circumstance has arisen since 30 June 2026 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.

Rounding of amounts

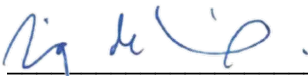
The Group is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument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

Auditors' 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.

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

23 September 2026

Auditor's independence declaration

Australian Gas Infrastructure Holdings Pty Limited
Condensed consolidated statement of profit or loss and other comprehensive income
For the half year ended 30 June 2026

		Half year ended	
	Note	June 2026 \$m	June 2025 \$m
Revenue from continuing operations			
Operating revenue		408.5	370.2
Other revenue from operating and maintenance services		219.8	-
	4	628.3	370.2
Operating costs	5	(96.7)	(92.8)
Operating and maintenance service costs		(203.0)	-
Profit before depreciation, amortisation, finance costs and tax		328.6	277.4
Depreciation, amortisation and impairment		(88.0)	(74.7)
Net finance costs	6	(91.4)	(55.6)
Profit before income tax expense		149.2	147.1
Income tax expense		(44.6)	(44.3)
Profit after income tax expense for the period attributable to the shareholders of Australian Gas Infrastructure Holdings Pty Limited		104.6	102.8
Other comprehensive income/ (expense)			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Changes in fair value of cash flow hedges		3.4	(89.2)
Income tax effect of change in fair value of cash flow hedges		(1.0)	26.8
Actuarial gain on defined benefits plan		(2.1)	(0.1)
Deferred income tax on actuarial gain on defined benefits plan		0.6	-
Other comprehensive income/ (expense) for the period, net of tax		0.9	(62.5)
Total comprehensive income for the period attributable to the shareholders of Australian Gas Infrastructure Holdings Pty Limited		105.5	40.3

The above condensed 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
Condensed consolidated statement of financial position
As at 30 June 2026

	Note	June 2026 \$m	December 2025 Restated \$m
Assets			
Current assets			
Cash and cash equivalents		52.5	154.7
Trade and other receivables		28.3	36.7
Finance lease receivable		28.1	26.5
Contract assets		108.1	93.4
Inventories		45.1	35.4
Investment in financial assets		1.9	1.8
Derivative financial instruments	10	38.2	24.2
Other assets		21.2	23.0
Total current assets		323.4	395.7
Non-current assets			
Finance lease receivable		124.4	138.6
Property, plant and equipment	7	4,424.2	4,407.1
Intangible assets		1,210.0	1,211.1
Right-of-use assets		29.9	32.2
Investment in financial assets		7.9	8.9
Derivative financial instruments	10	85.4	97.4
Defined benefit asset		10.4	12.0
Total non-current assets		5,892.2	5,907.3
Total assets		6,215.6	6,303.0
Liabilities			
Current liabilities			
Trade and other payables		63.1	88.1
Lease liabilities		10.1	10.2
Contract liabilities		56.6	50.9
Provisions		28.5	27.3
Borrowings	8	530.1	452.0
Derivative financial instruments	10	43.8	40.0
Intercompany tax payable		145.6	157.8
Other liabilities		156.5	189.0
Total current liabilities		1,034.3	1,015.3
Non-current liabilities			
Lease liabilities		31.2	34.5
Contract liabilities		122.6	128.3
Provisions		63.6	61.7
Borrowings	8	3,025.9	3,193.2
Derivative financial instruments	10	88.0	73.1
Deferred tax liability		432.4	409.8
Total non-current liabilities		3,763.7	3,900.6
Total liabilities		4,798.0	4,915.9
Net assets		1,417.6	1,387.1

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

Australian Gas Infrastructure Holdings Pty Limited
Condensed consolidated statement of financial position
As at 30 June 2026

	Note	June 2026 \$m	December 2025 Restated \$m
Equity			
Contributed equity		2,980.1	2,980.1
Retained profits		526.5	496.9
Reserves		81.6	80.7
Common control reserve		(2,170.6)	(2,170.6)
Total equity		<u>1,417.6</u>	<u>1,387.1</u>

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

Australian Gas Infrastructure Holdings Pty Limited
Condensed consolidated statement of changes in equity
For the half year ended 30 June 2026

	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	465.6	1,367.2
Profit after income tax expense for the period	-	-	-	102.8	102.8
Other comprehensive expense for the period, net of tax	-	-	(62.5)	-	(62.5)
Total comprehensive income/ (expense) for the period	-	-	(62.5)	102.8	40.3
Dividends	-	-	-	(85.5)	(85.5)
Balance at 30 June 2025	<u>2,980.1</u>	<u>(2,170.6)</u>	<u>29.6</u>	<u>482.9</u>	<u>1,322.0</u>

	Contributed equity \$m	Common control reserve \$m	Reserves \$m	Retained profits \$m	Total equity \$m
Balance at 1 January 2026	2,980.1	(2,170.6)	80.7	496.9	1,387.1
Profit after income tax expense for the period	-	-	-	104.6	104.6
Other comprehensive income for the period, net of tax	-	-	0.9	-	0.9
Total comprehensive income for the period	-	-	0.9	104.6	105.5
Dividends	-	-	-	(75.0)	(75.0)
Balance at 30 June 2026	<u>2,980.1</u>	<u>(2,170.6)</u>	<u>81.6</u>	<u>526.5</u>	<u>1,417.6</u>

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

Australian Gas Infrastructure Holdings Pty Limited
Condensed consolidated statement of cash flows
For the half year ended 30 June 2026

	Half year ended	
Note	June 2026 \$m	June 2025 \$m
Cash flows from operating activities		
Receipts from customers (inclusive of GST)	633.3	372.7
Payments to suppliers (inclusive of GST)	(331.4)	(83.8)
	301.9	288.9
Interest received	1.4	1.8
Interest and other finance costs paid	(93.2)	(51.8)
Net cash inflow from operating activities	210.1	238.9
Cash flows from investing activities		
Payment for purchase of subsidiary, net of cash acquired	(12.1)	-
Payments for property, plant and equipment	(111.4)	(103.6)
Payments for intangibles	(4.4)	(5.0)
Proceeds from disposal of property, plant and equipment	0.2	0.1
Net cash outflow from investing activities	(127.7)	(108.5)
Cash flows from financing activities		
Proceeds from third party borrowings	745.0	1,043.7
Repayment of third party borrowings	(812.0)	(1,049.0)
Dividends paid	(75.0)	(85.5)
Distributions - Intercompany loan repayments	(34.5)	(33.5)
Repayment of lease liabilities	(6.1)	(2.5)
Debt and capital raising costs	(1.9)	(1.1)
Net cash outflow from financing activities	(184.5)	(127.9)
Net increase/ (decrease) in cash and cash equivalents	(102.1)	2.5
Cash and cash equivalents at the beginning of the financial period	154.7	68.4
Effects of exchange rate changes on cash and cash equivalents	(0.1)	-
Cash and cash equivalents at the end of the financial period	52.5	70.9

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

1. Material accounting policies

(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.

(b) Basis of preparation

These interim financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB'), as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board ('IASB'). The policies have been consistently applied to all the periods presented, unless otherwise stated.

These interim financial statements do not include all the notes of the type normally included in the annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 31 December 2025.

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 the 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 30 June 2026 the Group had net current liabilities of \$710.9 million (31 December 2025: \$619.6 million) arising primarily as a result of senior debt facilities of \$530.1 million maturing in 2026 (31 December 2025: \$452.0 million) and the Inter-Company loan with CK William Australia Bidco Pty Limited (CKW) of \$145.6 million (31 December 2025: \$157.8 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.

All current liabilities are expected to be met from surplus net operating cash flows and funds available through the operation of the Common Funding Vehicle (together with the other guarantor group entities). The Group has access to undrawn facilities of \$360.0 million (31 December 2025: \$595.0 million). Based on this, 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.

During the half year ended 30 June 2026, a new syndicated facility arrangement in the form of Asian Term Loans was established for \$150 million, with a maturity of seven years. These were used to refinance the DBP \$127 million syndicated facility that matured in May 2026.

Since reporting date a new one year Trade Finance Facility was established for \$50 million, to be used for general working capital purposes.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the policies stated below.

1. Material accounting policies (continued)

(c) 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, estimates and assumptions

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 whereby 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, 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.

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.

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.

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.

2. Critical accounting judgements, estimates and assumptions (continued)

Unaccounted for Gas

A provision for the estimated unaccounted for gas liability at 30 June 2026 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, subsequently it is not reported on as a segment in its own right.

3. Operating Segments (continued)

Types of products and services

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

Gas Distribution	The MGN Group 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 AGIOMS Group provides operating and maintenance services of gas networks and natural gas pipelines to customers across the east coast of Australia. The AGIOMS Group also distributes natural gas to customers in Tamworth, New South Wales.
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 June 2026 \$m	Transmission June 2026 \$m	Distribution June 2025 \$m	Transmission June 2025 \$m
Customer revenues	113.7	254.7	109.5	217.8
Customer contributions	3.3	10.5	10.2	5.2
Finance lease income	-	11.0	-	12.1
Operating and maintenance service revenues	219.8	-	-	-
Other revenues	3.0	16.6	-	15.3
Segment revenue	<u>339.8</u>	<u>292.8</u>	<u>119.7</u>	<u>250.4</u>
Operating and maintenance expenses	(239.4)	(64.1)	(32.2)	(60.1)
Depreciation and amortisation	(32.5)	(55.8)	(28.9)	(45.8)
Net finance costs	(31.0)	(60.8)	(27.4)	(29.0)
Segment expenses	<u>(302.9)</u>	<u>(180.7)</u>	<u>(88.5)</u>	<u>(134.9)</u>
Segment earnings before tax	<u>36.9</u>	<u>112.1</u>	<u>31.2</u>	<u>115.5</u>

3. Operating Segments (continued)

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

	Reportable segment totals June 2026 \$m	Adjustment s and non- reportable segments June 2026 \$m	Consolidate d totals June 2026 \$m	Reportable segment totals June 2025 \$m	Adjustment s and non- reportable segments June 2025 \$m	Consolidate d totals June 2025 \$m
Revenues	632.6	(4.3)	628.3	370.2	-	370.2
Operating and maintenance expenses	(303.5)	3.9	(299.6)	(92.3)	(0.5)	(92.8)
Depreciation and amortisation	(88.3)	0.3	(88.0)	(74.7)	-	(74.7)
Net finance costs	(91.8)	0.3	(91.5)	(56.4)	0.8	(55.6)
Earnings before tax	149.0	0.2	149.2	146.8	0.3	147.1

	June 2026 \$m	June 2026 \$m	June 2026 \$m	December 2025 \$m	December 2025 \$m	December 2025 \$m
Total assets	5,908.1	307.5	6,215.6	6,289.0	14.0	6,303.0
Total liabilities	(4,492.4)	(305.6)	(4,798.0)	(4,905.1)	(10.8)	(4,915.9)
Total equity	1,415.7	1.9	1,417.6	1,383.9	3.2	1,387.1

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. Operating revenue

	June 2026 \$m	June 2025 \$m
<i>Revenue</i>		
Distribution revenues	113.7	109.5
Customer contributions	3.3	10.2
Storage and transportation revenues	254.7	217.8
Finance lease income	11.0	12.1
Contract liabilities discharged during the year - Shipper funded construction revenues	10.5	5.2
	393.2	354.8
<i>Other operating revenue</i>		
Sale of natural gas	5.3	9.6
Gain on sale of property, plant and equipment	-	0.1
Operating and maintenance revenues	9.0	4.6
Other revenues	1.0	1.1
	15.3	15.4
Operating revenue	408.5	370.2

4. Operating revenue (continued)

	June 2026 \$m	June 2025 \$m
<i>Other revenue from operating and maintenance services</i>		
Operating and maintenance services revenue	219.8	-

5. Operating costs

	June 2026 \$m	June 2025 \$m
Employee benefits	38.9	33.4
Insurance	2.6	2.3
Fuel gas	8.2	10.1
IT costs	7.0	11.0
Maintenance	24.1	24.3
Safeguard mechanism credits	0.8	0.2
Permits and fees	4.4	5.0
Legal and consulting	1.6	2.1
Other expenses	9.1	4.4
	96.7	92.8

6. Net finance costs

	June 2026 \$m	June 2025 \$m
Interest income	(1.4)	(1.8)
Interest expense - borrowings	90.0	52.3
Interest expense - decommissioning	1.1	1.1
Interest on lease liabilities	1.1	0.6
Hedge ineffectiveness	(1.4)	-
Amortisation of capitalised borrowing costs	1.5	1.6
Other finance charges	0.5	1.8
	91.4	55.6

7. Property, plant and equipment

	June 2026 \$m	December 2025 \$m
Land and buildings - at cost	169.6	168.5
Less: Accumulated depreciation	(59.1)	(57.7)
	<u>110.5</u>	<u>110.8</u>
Plant and equipment - at cost	5,907.8	5,853.7
Less: Accumulated depreciation	(1,987.4)	(1,937.5)
	<u>3,920.4</u>	<u>3,916.2</u>
Motor vehicles - at cost	13.2	12.7
Less: Accumulated depreciation	(12.4)	(11.9)
	<u>0.8</u>	<u>0.8</u>
Site restoration and dismantling cost - at cost	23.8	22.4
Less: Accumulated depreciation	(16.2)	(15.6)
	<u>7.6</u>	<u>6.8</u>
Gas linepack - at cost	<u>23.1</u>	<u>21.5</u>
Capital Works in Progress	418.3	385.6
Less: Accumulated depreciation	(58.1)	(36.2)
	<u>360.2</u>	<u>349.4</u>
Critical spares - at cost	7.0	7.0
Less: Accumulated depreciation	(5.4)	(5.4)
	<u>1.6</u>	<u>1.6</u>
	<u>4,424.2</u>	<u>4,407.1</u>

7. Property, plant and equipment (continued)

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

	Construc- tion in progress \$m	Critical spares \$m	Land and buildings \$m	Plant and equipmen t \$m	Motor vehicles \$m	Gas linepack \$m	Site restoratio n and dismantlin g costs \$m	Total \$m
Balance at 1 January 2026	349.4	1.6	110.8	3,916.2	0.8	21.5	6.8	4,407.1
Additions	53.0	-	-	30.7	-	-	-	83.7
Additions through business combinations (note 9)	-	-	-	7.5	-	-	-	7.5
Revaluations	-	-	-	-	-	1.6	1.4	3.0
Transfers between class of assets	(19.7)	-	1.1	17.2	0.5	-	-	(0.9)
Disposals	(0.6)	-	-	(0.2)	-	-	-	(0.8)
Depreciation expense	(21.9)	-	(1.4)	(51.0)	(0.5)	-	(0.6)	(75.4)
Balance at 30 June 2026	360.2	1.6	110.5	3,920.4	0.8	23.1	7.6	4,424.2

8. Borrowings

	June 2026 \$m	December 2025 \$m
<i>Current</i>		
Bank loans	95.0	127.0
Medium term notes	435.1	325.0
	<u>530.1</u>	<u>452.0</u>
<i>Non-current</i>		
Bank loans	1,122.4	832.4
Medium term notes	1,910.2	2,366.7
Other - government loan	6.8	7.2
Capitalised borrowing costs	(13.5)	(13.1)
	<u>3,025.9</u>	<u>3,193.2</u>

(a) Total secured liabilities

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

	June 2026 \$m	December 2025 \$m
Bank loans	1,217.4	959.4
Medium term notes	2,464.7	2,789.7
	<u>3,682.1</u>	<u>3,749.1</u>

8. Borrowings (continued)

The \$3,556.0 million book value of debt differs from the \$3,682.1 million principal outstanding due to unamortised borrowing costs and adjustments for fair value hedges.

Bank loans have maturities ranging from July 2026 to October 2034, syndicated facilities have maturities ranging from December 2032 to May 2033 and medium term note maturities range from June 2027 to December 2036.

(b) 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 as at 30 June 2026 and 31 December 2025.

9. Business combinations

AGI O&M Holdings Pty Ltd Group

(a) Finalisation of acquisition accounting

During the half-year period, the Group finalised the acquisition accounting of the AGI O&M Holdings Pty Ltd Group (previously APT AM Holdings Pty Ltd Group) from the APA Group. As a result, the following adjustments were made:

	June 2026 \$m
Trade and other receivables	1.0
Inventories	(0.1)
Defined Benefit Fund asset	2.1
Deferred tax assets	(2.5)
Trade and other payables	6.6
Provisions	(0.4)
Other current liabilities	(2.2)
Identifiable Net Assets	4.5
Goodwill recognised	(4.5)
Net assets acquired	-

(b) Impact on goodwill

These adjustments resulted in a net decrease in goodwill of \$4.5 million.

(c) Restatement of comparatives

The comparative information for the year ended 31 December 2025 has been retrospectively adjusted as if the above amounts had been recognised at the acquisition date.

Tamworth Gas Networks

(a) Summary of acquisition

On 31 March 2026, AGI O&M Services Pty Ltd, a subsidiary of Australian Gas Infrastructure Holdings Pty Ltd acquired Tamworth Gas Networks Pty Ltd from the APA Group.

This was achieved by acquiring 100% of the share capital of Tamworth Gas Networks Pty Ltd.

(b) Consideration transferred

	June 2026 \$m
Purchase consideration - cash paid	7.6

9. Business combinations (continued)

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

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

	June 2026 \$m
Inventories	0.1
Property, plant and equipment	7.5
Identifiable Net Assets	<u>7.6</u>
Goodwill recognised	-
Net assets acquired	<u>7.6</u>

(d) Net cash outflow on acquisition of business

	June 2026 \$m
Purchase consideration paid in cash	7.6
Less: cash and cash equivalents balance acquired	<u>-</u>
Net cash outflow per the consolidated statement of cash flows	<u>7.6</u>

(e) Impact on profit and loss

The amount of the Tamworth Gas Networks Pty Ltd revenue and net profit and loss included in the Australian Gas Infrastructure Holdings Pty Ltd results for the period, and the revenue and net profit and loss had the acquisition date been 1 January 2026 are as follows:

	Revenue \$m	Profit/(loss) after tax \$m
Actual from 1 April 2026 - 30 June 2026	0.5	0.1
Estimated from 1 January 2026 - 30 June 2026	0.9	0.2

10. Financial instruments

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 within a valuation technique.

	Level 1 \$m	Level 2 \$m	Level 3 \$m	Total \$m
As at 30 June 2026				
<i>Assets</i>				
Interest Rate Swaps – cash flow hedges	-	119.7	-	119.7
Interest Rate Swaps – fair value hedges	-	3.9	-	3.9
Forward foreign exchange contracts - cash flow hedges	-	0.1	-	0.1
	-	123.7	-	123.7
<i>Liabilities</i>				
Cross currency swaps - fair value and cash flow hedges	-	(40.9)	-	(40.9)
Interest Rate Swaps – cash flow hedges	-	(2.7)	-	(2.7)
Interest Rate Swaps – fair value hedges	-	(87.9)	-	(87.9)
Forward foreign exchange contracts - cash flow hedges	-	(0.3)	-	(0.3)
	-	(131.8)	-	(131.8)
	-	(8.1)	-	(8.1)

10. Financial instruments (continued)

	Level 1 \$m	Level 2 \$m	Level 3 \$m	Total \$m
As at 31 December 2025				
<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
Forward foreign exchange contracts - cash flow hedges	-	-	-	-
	-	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

11. Related party transactions

The following transactions occurred with related parties:

	June 2026 \$	June 2025 \$
<i>Operation and administration costs/income</i>		
Operational and maintenance revenues	186,846,531	-
Recoupment of IT costs	3,612,479	4,333,000
Sale of goods and services	3,965,292	3,491,737
Operational and maintenance costs	(175,410,101)	-
Purchase of goods and services	(6,651,644)	(5,575,666)
<i>Tax funding</i>		
Payment for tax funding loans	34,500,000	33,500,000
<i>Capital expenditure</i>		
Purchase of goods and services	(3,022)	-

12. Contingencies

The Group has provided bank guarantees of \$3.6 million (31 December 2025: \$3.6 million) to landlords and certain counterparties in relation to gas trading agreements.

13. Events after the reporting period

No matter or circumstance has arisen since 30 June 2026 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
Independent auditor's review report to the members of Australian Gas Infrastructure Holdings Pty Limited

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Australian Gas Infrastructure Holdings Pty Limited
Independent auditor's review report to the members of Australian Gas Infrastructure Holdings Pty
Limited

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Australian Gas Infrastructure Holdings Pty Limited
Independent auditor's review report to the members of Australian Gas Infrastructure Holdings Pty
Limited

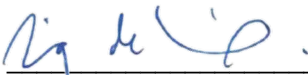
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In the Directors' opinion:

- 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 30 June 2026 and of its performance for the financial period ended on that date; 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

23 September 2026