



25 August 2021

ASX ANNOUNCEMENT

APA Group (ASX: APA)

FINANCIAL RESULTS PRESENTATION

APA Group provides the attached financial results presentation for the full year ended 30 June 2021.

Authorised for release by Nevenka Codevelle

Company Secretary

Australian Pipeline Limited

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About APA Group (APA)

APA is a leading Australian Securities Exchange (ASX) listed energy infrastructure business. We own and/or manage and operate a diverse, \$21 billion portfolio of gas, electricity, solar and wind assets. Consistent with our purpose to strengthen communities through responsible energy, we deliver approximately half of the nation's gas usage and connect Victoria with South Australia and New South Wales with Queensland through our investments in electricity transmission assets. We are also one of the largest owners and operators of renewable power generation assets in Australia, with wind and solar projects across the country.

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powering
ahead**

APT Pipelines Limited is a wholly owned subsidiary of Australian Pipeline Trust and is the borrowing entity of APA Group.

For more information visit APA's website, apa.com.au.

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Results for the full year ended 30 June 2021

25 August 2021

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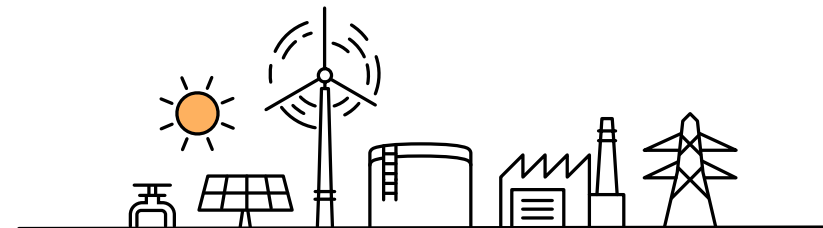
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Acknowledgement: Certain icons used in the presentation were designed by Freepik, Icongreek26, Nikita Golubev, Eucalypt and Srip from Flaticon.

Solid financial and operational performance

- **Solid financial performance** in challenging market conditions, confirming APA's resilient business model
 - Revenue up 0.7%, underlying EBITDA down 1.3%*
 - Profit after tax of \$3.7m, driven by significant items including the \$249.3 million non-cash Orbost impairment charge and \$148.0 million in finance costs associated with bond note redemptions
 - Free Cash Flow down 5.7% largely as a result of non-recurring items in the prior period
- **Distribution growth** reflects positive long term growth outlook
 - FY21 distribution of 51 cps, 2% increase on FY20
 - FY22 distribution guidance of 53 cps, 3.9% increase on FY21
- Debt refinancing activities have **strengthened the balance sheet** and lowered ongoing interest costs
- **Improved our safety performance** and maintained reliable operations
- **Refreshed our strategy** in pursuit of our vision to be world class in energy solutions
- Launched our **Sustainability Roadmap** and ambition to achieve **Net Zero operational emissions by 2050**
- Significant growth in the **organic development pipeline**, now in excess of \$1.3 billion, including East Coast Grid expansion, up from \$1.0 billion at 1H21

Note: *Revenue excluding pass-through and underlying EBITDA excludes significant items



Relentless focus on safety and proven reliability in operations

Reliable Infrastructure



99.9%
Gas transmission
nominations delivery



>97%
Gas transmission compressors
average reliability



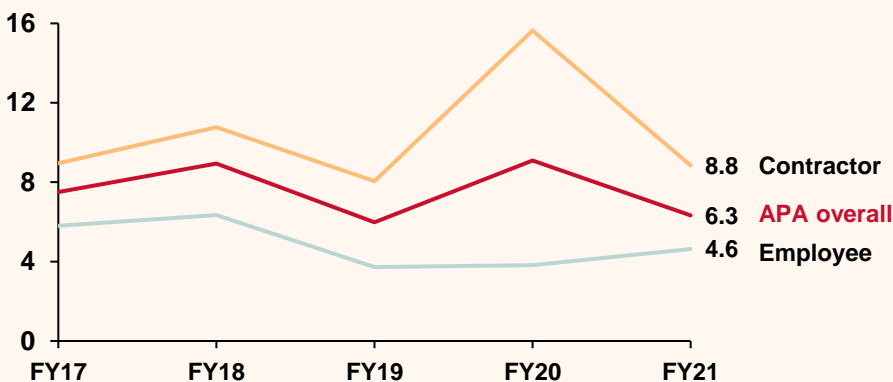
~98%
Availability factor with 810 GWh of
renewable energy

Safety forefront of our focus



30% reduction
in Total Recordable
Injury Frequency
Rate (TRIFR)

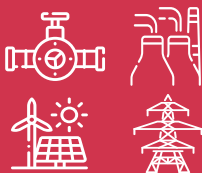
Improvements in contractor safety



Strong progress executing strategy

Gas, electricity and renewables infrastructure in Australia and North America

1



- Growth pipeline in excess of \$1.3b
- Achieved \$600m FID in FY21, 4 times more than FY20
- East Coast Grid expansion providing energy security to the Australia's largest industry and community markets

Next generation energy technologies (Pathfinder Program)

2



- Gruyere Hybrid Energy Microgrid
- Parmelia Hydrogen Project phase 1 complete
- NSW Hunter Hydrogen project

Respond to the changing needs of our customers and communities

3



- Technology to manage supply alternatives during maintenance
- Support during COVID with flexible terms, fee relief and no disconnections program
- Launched Stakeholder Advisory Panel to help inform business initiatives

Disciplined investments and maintaining a strong balance sheet

4

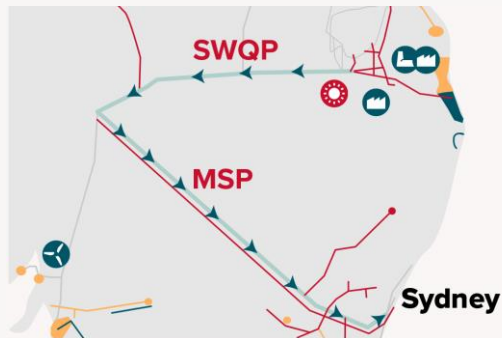


- Raised \$2.2 billion of new debt facilities, lowered cost and extended the tenor of our debt
- Refreshed distribution policy, delivering sustainable returns whilst maintaining capital to fund growth

Growing organic growth pipeline supporting energy security needs

East Coast Grid Expansion

- Increasing winter peak capacity up to 25% through two-staged expansion
- Delivering energy security for southern gas markets ahead of forecast supply risks
- Capital investment up to \$270 million



Northern Goldfields Interconnect

- A new 580km pipeline that increases capacity to the Goldfields region
- Deliver double the capacity compared to the same cost of expanding GGP
- Capital investment of ~\$460 million



Kurri Kurri Lateral Pipeline

- Development of gas supply to the Hunter Power Project including lateral pipeline, compressor station and storage pipeline
- Improving energy security and helping reduce emissions
- FID for APA's scope expected by Q4 CY22



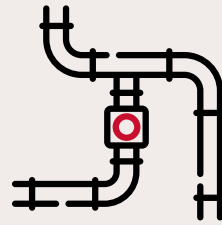
Gas continuing to play a critical role in supporting the energy transition



2021 CEDA keynote address

....**Gas firming is currently invaluable**, since it can be called on for short periods or long. **It's incredibly flexible**.....
.....dispatchable generation like this **unlocks many multiples of low-cost renewable generation** capacity into the market, by providing the security for when the sun isn't shining, the wind isn't blowing, **and other storage can't bridge the gap**....."

Daniel Westerman, AEMO CEO



Critical energy source

- High heat source for hard-to-abate industrial sectors
- Essential for energy security
- Preferred source of fuel for residential heating and cooking
- Perfect companion for renewables



Flexible dispatchable generation to support renewable generation and energy system requirements

Gas powered generation can ramp up quickly and support gaps in the energy network

- South Australia: renewables drought during mid May 2021
- Victoria: flooding of Yallourn Power Station and production issues at Longford gas plant
- Queensland: failure of one of the generation units at Callide Power Station

APA investing in the energy transition

Gruyere Hybrid Energy Microgrid

- Combined gas, renewable energy and battery storage energy solution
- Providing energy security whilst lowering emissions
- Capital investment ~\$38 million



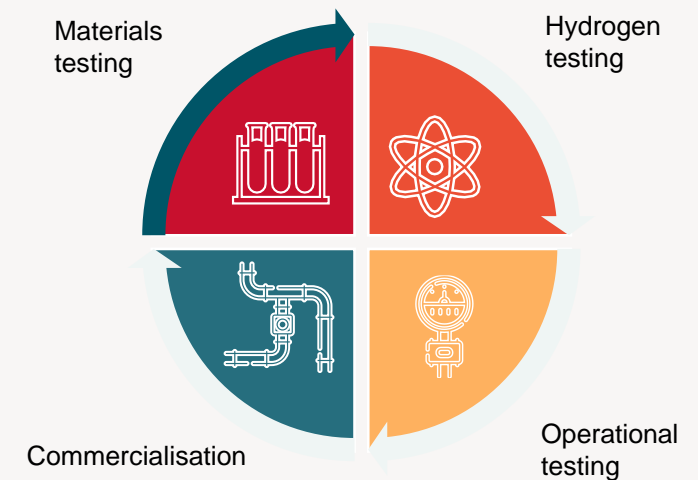
Mica Creek Solar Farm

- Active engagement with customers to develop a solar farm of capacity
- Further strengthening the energy security of the Mt Isa region



Parmelia Hydrogen Project

- Phase 1 testing confirms technical viability of the pipeline to transport hydrogen



Strengthening communities through responsible energy development

Case study: Gibson Island Rehabilitation Project

APA contributed to the introduction of over 1,000 native plants



Stakeholder Advisory Panel

Community engagement sounding board, including:

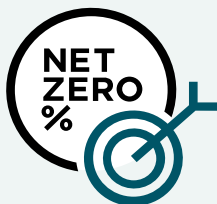
- Council of Small Business of Australia
- St Vincent de Paul
- National Native Title Council
- Australian Energy Council
- Clean Energy Finance Corporation
- Energy Users Association of Australia
- Chamber of Minerals and Energy of Western Australia



Supporting a sustainable future, including a Net Zero 2050 ambition

Net Zero ambition

- Announced ambition for net zero operations emission by 2050
- Development of interim targets underway (to be announced in FY22)
- Launched Sustainability Roadmap, setting the framework for our sustainability direction and focus until 2024
- Developed a Climate Change Management Framework



Social Performance

Positive active engagement with First Nations' communities, with mutually beneficial outcomes including:

- Embedding social performance KPIs in our Northern Goldfields Interconnects supplier agreements
- Returned more than 2,200 cultural heritage artefacts to their ancestral locations on the Victorian Northern Interconnect Expansion Project
- Our first school-based traineeship with Clontarf at Toowoomba



Investing in the community and our people

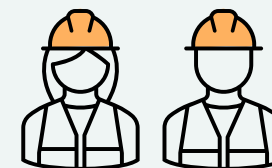
Community engagement

- A more flexible approach to landholder engagement during COVID-19 increased total landholder contact visits to over 10,000
- Community Investment Program contributed over \$700,000 supporting communities in times of need including:
 - Red Cross Natural Disaster Fund
 - Rural Aid
 - Biz Rebuild
 - Fred Hollows Foundation Indigenous Australia Program



People

- Increased senior leadership female representation by almost 7% and launched our Inclusion and Diversity Strategy for 2020 – 2025
- An employer of choice:
 - Ranked 8th Most Popular Intern Employer
 - Recognised as a Top 100 Graduate Employer
- Progressed our second cohort through APA's Ignite program to build capability in our emerging leaders
- Launched our national Apprenticeship Program



Our people are the key to our success



Financial performance

Adam Watson
Chief Financial Officer

FY21 financial summary

Solid financial performance in challenging market conditions, confirming APA's resilient business model

- Revenue up 0.7%, underlying EBITDA down 1.3% and FCF down 5.7%*
- Higher resources customer demand in the West Coast
- Lower industrial and commercial demand in the East Coast
- Softer recontracting in challenging market conditions
- Operating cost growth in line with inflation
- Corporate cost growth driven by investment in strategic growth opportunities, investment in capability and higher insurance / compliance costs
- Free Cash Flow impacted by non-recurring FY20 distribution received from subsidiaries, higher tax payments and costs associated with the scheduled Diamantina Power Station overhaul

Reported results impacted by accounting changes and significant items

- \$249 million non-cash pre-tax impairment for the Orbost Processing Plant
- \$148 million of finance costs associated with bond note redemptions
- \$18 million non-cash mark to market movements for renewables business
- \$8 million of cloud based technology costs now reported as operating costs

Strengthened balance sheet and capacity to fund growth

- \$2.2 billion debt refinanced, lowering ongoing interest costs and extending debt tenor
- Increased funding flexibility with refreshed distribution policy

\$2.1 billion

Revenue excluding pass-through
up 0.7%

\$1.6 billion

Underlying EBITDA
down 1.3%

\$902 million

Free Cash Flow
down 5.7%

51.0 cents

Distribution per security
up 2.0%

Note: *Revenue excluding pass-through, underlying EBITDA excludes significant items.

FY21 results summary

Results \$ million	FY21	FY20 ⁽¹⁾	Change	Key Drivers
Revenue ⁽²⁾	2,144.5	2,129.5	0.7%	Moderate revenue growth
Underlying EBITDA ⁽³⁾	1,633.0	1,653.9	(1.3%)	Softer recontracting, higher investment in strategic development opportunities and capability, higher insurance and compliance costs
Fair value and other adjustments	10.0	2.1	376.2%	Higher non-cash mark-to-market movements for renewable assets, SaaS costs now expensed but consistent year-on-year
Total reported EBITDA ⁽³⁾	1,643.0	1,656.0	(0.8%)	
Depreciation and amortisation	(674.4)	(650.8)	3.6%	Larger depreciable asset base
Total reported EBIT ⁽³⁾	968.7	1,005.2	(3.6%)	
Net interest expense	(504.8)	(507.8)	(0.6%)	Lower average interest costs in 4Q21
Profit before tax excluding significant items	463.9	497.4	(6.7%)	
Income tax expense ⁽³⁾	(182.1)	(185.6)	(1.9%)	Consistent average tax rate
Profit after tax excluding significant items	281.8	311.7	(9.6%)	
Significant items after tax ⁽⁴⁾	(278.1)	-		Impairment in relation to Orbost Gas Processing Plant and finance costs associated with bond note redemptions
Profit after tax including significant items	3.7	311.7	(98.9%)	
Free Cash Flow ⁽⁵⁾	901.9	956.6	(5.7%)	One-off SEA Gas distribution and shareholder loan interest of \$39 million in FY20
Distribution per security (cents)	51.0	50.0	2.0%	66.7% payout ratio in line with 60% to 70% target

1) FY20 is restated as a result of a change in the APA Group's accounting policy following the IFRIC Agenda Decision published in April 2021 related to accounting for SaaS arrangements.

2) Excludes pass-through revenue on which no margin is earned.

3) Excluding significant items

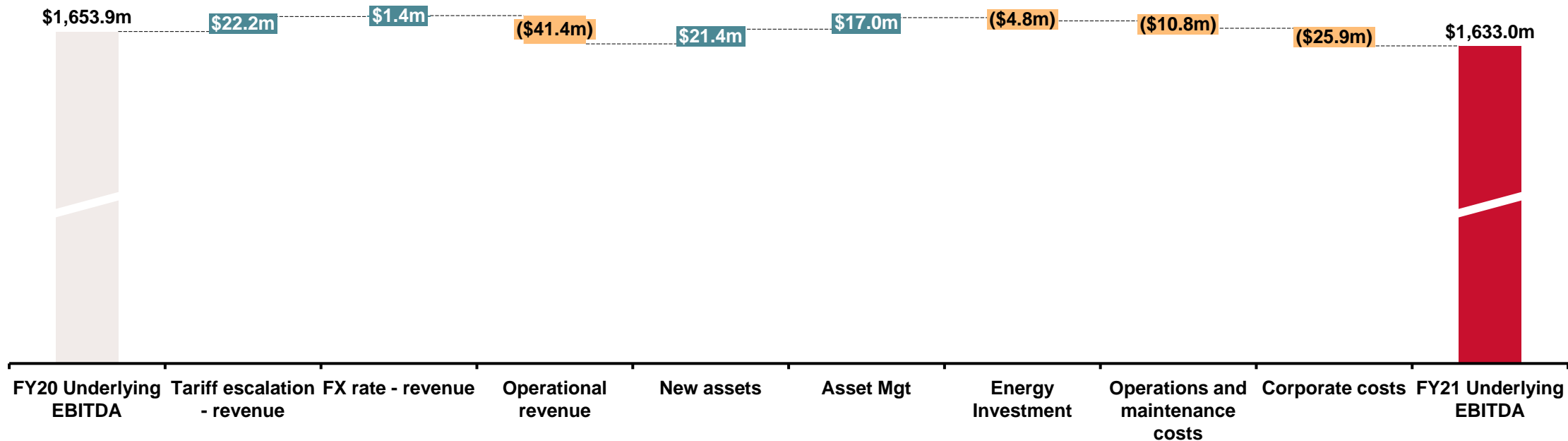
4) \$249.3 million non-cash pre-tax impairment in relation to Orbost Gas Processing Plant and \$148.0 million one-off finance costs associated with bond note redemptions. Total pre-tax impact \$397.3 million.

5) Free Cash Flow is Operating Cash Flow less stay-in-business (SIB) capex. SIB capex includes operational assets lifecycle replacement costs and technology lifecycle costs.

FY21 EBITDA

Key Drivers

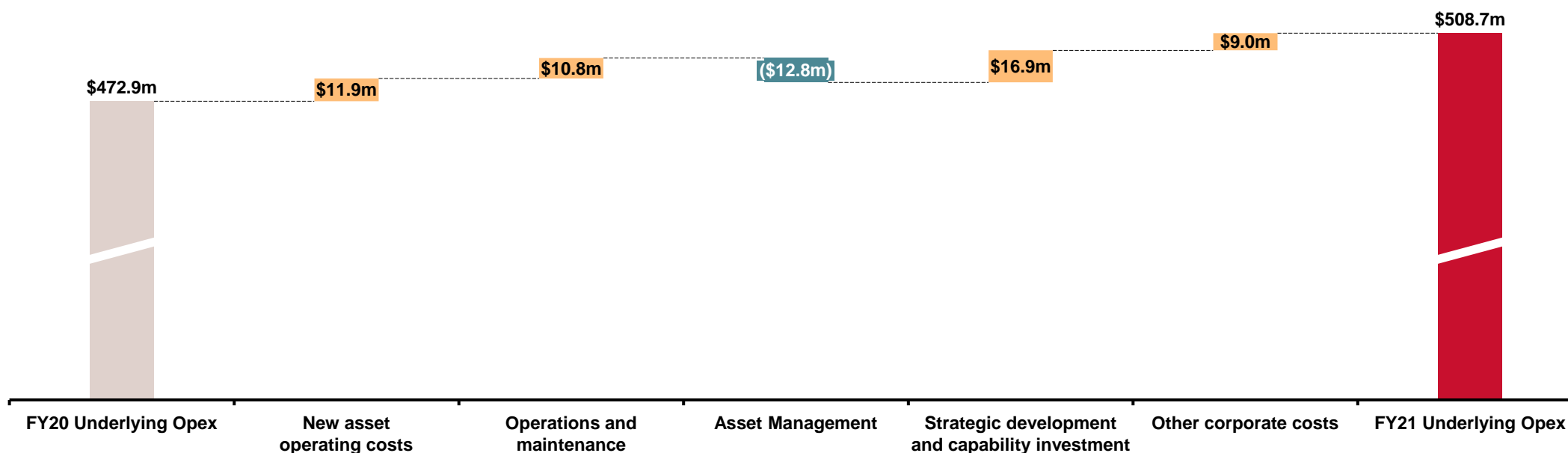
- Tariff escalation impacted by lower CPI during FY21
- Operational revenue reduction consistent with 1H21:
 - Softer contract renewals and reduced industrial and commercial volumes across the East Coast
 - Positive operational revenue from West Coast mining regions and Diamantina Power Station
- New assets contribution from Orbest Gas Processing Plant
- Improved Asset Management contribution driven by major projects in Northern Territory and Western Australia
- Cost analysis provided on Slide 17



FY21 operating expenditure

Key Drivers

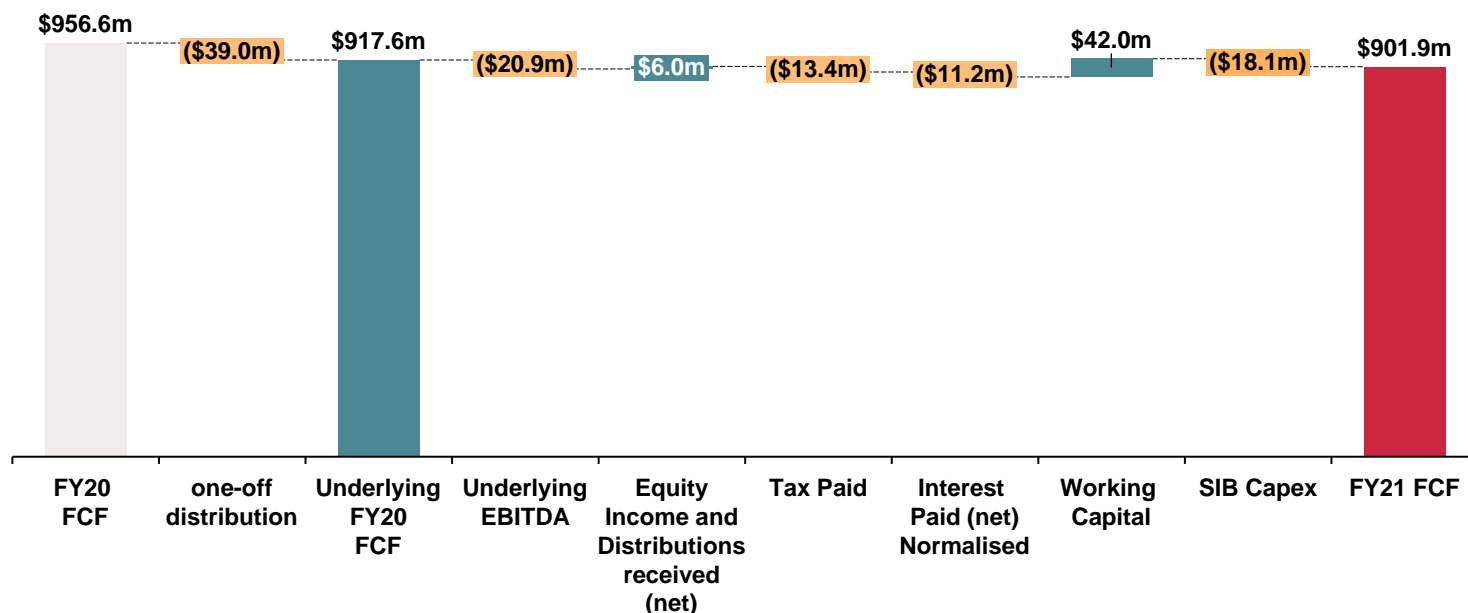
- New assets contribution from Orbest Gas Processing Plant since August 2020
- Operations and maintenance cost growth consistent with inflation
- Asset Management costs favourable following system upgrades in FY20
- Greater investment in development opportunities and strategic capability, including the Pathfinder Program, project evaluation costs and investments in sustainability, community engagement and cyber security.
- Other corporate costs impacted by increases in insurance premiums, higher compliance costs and costs associated with the development of APA's new leadership team



FY21 Free Cash Flow and distributions

Key Drivers

- Non-recurring distribution and interest income from SEAGas in FY20
- Higher tax payments due to increased taxable income
- Higher interest paid impact with Orbest interest no longer capitalised
- Favourable working capital management including construction capital contribution received
- Higher Stay-In-Business (SIB) capex due primarily to the scheduled Diamantina Power Station overhaul



FY21 distributions

- FY21 final distribution of 27.0 cps
- FY21 total distributions of 51.0 cps, up 2%
- Payout ratio of 66.7%

Distribution policy

- Payout ratio of 60-70% of Free Cash Flow
- Fully funds maintenance capex
- Supports appropriate level of funding for organic growth capex
- Comfortably supports BBB / Baa2 credit ratings

Note: Free Cash Flow is Operating Cash Flow less SIB capex (SIB capex includes operational assets lifecycle replacement costs and technology lifecycle costs)

FY21 capital expenditure

\$ Million	FY21	FY20 ⁽¹⁾
Growth Capex		
Regulated	50.2	46.5
Non-Regulated		
East Coast Gas	47.9	184.2
West Coast Gas	106.5	8.3
Power Generation	51.0	34.0
Other	27.9	14.7
Total growth capex	283.5	287.7
Stay-In-Business (SIB) capex	134.6	109.5
IT capex	14.4	21.4
Total capital expenditure	432.5	418.6

Notes:

1) FY20 is restated as a result of a change in the APA Group's accounting policy following the IFRIC Agenda Decision published in April 2021 related to accounting for SaaS arrangements.

Key drivers:

Major growth capex projects:

- Western Outer Ring Main project
- Wallumbilla Hub capacity upgrade
- Orbest Gas Processing Plant improvements
- Northern Goldfields Interconnect project
- Eastern Goldfields Pipeline capacity expansion
- Lake Way Gas Lateral for Salt Lake Potash
- Karlawinda Gas Lateral for Capricorn Metals
- Thomson Power Station construction
- Gruyere Power Station expansion including Hybrid Energy Microgrid

Major stay-in-business Capex:

- Scheduled overhaul on the Diamantina Power Station

Growing organic growth pipeline, now in excess of \$1.3 billion

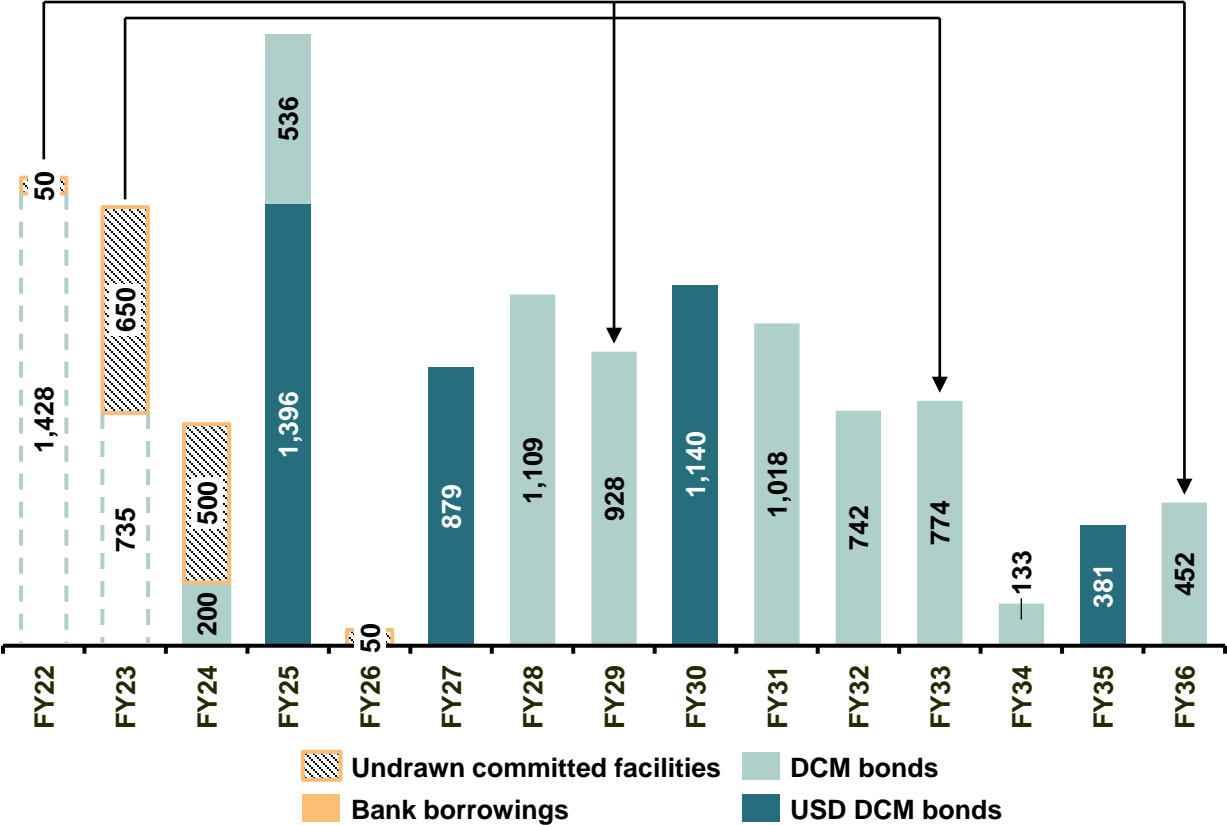
	FY22	FY23	FY24
Select major growth projects			
Northern Goldfields Interconnect		\$460m	
Gruyere Hybrid Energy Microgrid	\$38m		
Western Outer Ring Main		\$167m	
ECG Expansion stage 1 & 2*			\$270m
Kurri Kurri Pipeline*			

Notes: *East Coast Grid expansion stage 2 and Kurri Kurri Pipeline subjected to final investment decision

Strong balance sheet to support growth

Benefits of the \$2.2bn debt refinance in March 2021:

- Issued at an average tenor of 11 years and all-in cost of 3.5%
- Annualised FY22 interest cost reduced to 4.8% from 5.2%⁽¹⁾
- Average term to maturity of APA's drawn debt portfolio increased to 7.8 years from 6.4 years
- Interest rate exposure fully fixed or hedged
- \$148m one-off refinance cost associated with bond note redemptions
- Balance sheet strength and \$1.9bn in cash and undrawn facilities provides the capacity for strategic acquisitions
- Commitment to investment grade credit ratings - S&P: BBB (Stable), Moody's Baa2 (stable)



Note: 1) Assumed the liability management exercise of refinancing \$2.2 billion of debt in March 2021 has a full 12-month impact and excludes one-off interest charge, Average interest rate applying to drawn debt excluding one-off interest charge was 5.08% in FY21

Strong long-term outlook supporting ongoing distribution growth

Near term growth in Free Cash Flow

- Lower ongoing interest costs following execution of Liability Management exercise in March 2021
- Tax deductibility of bond note redemption costs benefitting FY22 tax paid
- Immediate tax write-off for investments in assets ready-for-use before 30 June 2023
- Recent above the trend inflation will improve earnings and cash flows
- Recent growth in organic development capex to benefit earnings and Free Cash Flow from FY23

Distribution policy supporting growth

- Targeted payout ratio of 60-70% of Free Cash Flow
- Fully funds SIB maintenance capex
- Supports appropriate level of funding for organic growth capex
- Supports BBB / Baa2 credit ratings
- FY22 distribution guidance of 53 cents per security, up 3.9% on FY21

Ongoing investment to drive growth

- Ensuring growth is enduring and sustainable
- Building high performance capability within APA
- Supporting business development opportunities with investment in project evaluation costs and in-house capability
- Strengthening our commitment to sustainability and our ambition to achieve net zero operations emissions by 2050
- Ensuring systems and processes are safe, reliable, efficient and scalable

Capital strategy complements strong investment fundamentals



Stable business operations
and solid cash flow
conversion



Strong distributions (60% to
70% of free cash flow)



Enhanced investor
engagement and
communication



High level of liquidity reflects
prudent treasury policies
and supports growth funding



Low cost of capital and
strong demand for APA
credit



Strong balance sheet
enhanced by recent liability
management exercise

Summary and Outlook

Rob Wheals
CEO and Managing Director

Results summary and outlook

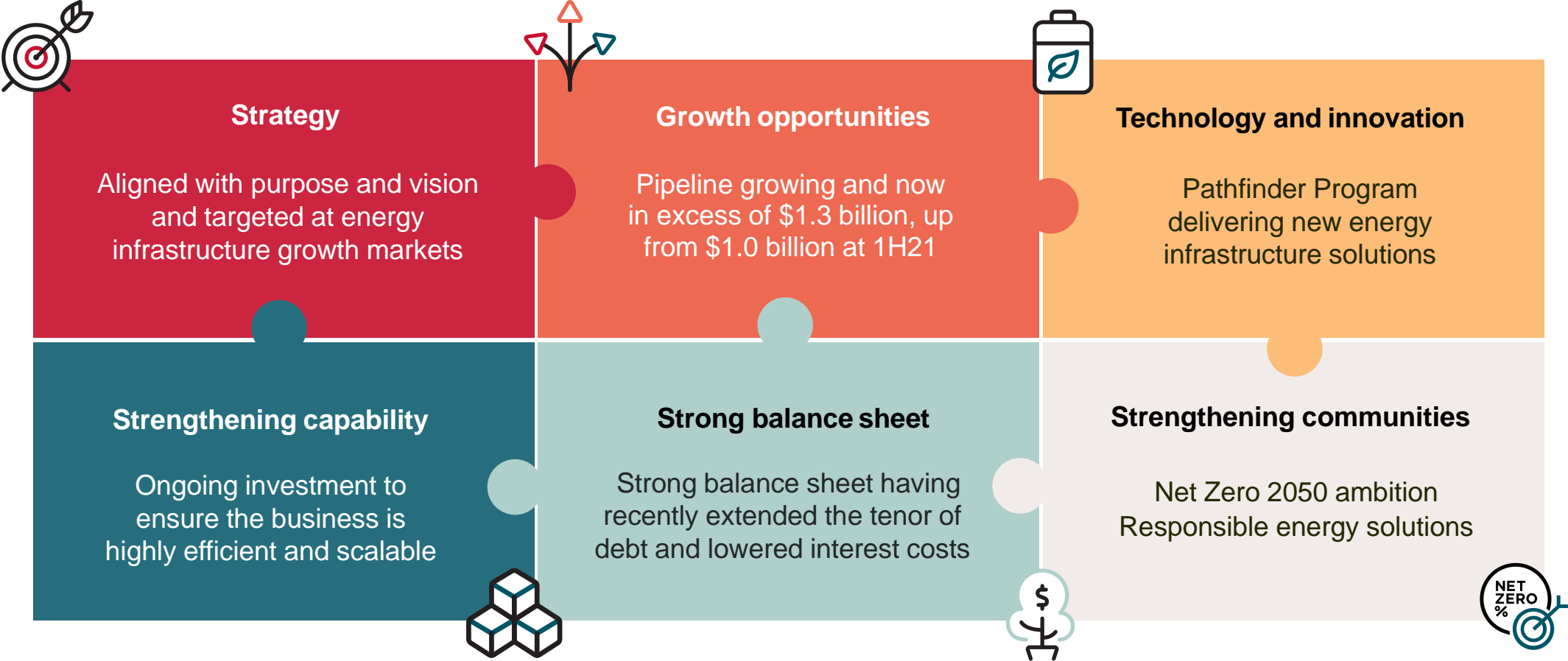
FY21 Summary

- Solid FY21 financial performance in challenging market conditions, confirming APA's resilient business model
- Improved our safety performance and maintained reliable operations
- Secured \$600 million of organic growth opportunities in FY21, 4 times more than FY20
- \$2.2 billion refinancing activity delivering sustainable Free Cash Flow accretion and further strengthening our balance sheet
- Ambition to achieve Net Zero operations emissions by 2050

FY22 Outlook

- FY22 distribution per security 53.0 cps, a 3.9% increase on FY21
- Backdrop:
 - Changing energy market dynamics
 - Increasing demand for flexible supply arrangements
 - Lower organic growth capex in prior years
- Continued investment in areas such as development, process automation and governance
- Organic growth capex expected to exceed \$1.3 billion over FY22-24, up from \$1.0 billion at 1H21

Strategy and capability to deliver our vision



Supplementary information

APA overview

ersonal use only

Proven success as a leading Australian energy infrastructure business

The drivers of our success to date

- Consolidated pipeline assets across Australia over the past 20 years
 - Built the East Coast Grid
 - Acquired Wallumbilla Gladstone Pipeline
- Diversified into other energy asset classes (solar and wind)
- Highly contracted and regulated revenues
- Skills and capability in infrastructure operations and development
- Low cost of capital



Diverse energy infrastructure portfolio

Gas infrastructure



Transmission ⁽¹⁾

15,425 km transmission pipelines



Storage

12,000 tonnes LNG
18 PJ gas



Processing

90 TJ/day processing plants



Distribution ⁽²⁾

>29,500 km gas mains and pipelines
>1.4 million gas customers

Power Generation



Renewable energy ⁽¹⁾

342 MW Wind
149 MW Solar



Gas fired ⁽¹⁾

440 MW

Electricity transmission



243 km high voltage lines⁽¹⁾

US



Entry: regulated gas or integrated gas and electricity utilities

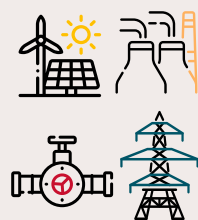
(1) Includes 100% of assets operated by APA Group, which form part of Energy Investments segment, including SEA Gas and EII (partially owned)

(2) Includes 100% of assets operated by APA Group in Queensland, New South Wales, Victoria and South Australia

Existing APA operational footprint diversified across a range of energy infrastructure assets

Assets

Gas pipelines, processing & storage
Gas-fired generation
Renewables generation
Electricity transmission



Customers

Servicing ~100 wholesale and
>1.4 million network customers

Operations

>1,200 employee spread across more than 50
locations in Operations & Maintenance, Engineering,
Health, Safety & Environment and Networks
operations

Note: Gruyere Hybrid Energy Microgrid is under construction



APA FY21 Results Investor Presentation

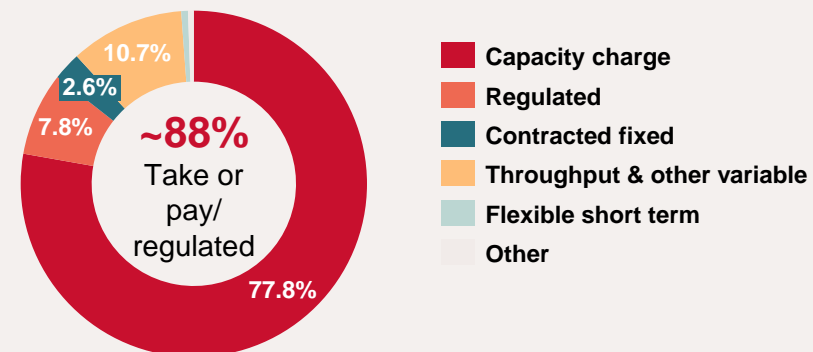


Low risk business model

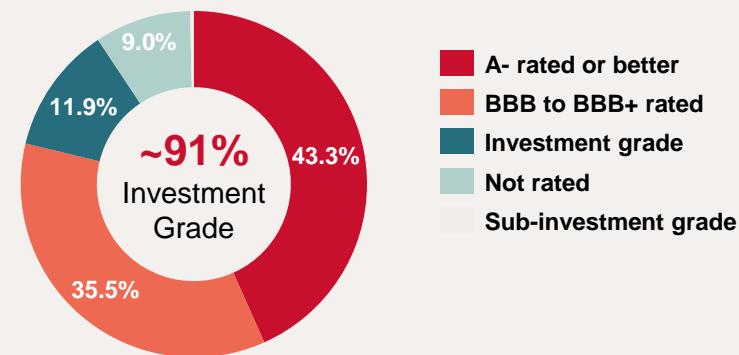
- Solid risk management processes in place
- Continue to manage counterparty risks by:
 - Diversification of customers and industry exposures
 - Assessment of counterparty creditworthiness
 - Entering into stable contracted revenue to support major capital spend

Energy Infrastructure revenue by

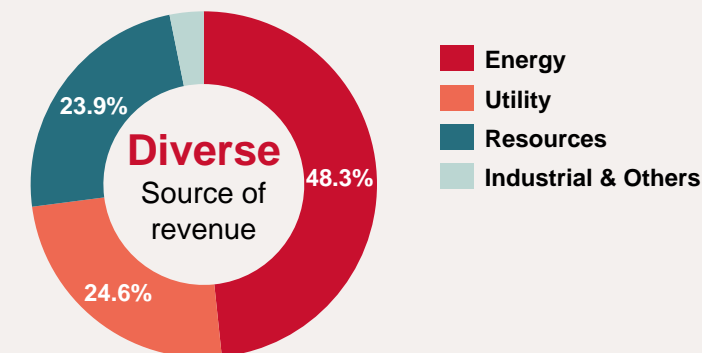
Revenue type



Customer credit rating



Customer industry



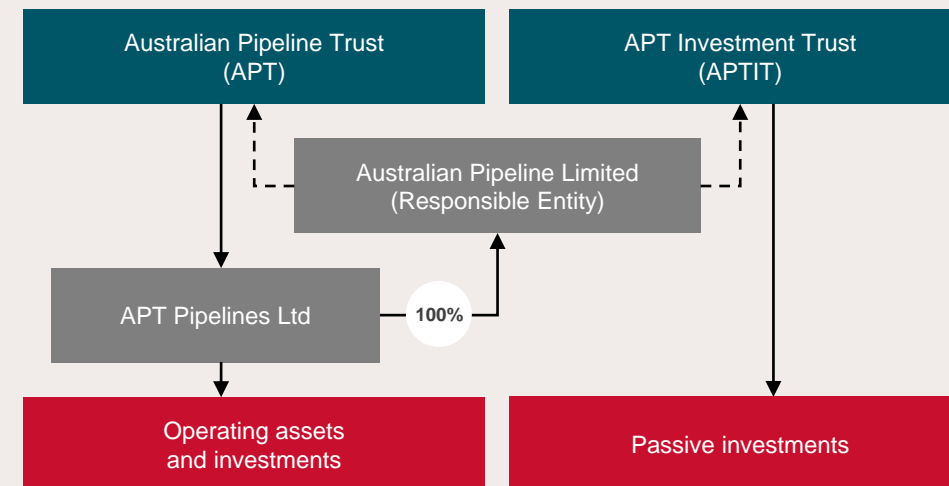
Group structure

- APA Group is listed as a stapled structure on the Australian Securities Exchange (ASX:APA)
- APA is comprised of two registered managed investment schemes:
 - Australian Pipeline Trust (ARSN 091 678 778)
 - APT Investment Trust (ARSN 115 585 441) is a pass-through trust
- Australian Pipeline Limited (ACN 091 344 704) is the responsible entity of APT and APTIT
- The units of APT and APTIT are stapled and must trade and otherwise be dealt with together
- APT Pipelines Limited (ABN 89 009 666 700), a company wholly owned by APT, is APA's borrowing entity and the owner of the majority of APA's operating assets and investments

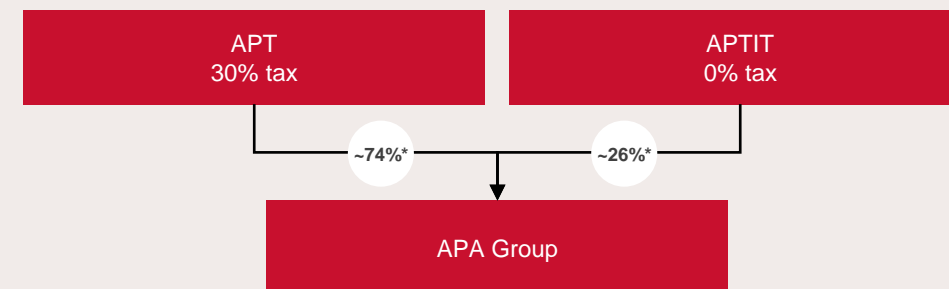
Financial reporting segments within APT:

- Energy Infrastructure: APA's wholly or majority owned energy infrastructure assets
- Asset Management: provision of asset management and operating services for the majority of APA's investments
- Energy Investments: interests in energy infrastructure investments

Group Structure



Tax Structure

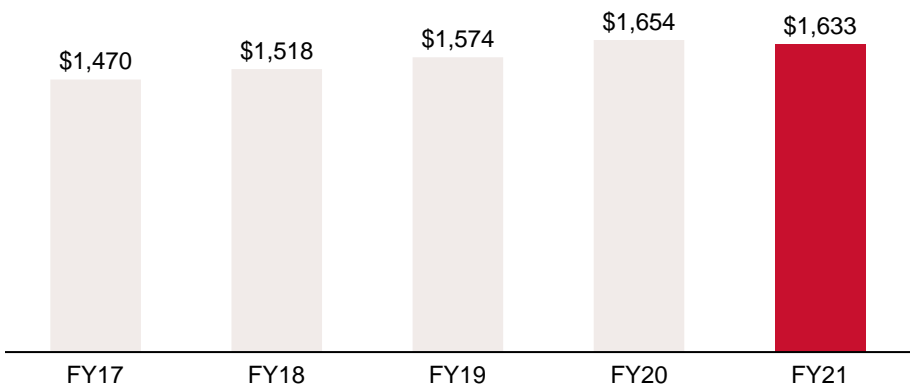


Financial Metrics

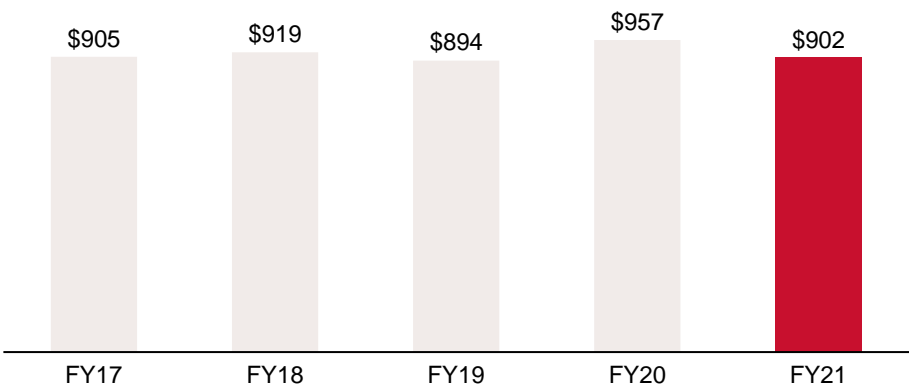
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Historical financial performance

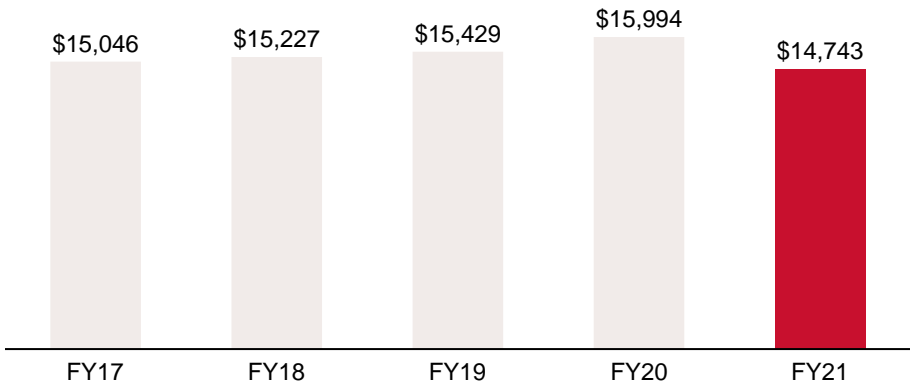
Underlying EBITDA



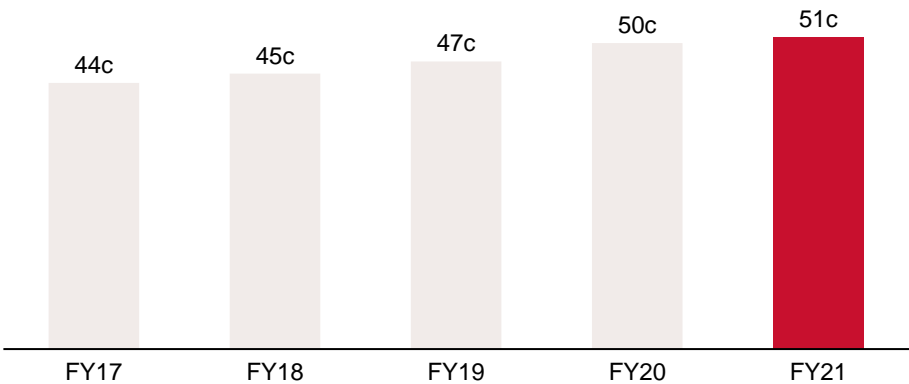
Free Cash Flow



Total Asset



Distribution



Revenue and underlying EBITDA by business segment

\$ Million	FY21	FY20 ⁽¹⁾	FY19 ⁽¹⁾	FY18 ⁽¹⁾	FY17
Revenue					
Energy Infrastructure					
East Coast Gas	768.6	771.5	766.9	760.6	764.4
West Coast Gas	328.8	323.2	289.0	263.6	261.4
Wallumbilla Gladstone Pipeline	552.3	541.6	545.3	518.4	490.4
Power Generation	339.6	337.5	297.9	258.7	254.7
Total Energy infrastructure	1,989.3	1,973.7	1,899.1	1,801.3	1,770.8
Asset Management	113.8	112.4	94.4	108.5	86.4
Energy investments	30.9	35.7	28.4	23.1	24.4
Underlying EBITDA⁽²⁾					
Energy Infrastructure					
East Coast Gas	627.5	648.8	650.4	655.3	643.6
West Coast Gas	270.8	271.5	236.4	214.1	212.3
Wallumbilla Gladstone Pipeline	549.7	538.9	542.4	515.9	488.0
Power Generation	174.6	170.6	143.3	111.8	109.8
Total Energy infrastructure	1,622.6	1,629.8	1,572.4	1,497.1	1,453.7
Asset Management	80.3	63.3	53.0	66.2	58.7
Energy investments	30.9	35.7	28.4	23.1	24.4
Corporate costs	(100.8)	(75.0)	(80.1)	(67.9)	(66.7)

Notes: Numbers in the table may not add up due to rounding.

1) Restated as a result of change in the APA Group's accounting policy following the IFRIC Agenda Decision published in April 2021 related to accounting for SaaS arrangements.

2) Excludes significant items

Underlying EBITDA by state

\$ million	FY21	FY20 ⁽¹⁾	Change	Key drivers
Queensland	995.0	1007.9	(1.3%)	• Softer contract renewals
New South Wales	151.5	160.8	(5.8%)	• Lower contracted capacity
Victoria & South Australia	115.8	104.2	11.1%	• Orbost Gas Processing Plant contribution started in August 2020
Northern Territory	22.7	19.9	14.3%	• New gas transportation agreement
Western Australia	337.5	337.1	0.1%	• Higher Goldfields demand offset by network curtailment
Energy Infrastructure total	1622.6	1629.8	(0.4%)	
Asset Management	80.3	63.3	26.8%	• Higher projects related to pipeline relocations
Energy Investments	30.9	35.7	(13.5%)	• FY20 benefiting from shareholder loan interest income
Corporate costs	(100.8)	(75.0)	34.5%	• Investments in strategic opportunities, building capability, higher compliance costs and higher insurance premium
Total underlying EBITDA	1633.0	1653.9	(1.3%)	

Notes: Numbers in the table may not add up due to rounding.

1) FY20 is restated as a result of change in the APA Group's accounting policy following the IFRIC Agenda Decision published in April 2021 related to accounting for SaaS arrangements.

5 year normalised financials

Financial Performance		FY21	FY20 ⁽¹⁾	FY19 ⁽¹⁾	FY18 ⁽¹⁾	FY17
Revenue	\$m	2,605.3	2,590.6	2,452.2	2,386.7	2,326.4
Revenue excluding pass-through ⁽²⁾	\$m	2,144.5	2,129.5	2,031.0	1,941.4	1,888.3
Underlying EBITDA ⁽³⁾	\$m	1,633.0	1,653.9	1,573.8	1,518.5	1,470.1
Total reported EBITDA ⁽³⁾	\$m	1,643.0	1,656.0	1,569.0	1,518.0	1,470.1
Depreciation and amortisation expenses	\$m	(674.4)	(650.8)	(611.3)	(578.9)	(570.0)
Reported EBIT ⁽³⁾	\$m	968.7	1,005.2	967.7	939.1	900.1
Net interest expense	\$m	(504.8)	(507.8)	(497.4)	(509.7)	(513.8)
Significant items – after income tax	\$m	(278.1)	-	-	-	-
Income tax expense	\$m	(62.9)	(187.9)	(175.6)	(164.9)	(149.5)
Profit after tax including significant item	\$m	3.7	317.1	284.7	264.5	236.8
Financial Position						
Total assets	\$m	14,742.9	15,994.3	15,429.2	15,226.7	15,045.9
Total drawn debt ⁽⁴⁾	\$m	9,665.7	9,983.6	9,352.1	8,810.4	9,249.7
Total equity	\$m	2,969.2	3,214.9	3,596.1	4,126.5	3,978.2
Cash Flow						
Free cash flow ⁽⁵⁾	\$m	901.9	956.6	893.7	919.0	905.1
Operating cash flow ⁽⁶⁾	\$m	1,051.0	1,087.5	1,007.3	1,031.1	973.9
Key Financial Ratios						
Earnings per security including significant items ⁽⁷⁾	cents	0.3	26.4	24.1	23.3	21.2
Free cash flow per security ⁽⁷⁾	cents	76.4	81.1	75.7	80.8	80.9
Distribution per security	cents	51.0	50.0	47.0	45.0	43.5
Funds From Operations to Net Debt	%	11.3	12.2	10.7	10.7	10.8
Funds From Operations to Interest	times	3.1	3.3	3.0	3.0	3.0
Weighted average number of securities ⁽⁷⁾	m	1,179.9	1,179.9	1,179.9	1,136.9	1,118.5

(1) Restated as a result of change in the APA Group's accounting policy following the IFRIC Agenda Decision published in April 2021 related to accounting for SaaS arrangements.

(2) Pass-through revenue is revenue on which no margin is earned.

(3) Excludes significant items

(4) APA's liability to repay debt at relevant due dates of the drawn facilities. This amount represents current and non-current borrowings as per balance sheet and is adjusted for deferred borrowing costs, the effect of unwinding of discount, unrealised foreign exchange differences reported in equity and deducting other financial liabilities that are reported as part of borrowings in the balance sheet.

(5) Free cash flow is operating cash flow less SIB capex (SIB capex includes operational assets lifecycle replacement costs and technology lifecycle costs)

(6) Operating cash flow = net cash from operations after interest and tax payments.

(7) On 23 March 2018, APA Group issued 65,586,479 new ordinary securities, resulting in total securities on issue of 1,179,893,848. The weighted average numbers of securities from FY2016 to FY2018 have been adjusted to account for that rights issue

Historical underlying EBITDA by asset – Energy Infrastructure

\$ millions	FY21	FY20	FY19	FY18	FY17
East Coast Grid					
Wallumbilla Gladstone Pipeline	549.7	538.9	542.4	515.9	488.0
South West Queensland Pipeline	232.8	254.4	250.0	244.3	242.4
Moomba Sydney Pipeline ⁽¹⁾	151.5	160.8	149.4	147.1	149.5
Victorian Systems	113.4	101.9	114.0	124.6	123.0
Roma Brisbane Pipeline	51.5	56.9	58.4	60.9	58.6
Carpentaria Gas Pipeline	29.0	29.5	36.8	39.0	35.6
Other Qld assets	24.2	23.1	20.7	14.0	13.5
East Coast Grid Total	1,152.0	1,165.5	1,171.5	1,145.7	1,110.5
Northern Territory					
Amadeus Gas Pipeline	22.7	19.9	19.2	22.9	18.8
Western Australia					
Goldfields Gas Pipeline	155.1	149.9	125.2	111.8	111.5
Eastern Goldfields Pipeline	50.7	51.0	45.6	37.7	36.3
Mondarra Gas Storage and Processing Facility	36.9	36.1	33.8	32.8	33.6
Pilbara Pipeline System	25.7	27.6	28.2	27.8	27.5
Other WA assets	2.4	7.0	3.6	4.0	3.4
South Australia					
SESA Pipeline and other SA assets	2.4	2.3	2.1	2.6	2.3
Power Generation					
Diamantina Power Station	94.3	89.4	90.9	88.3	87.4
Badgingarra Wind and Solar Farms	32.1	33.5	14.7	0.0	0.0
Emu Downs Wind and Solar Farms	26.7	24.8	23.2	23.6	22.4
Darling Downs Solar Farm	13.6	15.7	11.0	0.0	0.0
Gruyere Power Station	7.9	7.2	3.5	0.0	0.0
Grand Total	1,622.6	1,629.8	1,572.4	1,497.1	1,453.7

Notes: EBITDA excludes significant items

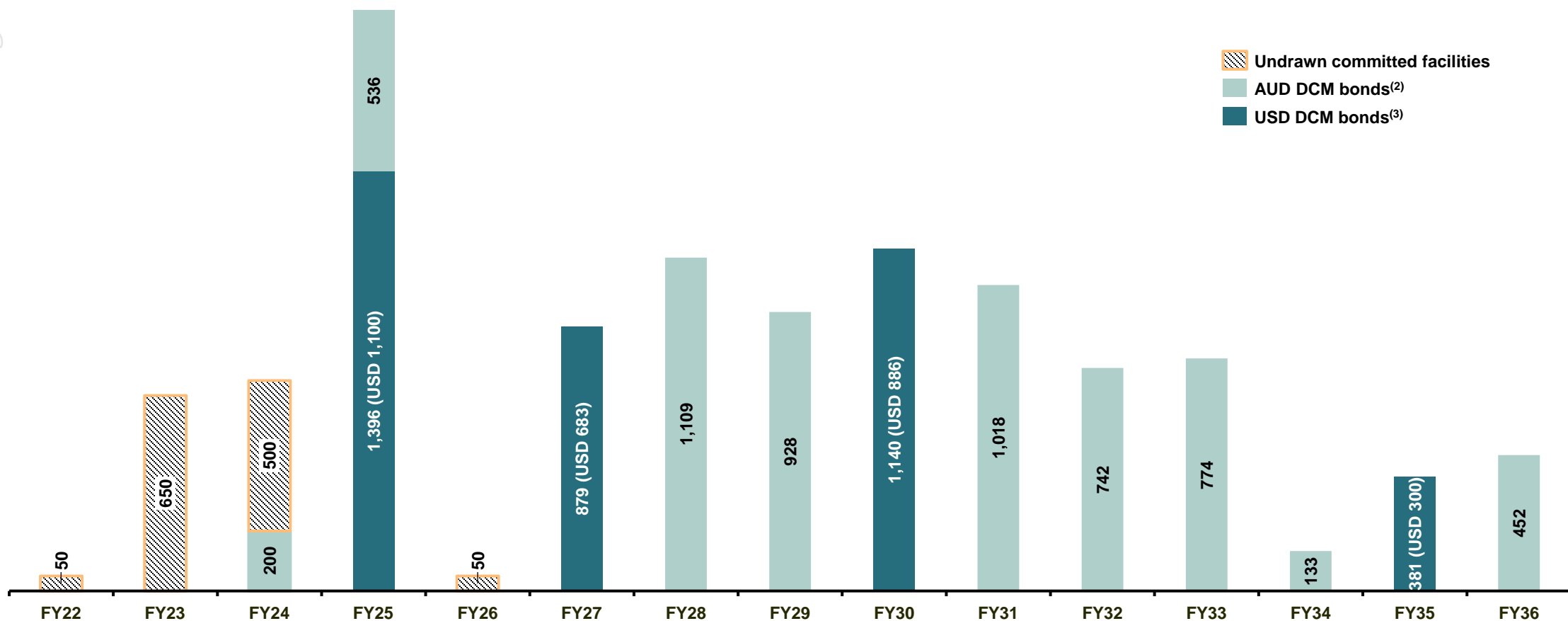
(1) Includes other NSW pipelines

Net Profit Before Tax to Cash Tax Reconciliation FY21

Key Drivers \$ millions		Source
APA Group Net Profit Before Tax	66.6	Consolidated statement of P&L
add		
Accounting depreciation	491.9	Financial statements note 5
Impairment of property plant & equipment (Orbost)	249.3	Financial statements note 5
Amortisation non current assets	182.5	Financial statements note 13 (predominantly contract amortisation)
less		
APTIT profit	(42.9)	Consolidated statement of P&L
Tax depreciation	(715.3)	Tax Transparency Report FY21 (includes \$105m immediately deductible capex)
Capitalised interest	(16.2)	Financial statements note 5
add		
Miscellaneous	11.9	See Tax Transparency Report for more detail
Taxable Income	227.6	
Less available fraction losses utilised	(51.0)	Current available fraction approximately 23%
Adjusted Taxable Income	176.6	
Tax @ 30%	53.0	
R&D Offset	(3.7)	Financial statements note 6
Franking credits	(1.0)	Financial statements note 7
Final Cash Tax	48.3	

Debt maturity profile

APA maintains diversity of funding sources and spread of maturities

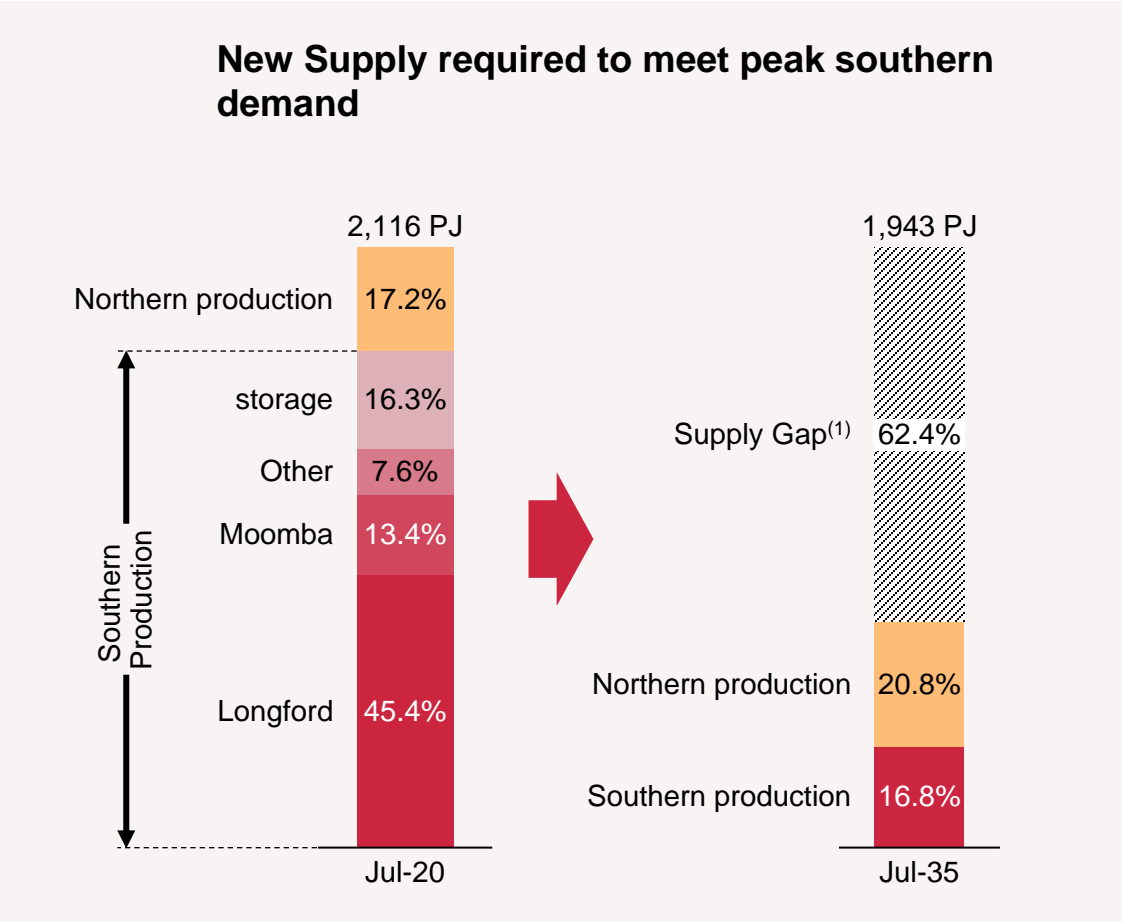
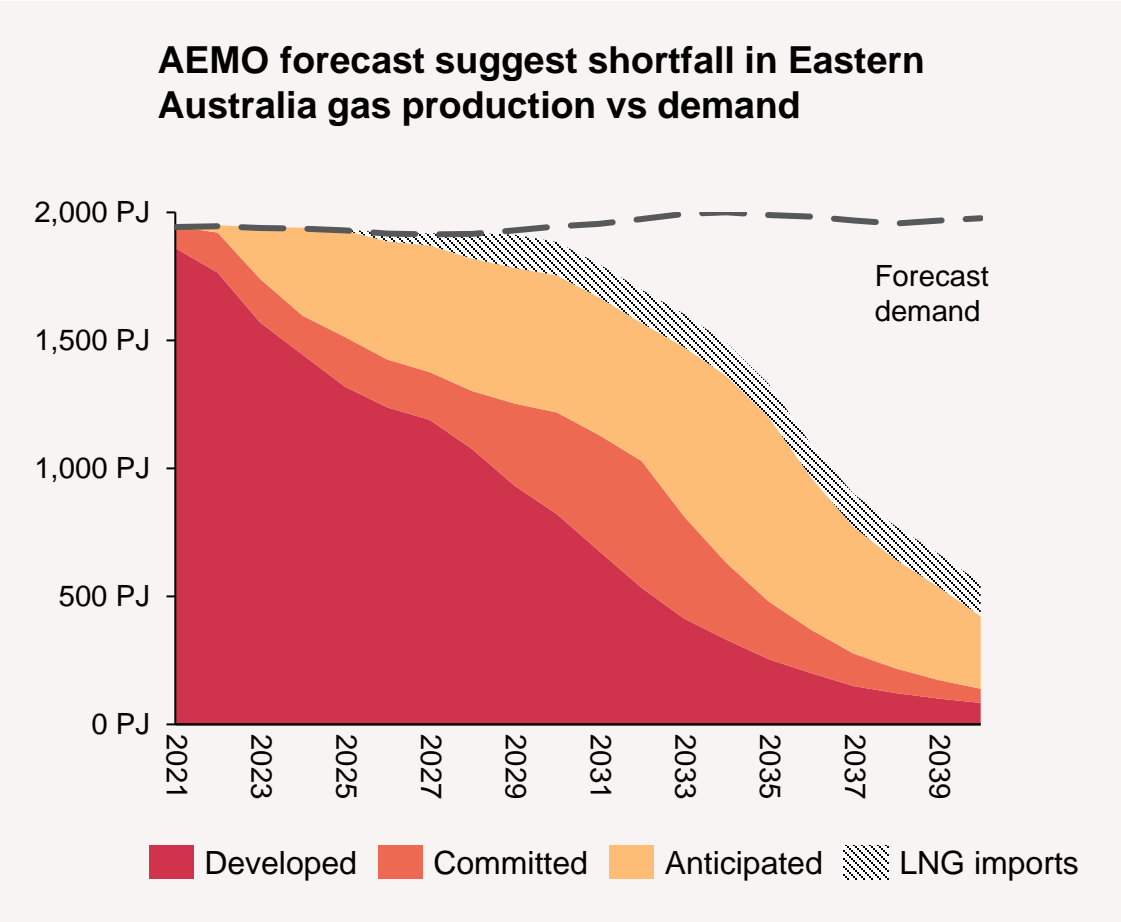


Notes:

1. APA debt maturity profile as at 30 June 2021.
2. Debt capital market (DCM) bonds.
3. USD denominated obligations translated to AUD at the prevailing rate at inception (USD144A - AUD/USD=0.7879, Euro and Sterling - AUD/USD=0.7772).

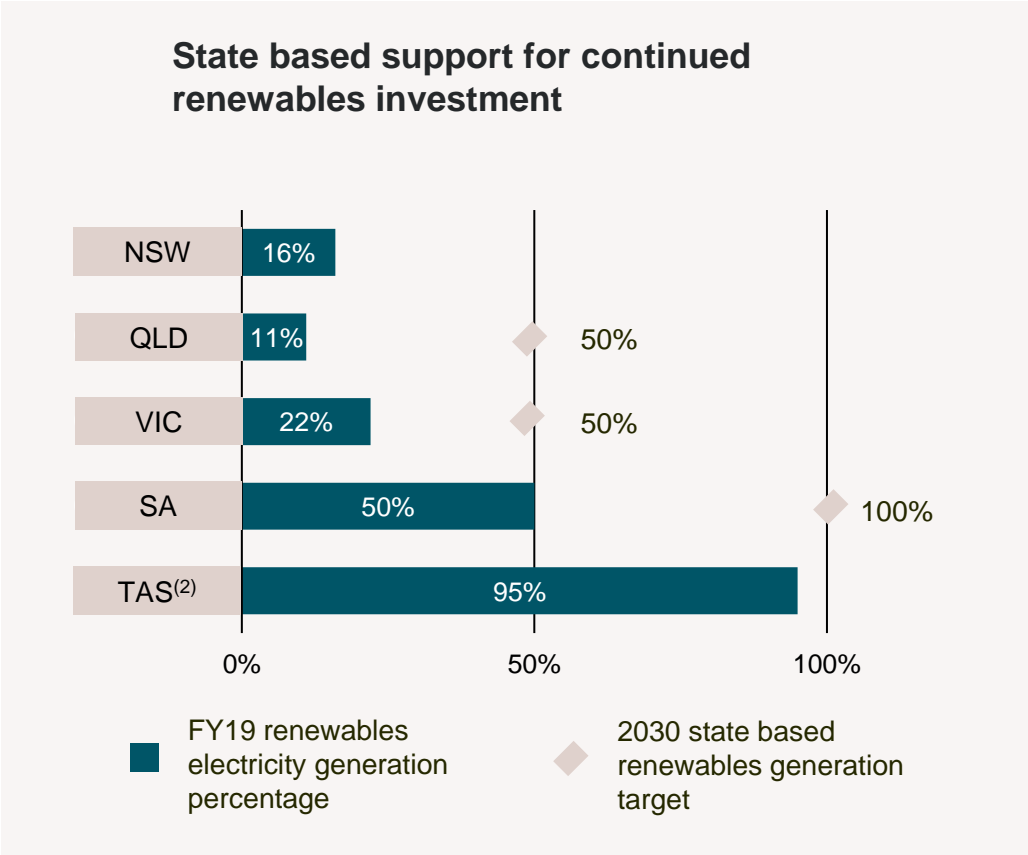
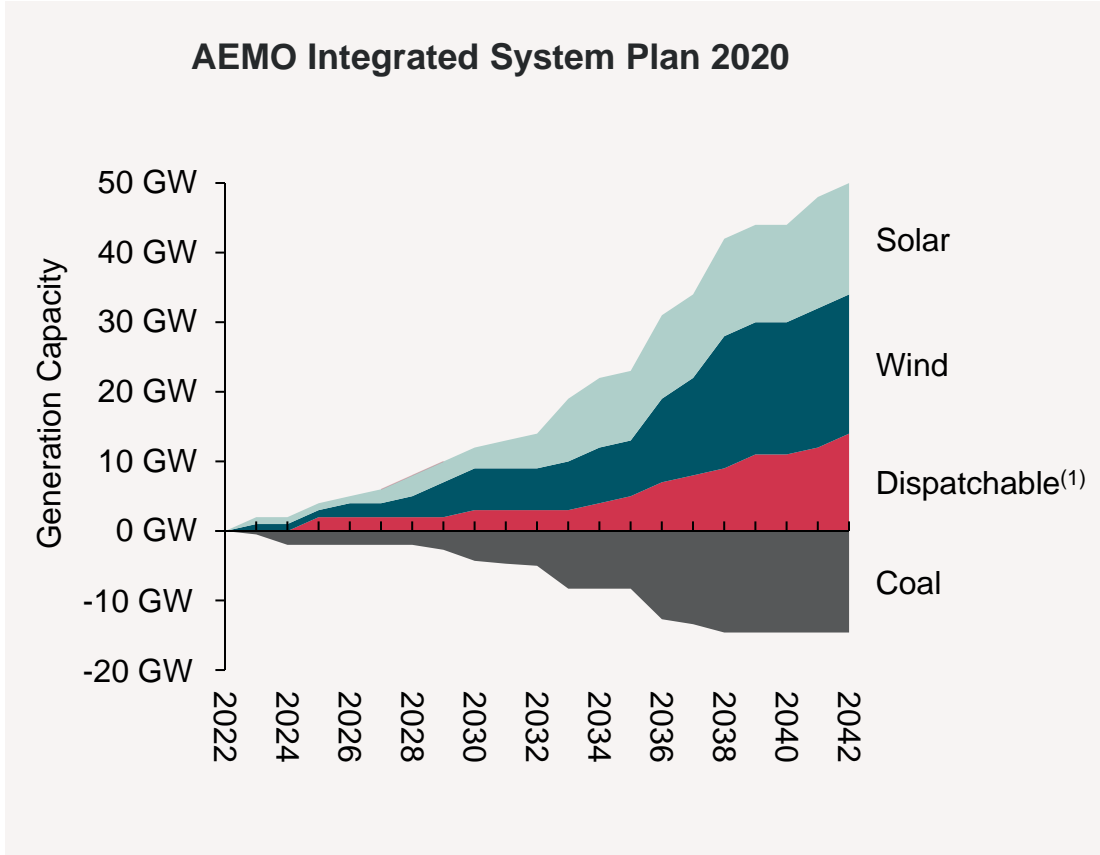
Energy market dynamics and overview

Australian gas market supply source transformation



Source: Gas Statement of Opportunities 2021, AEMO, gas production includes export LNG, Central scenario, existing, committed, and anticipated developments, 2021-40 (PJ), Figure 25 - Observed gas supply used to meet peak southern demand in 2020 and Figure 31 - Forecast gas supply relative to southern daily demand, Central scenario, 2035 (TJ/d)
Note: (1) includes demands that could be met with LNG receipts

Electricity market transition



Source: AEMO Integrated System Plan, 2020 central scenario; Australian Energy Statistic update 2020 Table O Electricity generation, by fuel type, by state

Note: 1) Dispatchable generation includes utility-scale pumped hydro, gas-powered generation and battery storage

2) Tasmania has a renewable generation target of 200% to 2040

Regulation of Australian gas pipelines





APA pipelines by regulation type



- In FY21, 7.8% of Energy Infrastructure revenue was from full regulated assets
- Gas pipelines are regulated by the Australian Energy Regulator (AER) or, the Economic Regulation Authority of Western Australia (ERA)
- Australia's economic regulatory regime for gas pipelines is set out in the National Gas Law (NGL) and the National Gas Rules (NGR). Some of APA's pipelines have been covered by the National Gas Access Regime since it was introduced in the 1990's.
- There are currently two frameworks under the NGR:
 - 1) Scheme pipelines (NGR Parts 8-12) are subject to either:
 - full regulation, where the AER or ERA must approve a full access arrangement that sets out reference tariffs, terms and conditions in a negotiate-arbitrate framework. Pipeline users can opt for non-regulated services on full regulation pipelines; or
 - light regulation, where pipeline owners must publish services and prices and comply with information provision requirements to support negotiations or alternatively seek regulatory approval for a limited access arrangement. A regulatory negotiate-arbitrate mechanism is available in the case of access disputes.
 - 2) Non-Scheme pipelines (NGR Part 23) – The Part 23 regime came into effect from August 2017 and provides for tariffs and terms to be negotiated, supported by additional information disclosure and a commercial arbitration mechanism in the event of a dispute.

Regulation of Australian gas pipelines (con't)

Schedule of regulatory reset dates for APA

Current regulatory period	2022	2023	2024	2025	2026
Roma Brisbane Pipeline					
Victorian Transmission System					
Goldfields Gas Pipeline					
Amadeus Gas Pipeline					

Access arrangement

- Apply for a term, generally 5 years
- Set out the terms and conditions of third party access, including
 - At least one reference service that is commonly sought by customers – for pipelines, this is generally firm forward-haulage services
 - A reference (benchmark) tariff for the reference service

Reference tariff

- Provides a default tariff for customers seeking the reference service but tariffs can also be negotiated for other services
- Determined with reference to regulated revenue, capacity and volume forecasts

Regulated revenue

- Determined using the building block approach to recover efficient costs including:
 - Forecast operating and maintenance costs
 - Regulatory asset depreciation and
 - Return on value of regulated assets (regulated asset base) based on WACC determination
 - Return is now a binding (defined methodology) rate of return as at Dec 2018 for the next 4 years
- WACC based on 60:40 debt equity split

Regulated asset base (RAB)

- Opening RABs have been settled with the regulator; there are no reassessments for approved RABs
- RABs adjusted every access arrangement period
 - Increased by capital invested into the asset and reduced by regulatory depreciation costs

For further information

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