



5 May 2022

ASX ANNOUNCEMENT

APA Group (ASX: APA)

APA Presentation

Macquarie Australia Conference

APA Group (ASX: APA) provides the attached presentation to be delivered by APA at the Macquarie Australia Conference today.

A copy of the presentation will be available on the APA's website in the [investor reports and presentation section](#).

Authorised for release by Amanda Cheney

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, \$22 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.

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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apa

APA Group

The critical role of gas in Australia's energy transition

Macquarie Australia Conference
5 May 2022



disclaimer

This presentation has been prepared by Australian Pipeline Limited (ACN 091 344 704) as responsible entity of the Australian Pipeline Trust (ARSN 091 678 778) and APT Investment Trust (ARSN 115 585 441) (APA Group).

The information in this presentation does not contain all the information which a prospective investor may require in evaluating a possible investment in APA Group and should be read in conjunction with the APA Group's other periodic and continuous disclosure announcements which are available at www.apa.com.au.

All references to dollars, cents or '\$' in this presentation are to Australian currency, unless otherwise stated.

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Past performance: Past performance information should not be relied upon as (and is not) an indication of future performance.

Forward looking statements: This presentation contains certain forward looking information, including about APA Group, which is subject to risk factors. "Forward-looking statements" may include indications of, and guidance on, future earnings and financial position and performance, statements regarding APA Group's future strategies and capital expenditure, statements regarding estimates of future demand and consumption and statements regarding climate change and other environmental and energy transition scenarios. Forward-looking statements can generally be identified by the use of forward-looking words such as, 'expect', 'anticipate', 'likely', 'intend', 'could', 'may', 'predict', 'plan', 'propose', 'will', 'believe', 'forecast', 'estimate', 'target', 'outlook', 'guidance' and other similar expressions and include, but are not limited to, forecast EBIT and EBITDA, free cash flow, operating cash flow, distribution guidance and estimated asset life.

APA Group believes that there are reasonable grounds for these forward looking statements and due care and attention have been used in preparing this presentation. However, the forward looking statements, opinions and estimates provided in this presentation are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions and are subject to risk factors associated with the industries in which APA Group operates. Forward-looking statements, opinions and estimates are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of APA Group, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. There can be no assurance that actual outcomes will not materially differ from these forward-looking statements, opinions and estimates. A number of important factors could cause actual results or

performance to differ materially from such forward-looking statements, opinions and estimates.

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Investment risk: An investment in securities in APA Group is subject to investment and other known and unknown risks, some of which are beyond the control of APA Group. APA Group does not guarantee any particular rate of return or the performance of APA Group.

Non-IFRS financial measures: APA Group results are reported under International Financial Reporting Standards (IFRS). However, investors should be aware that this presentation includes certain financial measures that are non-IFRS financial measures for the purposes of providing a more comprehensive understanding of the performance of the APA Group. These non-IFRS financial measures include FCF, EBIT, EBITDA and other "normalised" measures. Such non-IFRS information is unaudited, however the numbers have been extracted from the audited financial statements.

Not an offer: This presentation does not constitute an offer, invitation or recommendation to subscribe for or purchase any security. In particular, this presentation does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States. Securities may not be offered or sold, directly or indirectly, in the United States or to persons that are acting for the account or benefit of persons in the United States, unless they have been registered under the U.S. Securities Act of 1933, as amended (the U.S. Securities Act), or are offered and sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable state securities laws.

Non-GAAP financial measures: Investors should be aware that certain financial data included in this presentation are "non-GAAP financial measures" under Regulation G of the U.S. Securities Exchange Act of 1934, as amended. These measures are EBITDA, normalised EBITDA and statutory EBITDA. The disclosure of such non-GAAP financial measures in the manner included in the presentation may not be permissible in a registration statement under the U.S. Securities Act. These non-GAAP financial measures do not have a standardised meaning prescribed by Australian Accounting Standards and therefore may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Although APA Group believes these non-GAAP financial measures provide useful information to users in measuring the financial performance and condition of its business, investors are cautioned not to place undue reliance on any non-GAAP financial measures included in this presentation.

Acknowledgement: Images on slide 4: Weddell Meter Station and Northern Operations Technicians, Darwin.

In the spirit of reconciliation APA acknowledges the Traditional Custodians of country throughout Australia and their connections to land, sea and community.

We pay our respects to their elders past and present, and extend that respect to all Aboriginal and Torres Strait Islander Peoples today.

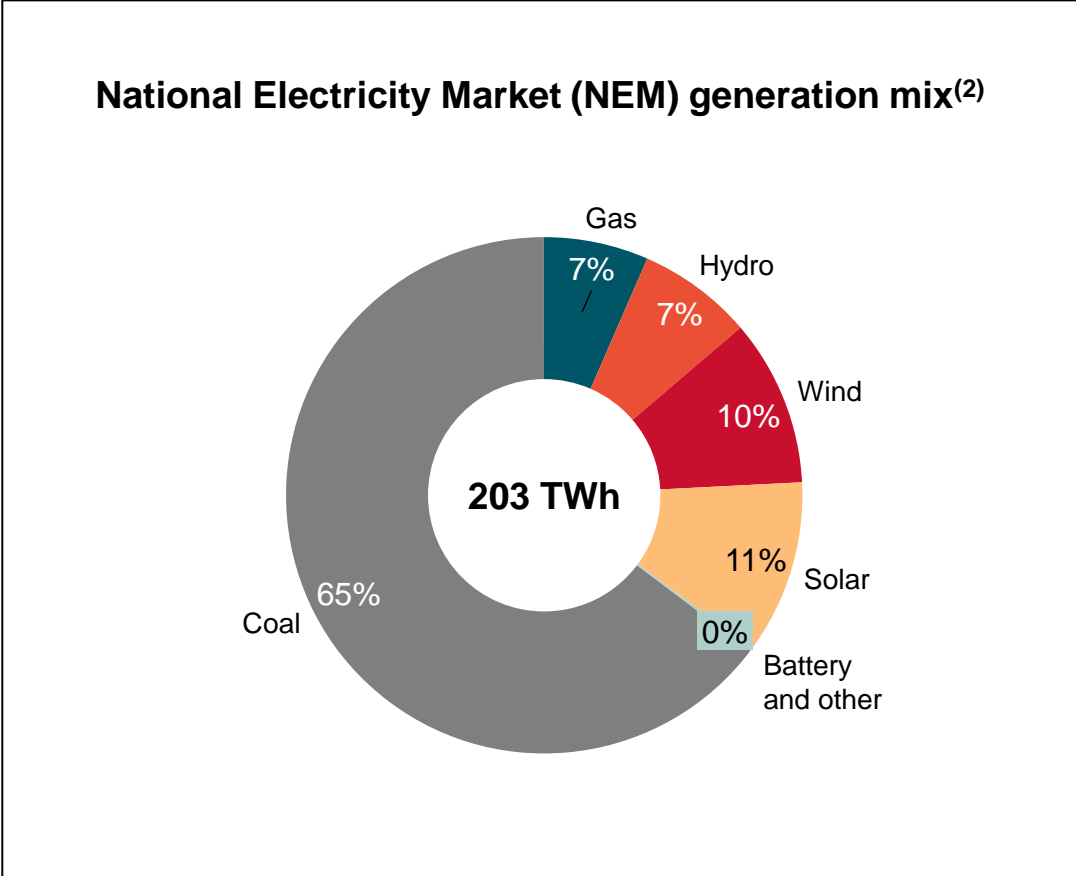
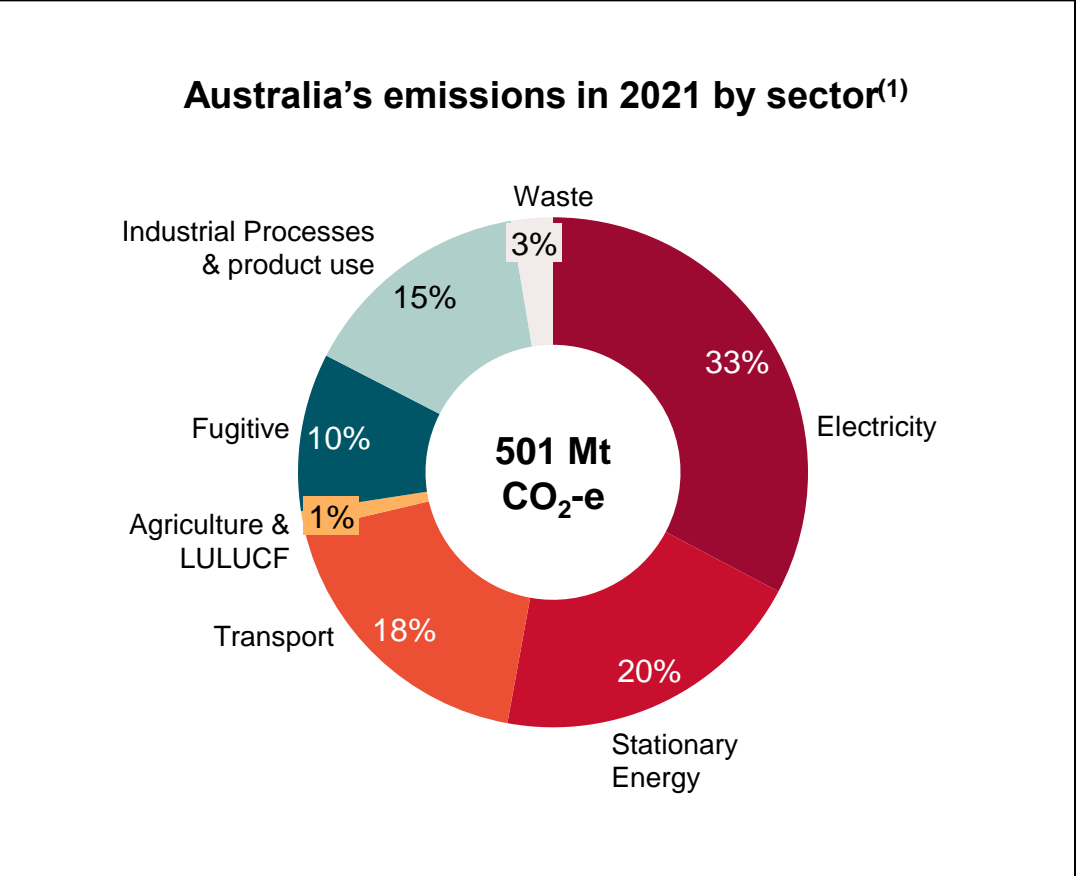
Our people are the key to our success



Well positioned to support a low emissions future

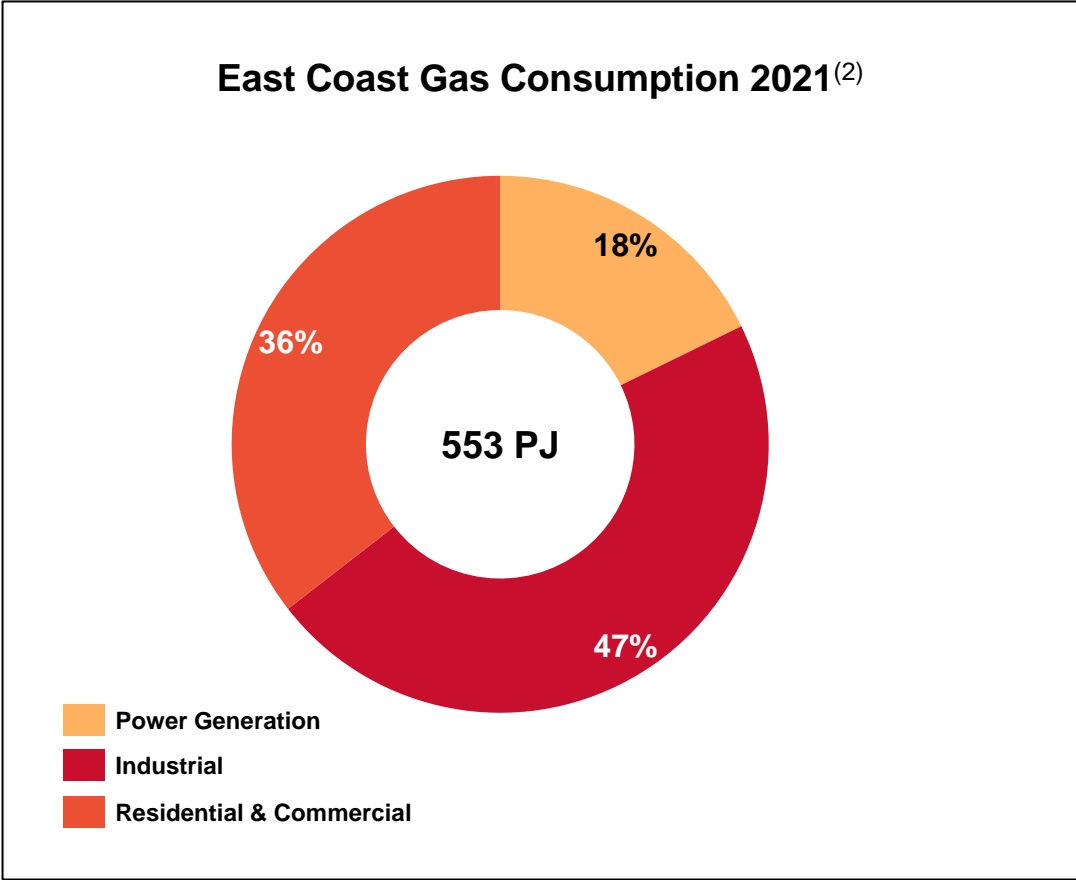
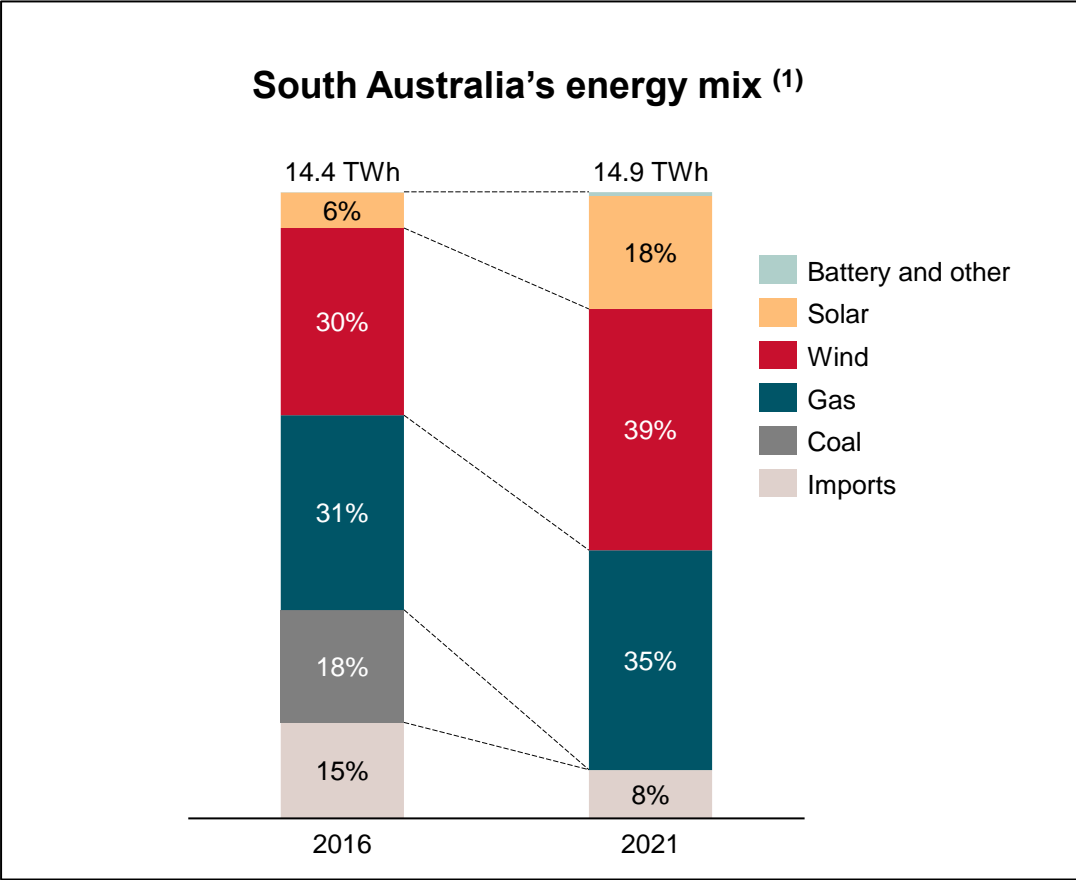


Transitioning Australia's energy system



Notes:
 1. Department of Industry, Science, Energy and Resources: Australia's emission projections 2021
 2. National Electricity Market (East Coast Australia) 2021 OpenNEM data

Gas is an essential companion to renewables and a vital industrial energy source



Notes:
 1. OpenNEM Data; 2. AEMO Gas Statement of Opportunities 2022

APA is investing to support energy markets

South West Pipeline Expansion

- Response to potential 2023 shortfall with pipeline augmentation
- Capital investment of ~\$60m

East Coast Grid Expansion

- Increasing winter peak capacity up to 25% through two-staged expansion
- Capital investment of ~\$270m



Kurri Kurri Lateral Pipeline

- Proposed development of gas pipeline to the Hunter Power Project with the ability to deliver blended hydrogen to the receipt station
- Capital investment of ~\$250m

Northern Goldfields Interconnect

- A new 580km pipeline that increases capacity to the Goldfields region
- Capital investment of ~\$460m

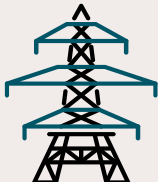


Notes:
Photo credits: APA; Baosteel

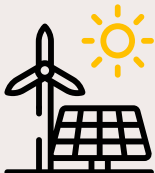
Expertise and experience in operating and developing energy infrastructure



Regulated/contracted gas infrastructure



Regulated/contracted Electricity infrastructure



Renewables & Firming



Hydrogen

Strong organic growth pipeline, now in excess of \$1.4 billion⁽¹⁾

Notes:
(1) As at 23 February 2022

Supporting our customers with their decarbonisation efforts

Mica Creek Solar Farm

- 88MW solar farm backed by gas power generation; biggest off-grid solar in Australia
- Capital investment ~\$150m

Gruyere Hybrid Energy Microgrid

- Combined gas, renewable energy and battery storage energy solution
- Capital investment ~\$40m

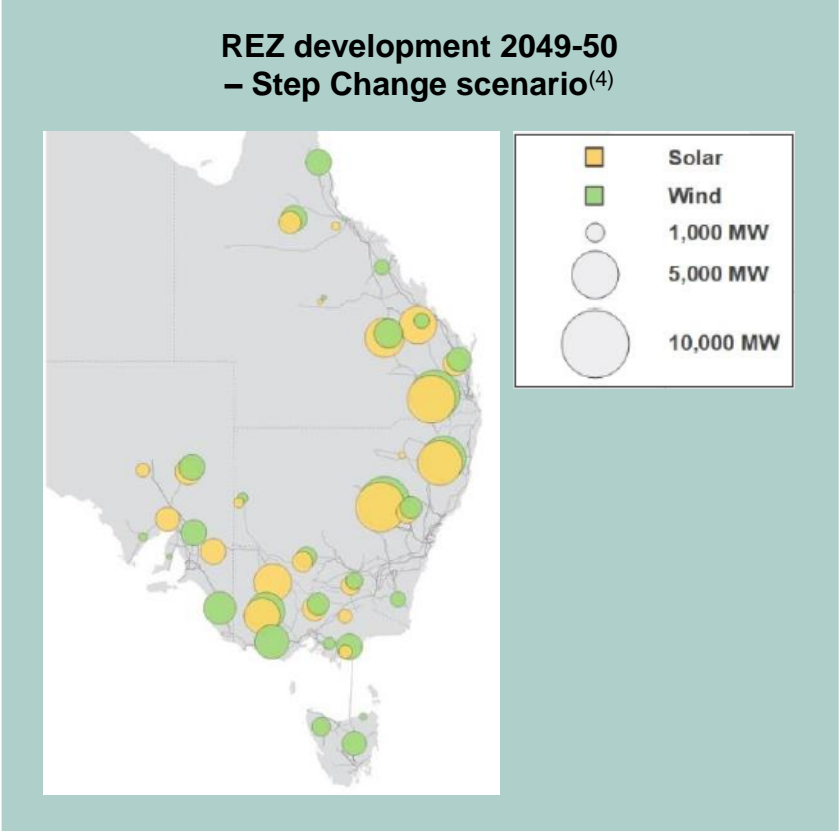


Opportunities in electricity transmission via renewable energy zones

122 GW
additional VRE
capacity by 2050⁽¹⁾

35 REZs
shortlisted across
eastern Australia⁽²⁾

\$30+ B
New transmission
investment⁽³⁾



Renewable Energy Zones (REZ)

REZ are resource areas for clusters of large-scale renewable energy projects

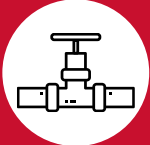
REZ combine generation, transmission, storage, and system strength services to ensure a secure, affordable and reliable energy system

Total REZ opportunities across the NEM currently estimated at \$90B

NSW Government has committed to develop five REZs in Central-West Orana, New England, South-West, Hunter-Central Coast and Illawarra regions

1. VRE = Variable Renewable Capacity; Source: AEMO 2022 Draft ISP Step Change Scenario. 2. Source: AEMO 2022 Draft ISP Appendix 3. Source: AEMO 2022 Draft ISP Appendix 5. 4. Source: AEMO 2022 Draft ISP, Appendix 3, Step Change Scenario.

Investment in future energy technologies



Parmelia Gas Pipeline Hydrogen Project

- Proposed 100% hydrogen conversion of a section of existing pipeline in Western Australia
- Phase 2 underway - lab testing of the pipeline materials in gaseous hydrogen conditions



Victorian Transmission System

- Proposal to develop Australia's first blueprint for state-wide hydrogen blending
- Hydrogen safety proposal to test network under access arrangement



Central Queensland Hydrogen Project

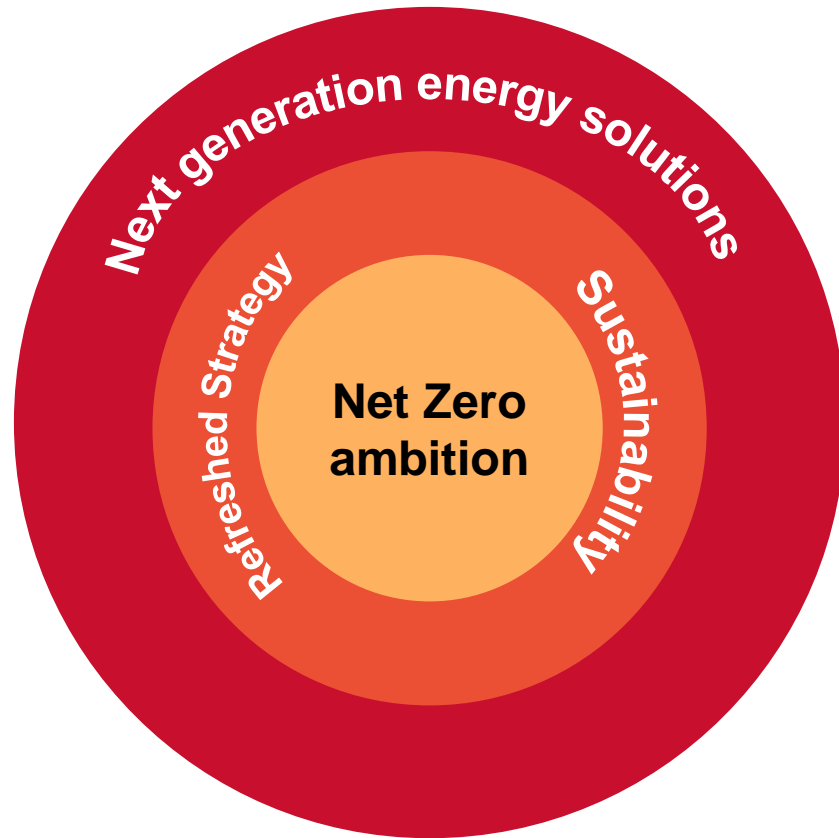
- Feasibility study into the development of a large scale renewable hydrogen project in Central Queensland with exports to Japan



Mid-West Blue H2 & CCS Project

- Feasibility study to identify opportunities to commercialise and distribute low-cost blue hydrogen
- Potential use of the Cliff Head oil project to store carbon dioxide

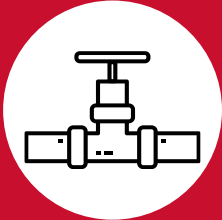
Growth strategy aligned with Net Zero ambition



Net Zero 2050

- Progressing our ambition to achieve Net Zero operational emissions (Scope 1 and 2) by 2050
- Interim targets to be released during 2022
- Net Zero ambition embedded in our decision-making
- A Climate Change Management Plan developed
- Signatory of Methane Guiding Principles
- Joined as Founding Members of Materials and Embodied Carbon Leaders' Alliance
- Joined CEO Climate Leaders Coalition

Strategy and capability to be world class in energy solutions



**Leading energy
infrastructure
company**



**Delivering on
our strategy**



**Attractive growth
opportunities**

always
powering
ahead

apa

Thank you










Appendix

APA is a leading energy infrastructure business

Creating value for our Securityholders and the Community

- Developing and operating critical energy infrastructure
 - Australia's largest gas pipeline owner and operator
 - Connecting regions with electricity transmission
 - Powering industry and communities with gas and renewable energy
- Earnings stability from highly contracted and regulated operations
- Maintaining investment discipline and a competitive cost of capital
- Paying \$2.8 billion in distributions to our securityholders in the last 5 years

Diverse energy infrastructure portfolio

Gas infrastructure	Power Generation
<div style="display: flex; align-items: center; margin-bottom: 10px;">  <div> <p>Transmission ⁽¹⁾ >15,000 km transmission pipelines</p> </div> </div> <div style="display: flex; align-items: center; margin-bottom: 10px;">  <div> <p>Storage 12,000 tonnes LNG 18 PJ gas</p> </div> </div> <div style="display: flex; align-items: center; margin-bottom: 10px;">  <div> <p>Processing ⁽¹⁾ 90 TJ/day processing plants</p> </div> </div> <div style="display: flex; align-items: center;">  <div> <p>Distribution⁽²⁾ >29,500 km gas mains and pipelines >1.4 million gas customers</p> </div> </div>	<div style="display: flex; align-items: center; margin-bottom: 10px;">  <div> <p>Renewable energy ⁽¹⁾ 342 MW Wind 237 MW Solar</p> </div> </div> <div style="display: flex; align-items: center;">  <div> <p>Gas fired ⁽¹⁾ 440 MW</p> </div> </div>
Electricity transmission	
<div style="display: flex; align-items: center; justify-content: center;">  <div> <p>243 km high voltage lines⁽¹⁾</p> </div> </div>	

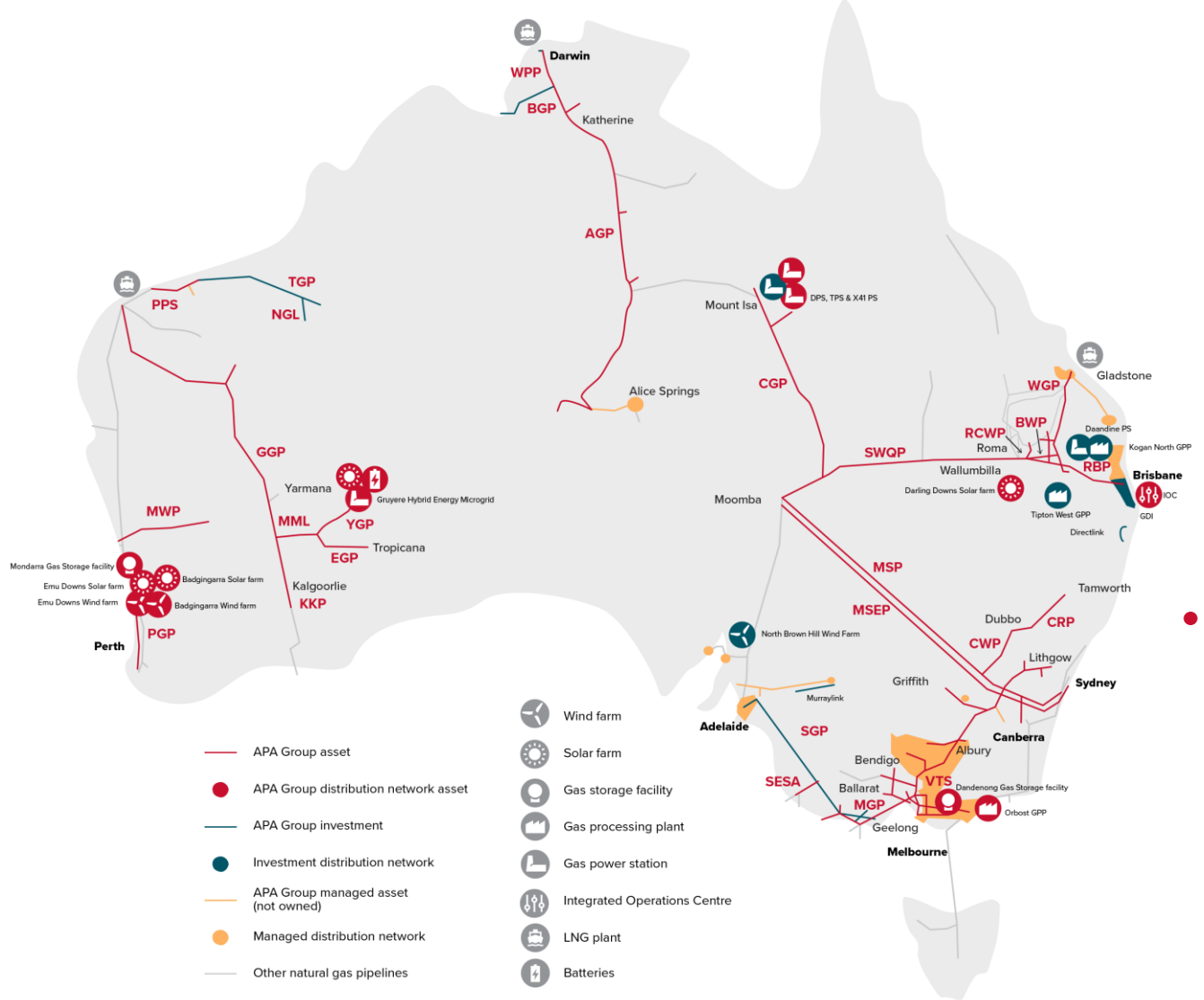
(1) Includes 100% of assets operated and/or under construction by APA Group, which form part of Energy Investments segment, including SEA Gas and EII (partially owned)

(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 and Investments Glossary	
AGP	Amadeus Gas Pipeline
BGP	Bonaparte Gas Pipeline
BWSF	Badgingarra Wind and Solar Farms
BWP	Berwyndale Wallumbilla Pipeline
CGP	Carpentaria Gas Pipeline
CRP	Central Ranges Pipeline and network
CWP	Central West Pipeline
DDSF	Darling Downs Solar Farm
DPS & LPS	Diamantina & Leichhardt Power Stations
EGP	Eastern Goldfields Pipeline
EDWSF	Emu Downs Wind and Solar Farms
EP	Ethane Pipeline
GGP	Goldfields Gas Pipeline
GHEM	Gruyere Hybrid Energy Microgrid (Microgrid under construction)
IOC	Integrated Operations Centre
KKP	Kalgoorlie Kambalda Pipeline
MWP	Mid West Pipeline
MGP	Mortlake Gas Pipeline
MGPSF	Mondarra Gas Storage and Processing Facility
MSP	Moomba Sydney Pipeline
NGP	Nifty Gas Pipeline
NGI	Northern Goldfields Interconnect
OGPP	Orbost Gas Processing Plant (under commissioning)
PGP	Parmelia Gas Pipeline
PPS	Pilbara Pipeline System
RBP	Roma Brisbane Pipeline
RCWP	Reedy Creek Wallumbilla Pipeline
SESA	South East South Australia Pipeline
SGP	SEA Gas Pipeline
SWQP	South West Queensland Pipeline
TGP	Telfer Gas Pipeline
VTS	Victorian Transmission System
WGP	Wallumbilla Gladstone Pipeline
WPP	Wickham Point Pipeline
X41	X41 Power Station
YGP	Yamarna Gas Pipeline

Note: An agreement is in place to sell MWP



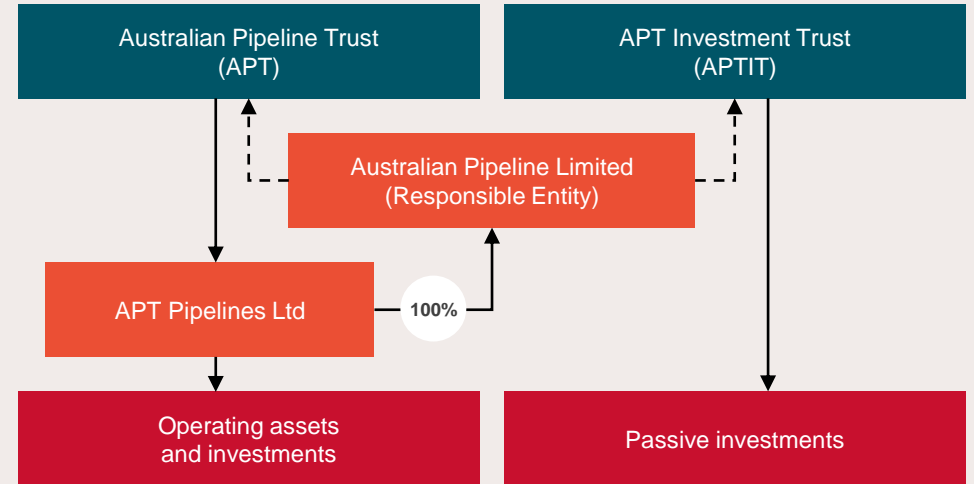
Group structure

- 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

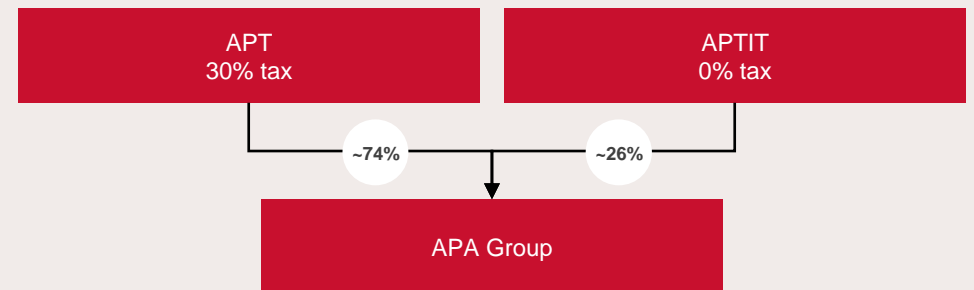
Financial reporting segments within APT

- 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

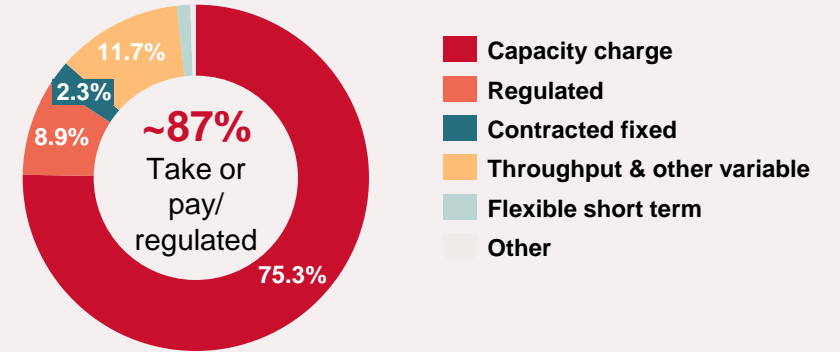


Low risk business model

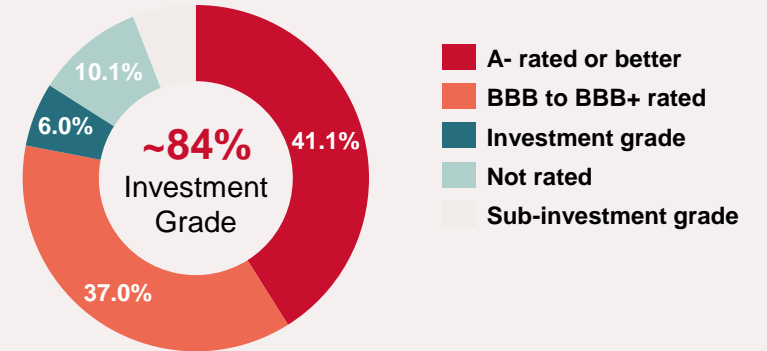
- Solid risk management processes in place
- Continue to manage counterparty risks by:
 - Diversification of customers and industry exposures
 - Assessment of counterparty creditworthiness
 - Entering into stable contracted revenue to support major capital spend

Energy Infrastructure revenue by

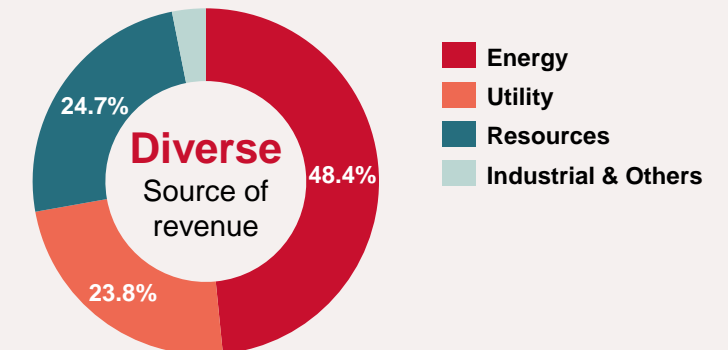
Revenue type



Customer credit rating



Customer industry



5 year normalised financials

Financial Performance		1H22	1H21	FY21	FY20(1)	FY19(1)	FY18(1)	FY17
Revenue	\$m	1,384.4	1,295.0	2,605.3	2,590.6	2,452.2	2,386.7	2,326.4
Revenue excluding pass-through ⁽²⁾	\$m	1,117.7	1,071.8	2,144.5	2,129.5	2,031.0	1,941.4	1,888.3
Underlying EBITDA ⁽³⁾	\$m	859.8	822.8	1,633.0	1,653.9	1,573.8	1,518.5	1,470.1
Total reported EBITDA ⁽³⁾	\$m	865.3	834.7	1,643.0	1,656.0	1,569.0	1,518.0	1,470.1
Depreciation and amortisation expenses	\$m	(371.2)	(330.9)	(674.4)	(650.8)	(611.3)	(578.9)	(570.0)
Reported EBIT ⁽³⁾	\$m	494.1	503.8	968.7	1,005.2	957.7	939.1	900.1
Net interest expense	\$m	(239.2)	(246.9)	(504.8)	(507.8)	(497.4)	(509.7)	(513.8)
Income tax expense	\$m	(99.3)	(23.2)	(62.9)	(185.6)	(175.6)	(164.9)	(149.5)
Profit/(loss) after tax including significant item	\$m	155.6	(15.5)	3.7	311.8	284.7	264.5	236.8
Significant items – after income tax	\$m	-	(174.5)	(278.1)	-	-	-	-
Profit after tax excluding significant item	\$m	155.6	159.0	281.8	311.8	284.7	264.5	236.8
Financial Position								
Total assets	\$m	14,665.9	15,199.7	14,742.9	15,994.3	15,429.2	15,226.7	15,045.9
Total drawn debt ⁽⁴⁾	\$m	9,667.0	9,684.4	9,665.7	9,983.6	9,352.1	8,810.4	9,249.7
Total equity	\$m	2,815.8	3,269.7	2,969.2	3,214.9	3,596.1	4,126.5	3,978.2
Cash Flow								
Free cash flow ⁽⁵⁾	\$m	515.1	420.0	901.9	956.6	893.7	919.0	905.1
Operating cash flow ⁽⁶⁾	\$m	602.9	513.3	1,051.0	1,087.5	1,007.3	1,031.1	973.9
Key Financial Ratios								
Earnings/(loss) per security including significant items ⁽⁷⁾	cents	13.2	(1.3)	0.3	26.4	24.1	23.3	21.2
Free cash flow per security ⁽⁷⁾	cents	43.7	35.6	76.4	81.1	75.7	80.8	80.9
Distribution per security	cents	25.0	24.0	51.0	50.0	47.0	45.0	43.5
Funds From Operations to Net Debt	%	11.5	11.8	11.3	12.1	10.8	10.8	10.8
Funds From Operations to Interest	Times	3.3	3.2	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	1,179.9	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

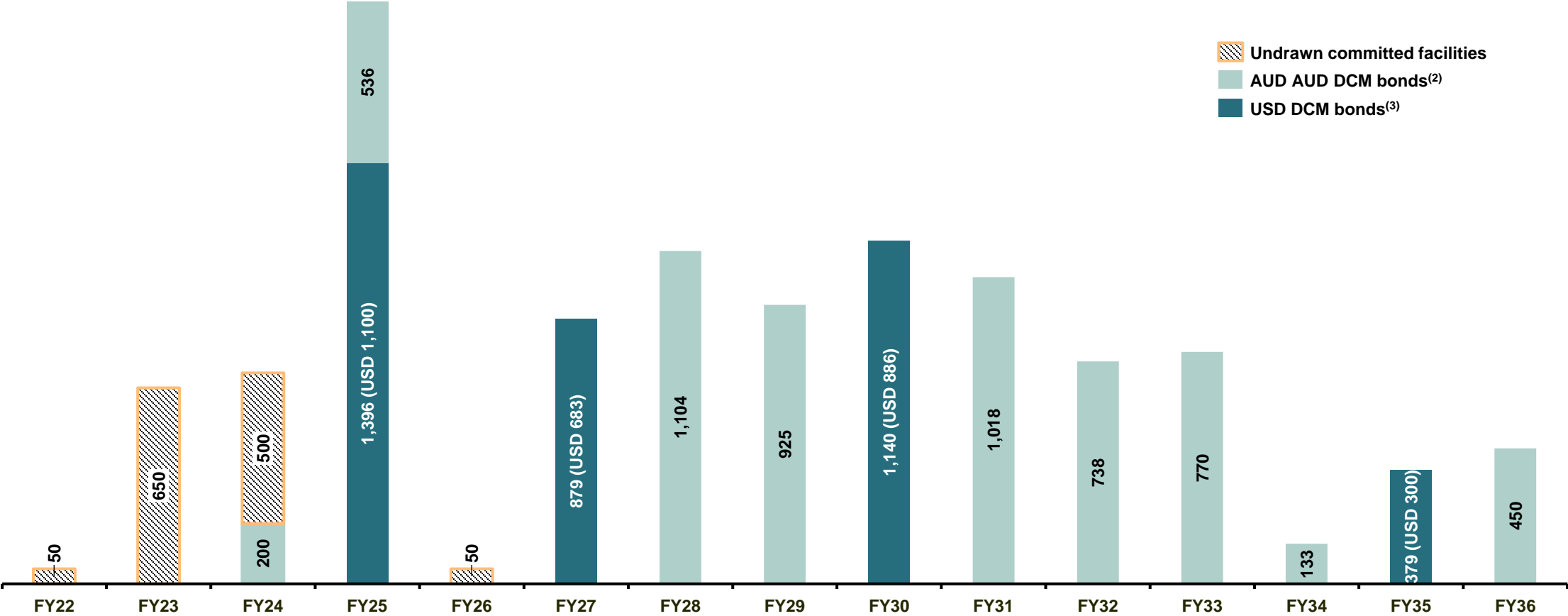
(5) Free cash flow is operating cash flow less SIB capex (SIB capex includes operational assets lifecycle replacement costs and technology lifecycle costs)

(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

Debt maturity profile

APA maintains diversity of funding sources and spread of maturities



Notes:
 1) APA debt maturity profile as at 31 December 2021
 2) AUD denominated obligations debt capital market (DCM) notes
 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)

APA Investor Morning: Friday 6 May 2022

Register for the in-person event or webcast [here](#)

For further information

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