

6 November 2023

ASX ANNOUNCEMENT

APA Group (ASX:APA)

DISTRIBUTION REINVESTMENT PLAN

APA Group (ASX:APA) provides the attached documents sent to securityholders in relation to reactivation of the Distribution Reinvestment Plan, as previously announced on 25 October 2023.

- Chairman's letter to securityholders
- Securityholder Information Booklet

Authorised for release by Amanda Cheney

Company Secretary
APA Group Limited

For further information, please contact:

Investor enquiries:

Rebecca Culbertson

Head of Investor Relations

Telephone: +61 2 9547 4737

Mob: +61 487 565 628

Email: Rebecca.Culbertson@apa.com.au

Media enquiries:

Michael Cox

Head of Media Relations & Financial Communications

Telephone: +61 2 8044 7002

Mob: +61 429 465 227

Email: Michael.Cox@apa.com.au

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, \$25 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, Tasmania with Victoria and New South Wales with Queensland through our investments in electricity transmission assets. We also own and operate renewable power generation assets in Australia, with wind and solar projects across the country. APA Infrastructure Limited is a wholly owned subsidiary of APA Infrastructure Trust and is the borrowing entity of APA Group. For more information visit APA's website, apa.com.au.



APA Group Limited
ACN 091 344 704
AFSL 239927
APA Infrastructure Trust
ARSN 091 678 778
APA Investment Trust
ARSN 115 585 441
APA Group

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: +61 1800 992 312
Facsimile: +61 2 9287 0303
ASX Code: APA
Email: apagroup@linkmarketservices.com.au
Website: linkmarketservices.com.au

Dear Securityholder

On 25 October 2023, we were pleased to announce the reactivation of APA Group's Distribution Reinvestment Plan (**DRP**) in respect of stapled securities in APA Infrastructure Trust and APA Investment Trust (together, **APA**). The **DRP** will be administered by APA Group Limited (ACN 091 344 704) in its capacity as responsible entity of APA (**Responsible Entity**).

If you elect to participate, the **DRP** will enable you to increase your APA holding by reinvesting either all or part of your distribution payments into additional fully paid APA stapled securities in an easy and cost-effective way. You will not incur any brokerage, commission or other transaction costs to acquire stapled securities under the **DRP**.

The **DRP** will operate for the interim distribution for the half year ended 31 December 2023 and subsequent distributions.

Key features of the **DRP**

- The **DRP** is a convenient way to increase your holding of APA stapled securities.
- Participation in the **DRP** is optional and available to securityholders with registered addresses in Australia and New Zealand.
- Stapled securities allocated to you under the **DRP** will rank equally with existing stapled securities. Stapled securities acquired by securityholders under the **DRP** are free of brokerage, commission and other transaction costs.
- You may apply the **DRP** to part or all of your total securityholding and there is no minimum or maximum limit on the number of your stapled securities that may participate.
- You may join, vary your participation in, or withdraw from, the **DRP** at any time, subject to adequate notice being given to the securities registry.
- **DRP** participation does not affect your eligibility for franking credits.
- **Elections under APA's previous **DRP** are no longer valid. If you wish to participate in the **DRP**, you will need to provide new election instructions under these new **DRP** Rules. Once you elect to participate, the **DRP** will continue to apply for future distribution payments, unless you advise otherwise or unless APA suspends or terminates the **DRP** in its absolute discretion.**
- The **DRP** may be varied by APA from time to time.

For further information on the **DRP** (including a copy of the relevant **DRP** Rules), please visit [our website](#). Answers to some frequently asked questions are also provided in the accompanying information booklet and on the website.

We recommend you seek financial advice and read the full terms and conditions set out in the **DRP** Rules before deciding whether to participate.



APA Group Limited

ACN 091 344 704

AFSL 239927

APA Infrastructure Trust

ARSN 091 678 778

APA Investment Trust

ARSN 115 585 441

APA Group

How to participate

You can elect to participate in the DRP at any time. To participate in the DRP for the next distribution, you will need to ensure your DRP election notice is received by Link Market Services, or your online election is made, by no later than 5:00pm (AEDT) on the Last Election Date for the distribution. The Last Election Date for a distribution will be released to the ASX and posted on APA's website at the same time the relevant distribution is announced.

You can make your election online by visiting www.linkmarketservices.com.au. Alternatively, you can use the DRP election notice accompanying this letter. Elections under APA's previous DRP are no longer valid and fresh elections are required if you want to participate.

For more information please visit our [website](#) or APA's securities registry, Link Market Services, by phone on 1800 992 312 (Australia) or +61 1800 992 312 (Overseas).

Yours sincerely

A handwritten signature in black ink, appearing to read 'Michael Fraser'.

Michael Fraser
Chairman
APA Group Limited



APA Group Limited ACN 091 344 704
AFSL 239927
APA Infrastructure Trust ARSN 091 678 778
APA Investment Trust ARSN 115 585 441
APA Group

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: +61 1800 992 312
Facsimile: +61 2 9287 0303
ASX Code: APA
Email: apagroup@linkmarketservices.com.au
Website: linkmarketservices.com.au

Information Booklet Distribution Reinvestment Plan

What is the DRP?

The DRP enables you, as a securityholder in APA, to reinvest all or part of any distribution paid on your stapled securities in additional APA stapled securities instead of receiving that distribution in cash.

Who can participate?

All securityholders of fully paid stapled securities in APA who are a resident in, and whose address on the register of securityholders at the relevant distribution record date is in, Australia or New Zealand may participate in the DRP, subject to certain limits set out in the DRP Rules. In all other cases, participation is subject to specific approval from the Responsible Entity.

The opportunity to participate in the DRP is being extended to New Zealand securityholders pursuant to the *New Zealand Financial Markets Conduct (Incidental Offers) Exemption Notice 2021*.

Is participation optional?

Yes. Participation in the DRP is voluntary. Participation is dependent on the submission of valid instructions to the securities registry.

How do I participate in the DRP?

If you wish to participate in the DRP, we encourage you to make your election online at www.linkmarketservices.com.au.

Alternatively, please complete and sign a DRP election notice and return it to APA's securities registry at the address below. If a DRP election notice does not accompany this booklet, please contact APA's share registry:

Link Market Services
Locked Bag A14
Sydney South NSW 1235
Telephone: 1800 992 312 (within Australia) or + 61 1800 992 312 (outside Australia)
Facsimile: + 61 2 9287 0303
Email: apagroup@linkmarketservices.com.au

DRP election notices must be received, or online elections made, by 5:00pm (Sydney time) on the Last Election Date for a distribution if you wish to participate for that distribution.

If I participated in APA's DRP in the past, do I need to do anything?

Elections under APA's previous DRP are no longer valid. If you wish to participate in the new DRP, new election instructions are required.

Can I participate in the DRP for some of my stapled securities?

Yes, you can nominate all of your stapled securities or a specific number of your stapled securities to participate in the DRP.

- **Full participation:** If you elect full participation, distributions on all of your stapled securities will be reinvested in acquiring DRP stapled securities. Distributions on any stapled securities you may acquire in the future will also be reinvested in this way unless you notify us otherwise.



APA Group Limited

ACN 091 344 704

AFSL 239927

APA Infrastructure Trust

ARSN 091 678 778

APA Investment Trust

ARSN 115 585 441

APA Group

- **Partial participation:** If you elect partial participation, you nominate a number of your stapled securities which will participate in the DRP. Only the distributions paid on those stapled securities that you nominate will be reinvested. For stapled securities not participating in the DRP, distributions will be paid in the usual way.

If your DRP election notice or online election does not clearly indicate the level of participation in the DRP, it will be deemed to be an application for full participation.

Is there a minimum or maximum participation level?

No, however APA has the discretion under the DRP Rules to introduce a minimum or maximum participation level for future distributions.

When will my participation begin?

Your participation in the DRP will begin with the first distribution payment after receipt of your online election or DRP election notice. Your election must be received by 5:00pm (Sydney time) on the Last Election Date for a distribution to be effective for that distribution.

The Last Election Dates for forthcoming distributions will be notified to the ASX and posted on APA's website when the relevant distribution is announced.

For elections received after the Last Election Date for a particular distribution, you will not participate in the DRP for that distribution and your participation will begin from the next distribution.

What happens if I have more than one securityholding?

You must make a separate election for each securityholding registered under different names or holding numbers by either making an online election or submitting a separate DRP election notice for each securityholding.

Can I withdraw or change my participation at any time?

Yes. Simply notify the securities registry online. Alternatively, forms to vary or terminate your participation can be obtained at www.linkmarketservices.com.au or by contacting APA's securities registry. The change will be effective from the next distribution payment, provided that the election is received by 5.00pm (Sydney time) on the Last Election Date for that distribution. If your change is received after that date, the change will not be effective until the next distribution.

APA will announce the relevant Last Election Date for each distribution to the ASX and on APA's website at the time it announces the distribution.

At what price will the stapled securities be allocated?

Stapled securities will be allocated at an average of the daily market price over a period of at least 10 trading days ('Allocation Price'), in accordance with the DRP Rules.

The pricing period for the Allocation Price will be announced to the ASX and posted on APA's website at the time APA announces a distribution.

The Allocation Price may be reduced by a discount, which the Responsible Entity may determine from time to time and announce to the ASX. The final Allocation Price for a distribution will be notified in the same way after the Allocation Price is determined.

How many stapled securities will I receive?

The number of stapled securities you will receive is the number (rounded down to the nearest whole number) obtained by dividing the amount of cash distribution held on your behalf by the Responsible Entity, by the average of the daily market price over a period of at least 10 trading days i.e. dividing the cash distribution amount by the Allocation Price.



APA Group Limited

ACN 091 344 704

AFSL 239927

APA Infrastructure Trust

ARSN 091 678 778

APA Investment Trust

ARSN 115 585 441

APA Group

How will my DRP stapled securities be treated for subsequent distribution payments?

- **Full participation:** If you elect full participation, all stapled securities you hold at each distribution record date will be treated as participating in the DRP, including any stapled securities previously acquired under the DRP or other stapled securities.
- **Partial participation:** If you elect partial participation, only the number of stapled securities you have specified will be treated as participating in the DRP. If you hold less stapled securities than the number of stapled securities you have specified in your election notice, then the distributions on the stapled securities that you actually hold will be reinvested.

The number of stapled securities that will be treated as participating in the DRP may be limited if APA elects to introduce a minimum or maximum participation limit.

What will it cost me to participate?

Your distribution will be reinvested in APA stapled securities without any associated brokerage fees, commission or other transaction costs.

What happens to any residual value after each distribution?

The application of the distribution reinvestment formula normally results in a residual amount. This is because your distribution amount will be used to acquire a whole number of securities, usually leaving a residual amount which is less than the price of one APA security.

For each distribution, if there is a residual amount, then the residual amount on each distribution will be carried forward in your DRP account, without interest, and added to your next distribution.

Can I sell my stapled securities when I choose?

Yes. You can sell any or all of your stapled securities at any time. However, if you sell all of your stapled securities, your participation in the DRP will cease with effect from the date the registry registers a transfer or instrument of disposal of your holding.

If you elect for full participation and then sell some of your stapled securities, the distributions on your remaining stapled securities will continue to be reinvested under the DRP. If you elect for partial participation and then sell some of your stapled securities, the number of stapled securities sold will be deemed to the full extent possible to be non-participating stapled securities and the balance, if any, will be deemed to be participating stapled securities under the DRP.

What are the tax implications of participating?

- **Australian resident securityholders:** Distributions reinvested under the DRP are treated as assessable income in the same way as cash distributions received on stapled securities which are not participating in the DRP. This means that you will pay tax on the amount of the reinvested distribution in the income year in which the distribution is reinvested.

For Capital Gains Tax (CGT) purposes, stapled securities acquired under the DRP will receive a cost base equal to the amount reinvested and will be acquired on the date the stapled securities are issued (or transferred).

These comments are general in nature only, and current as at 3 November 2023.

The Treasury Laws Amendment (2023 Measures No. 1) Bill 2023 currently before Parliament proposes changes to the *Income Tax Assessment Act 1997* (Cth) which would prevent the distribution of franking credits where a distribution to securityholders is funded by particular capital raising activities. Because a DRP necessarily involves the making of distributions which may be 'funded' by capital raising, these proposed changes are potentially relevant. As the proposed legislation is not intended to apply to distributions that are consistent with prior practice, it is not expected that the DRP would be caught by the



APA Group Limited

ACN 091 344 704

AFSL 239927

APA Infrastructure Trust

ARSN 091 678 778

APA Investment Trust

ARSN 115 585 441

APA Group

draft legislation if enacted. However, the ultimate passage of these changes will need to be monitored on an on-going basis. You should seek professional taxation advice in relation to your individual circumstances.

- APA takes no responsibility for the taxation consequences of securityholders participating in the DRP, and recommends you obtain professional taxation advice. These comments apply to securityholders who are Australian residents or New Zealand residents for tax purposes and who are not transitional residents. They are general in nature only. You should seek professional taxation advice in relation to your individual circumstances.

Will I receive a distribution statement?

After each allocation of stapled securities under the DRP, a distribution statement showing full details of stapled securities allocated to you under the DRP will be provided to you in the manner you ordinarily receive notices from us. You should keep this statement for your taxation records.

Can the DRP be modified, suspended or cancelled?

APA may vary the terms and conditions, alter, suspend or terminate the DRP at any time by notification to the ASX and on APA's website.

What happens if I leave the DRP?

If you cease to participate in the DRP for any reason, or the DRP is suspended or terminated by the Responsible Entity, any positive residual balance in your DRP account will be paid to you.

How do I find out about APA's historical distribution amounts?

APA's historical distributions can be found on our website at: <https://www.apa.com.au/investors/my-securities/apa-group-distributions/>.

What happened to APA's old DRP?

APA's previous DRP was suspended in 2013. Given the length of time since the DRP was last active, the DRP Rules have been refreshed and replaced to reflect legal and regulatory changes as well as changes in market practice. The old rules will not apply to any future distributions.

Any elections made under the old rules are no longer valid. You will need to make a new election using one of the methods explained above.

Will APA issue new securities or will they be sourced through an on-market purchase?

APA intends to issue new securities. However, from time to time, APA may elect to purchase securities on market and cause them to be transferred to participating securityholders.

Is there a discount?

At the time of this letter to securityholders, there is no intention to apply discounts to securities acquired under the DRP. However, APA may decide to implement a discount in the future. Any applicable discount will be announced to the ASX and on APA's website.

Need more information?

If you have further questions (other than on taxation) about how the DRP operates and how you can participate, please contact Link Market Services on 1800 992 312 (Australia) or +61 1800 992 312 (Overseas).