

31 DECEMBER 2020 FULL YEAR RESULTS

TUESDAY, 23 FEBRUARY 2021

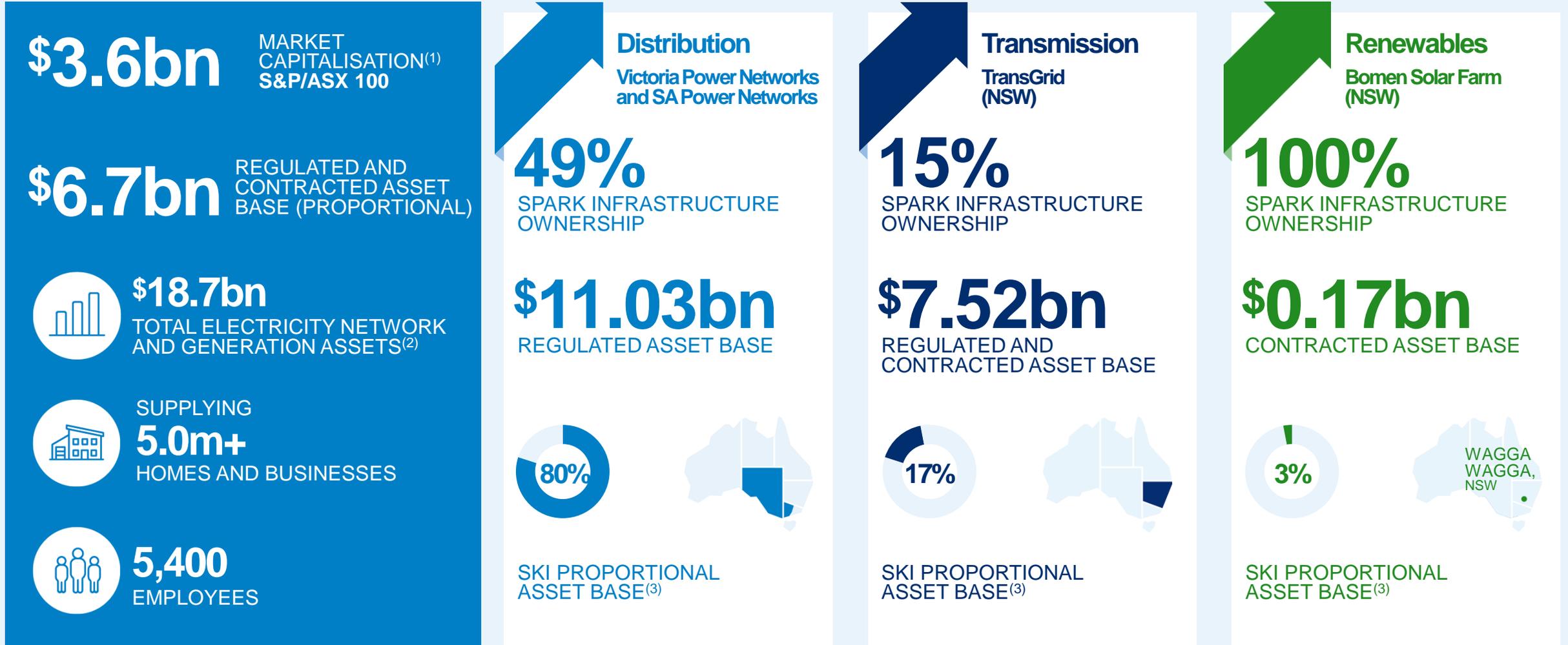


INFRASTRUCTURE
FOR THE FUTURE



SPARK INFRASTRUCTURE – AT A GLANCE

ASX-listed owner of leading essential energy infrastructure



(1) As at 19 February 2021. Balance sheet and other information as at 31 December 2020 (2) Spark Infrastructure has proportional interests in \$18.7bn of total electricity network and contracted generation assets (3) Pro forma

FINANCIAL HIGHLIGHTS

Solid earnings and growth delivered by high quality energy network businesses



 Underlying Look-through EBITDA⁽¹⁾

\$862m
Up 2.4%

 FY2020 Distribution

13.5cps
+2.1cps franking

 FY2021 Distribution guidance ⁽³⁾

12.5cps
+ ~25% franking

 Regulated asset base⁽¹⁾

\$6.4bn
Up 3.3%

 Growth capital expenditure⁽⁴⁾

\$231m
Up 13.3%

 Contracted asset base⁽²⁾

\$294m
Up 13.4%

 FFO/ Net debt⁽⁵⁾

12.4%
Down -1.1%

(1) On an aggregated proportional basis to Spark Infrastructure

(2) Includes Bomen Solar Farm and TransGrid CAB on a proportional basis to Spark Infrastructure

(3) Subject to business conditions

(4) Represents increase in RCAB excluding Bomen Solar Farm acquisition and construction costs

(5) Funds From Operations (FFO)/ Net debt on a look-through proportional basis including underlying Bomen Solar Farm cash flows and Spark Infrastructure corporate and interest costs

KEY ACHIEVEMENTS FOR FY2020

Highly defensive businesses investing in Australia's energy transition

- COVID-19:
 - Minimal impact on operations, continued safe operation and reliability
 - No reliance on government support
 - Continuing to support consumers through network tariff relief
- Distribution guidance for FY2020 maintained and delivered. Franking credits to be attached for the first time in 2020
- Regulatory determinations complete (SAPN) or close to completion (VPN) – lays foundation for next 5 years
- Regulatory forecast of inflation changed – to be applied in VPN final determination from 1 July 2021
- 3.7% growth in regulated and contracted asset base
- First renewable energy project delivered on time and significantly under budget. Commenced commercial operations late June 2020
- Success in ATO appeal; ~\$45m refund expected in 2021
- Pipeline (c.1.5GW) of renewable project options established
- Uplift in ESG recognition: B rating from CDP

Delivering Yield and Growth in difficult conditions, and continuing to invest in the energy transition

PERFORMANCE SUMMARY

Proportional Results - VPN, SAPN & TGD (\$m) ⁽¹⁾	2020	2019	Change	Proportional Results (\$m)	2020	Change
Distribution and transmission revenue	1,022.8	998.1	2.5%	EBITDA		
Other revenue	155.0	168.2	-7.8%	VPN	442.5	6.4%
Total Revenue	1,177.8	1,166.3	1.0%	SAPN	327.4	-3.3%
Operating costs	(330.6)	(326.4)	1.3%	TransGrid	100.4	-1.7%
Beon margin (VPN)	9.8	5.5	78.2%	Proportional EBITDA	870.3	1.6%
Enerven margin (SAPN)	13.3	11.2	18.8%	Bomen Solar Farm	5.3	n/m
EBITDA	870.3	856.6	1.6%	Corporate Costs	(13.2)	10.8%
Net external finance costs	(181.4)	(183.3)	-1.0%	Underlying look-through EBITDA	862.4	2.4%
EBTDA	688.9	673.3	2.3%			
Growth Capex ⁽²⁾	230.7	203.6	13.3%			
RCAB (Spark share) ⁽²⁾	6,533.1	6,302.3	3.7%			

Spark Infrastructure share of RCAB has increased by 3.7%

(1) On an aggregated proportional basis to Spark Infrastructure

(2) Excludes Bomen Solar Farm

WHY INVEST IN SPARK INFRASTRUCTURE

Listed essential energy infrastructure portfolio

- High quality Australian energy network businesses
- Highly sought after regulated transmission and distribution assets
- Contracted unregulated businesses with strong reputations and long-dated contracts
- Utility scale renewable generation; operating asset + development pipeline

Low risk business model

- Essential infrastructure not impacted by pandemic, commodity or other economic shocks
- Sustained value through long-dated and growing asset base
- Investment grade credit ratings ensure continued access to low-cost capital

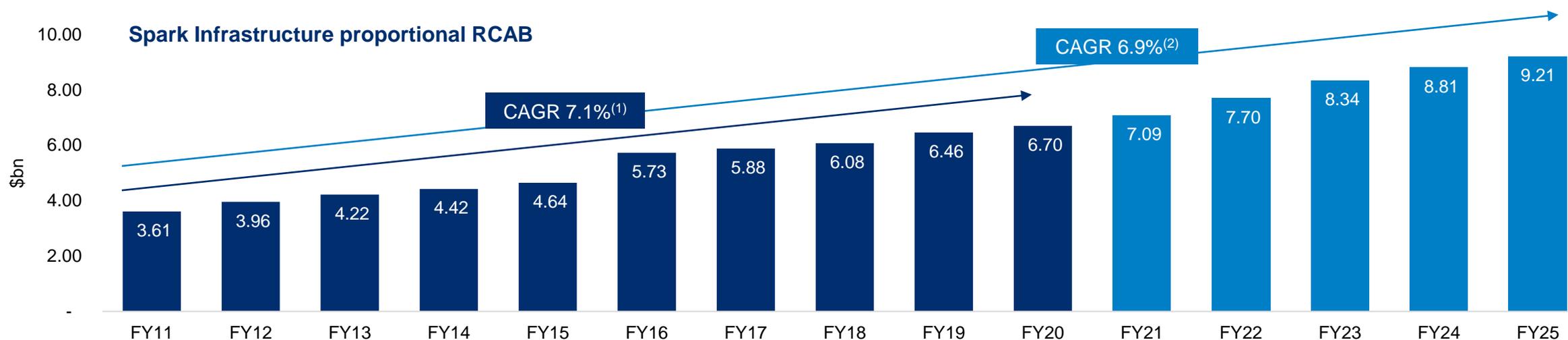
Reliable and attractive yield

- Only company to be placed in the top 10 for distribution yield over each of the last 5 years in ASX100
- Increased certainty over 5-year distributions outlook
- Franking now increases value of distribution

Strong growth in asset base

- Investing in Australia's energy transition

Long-standing, experienced and industry-based management team

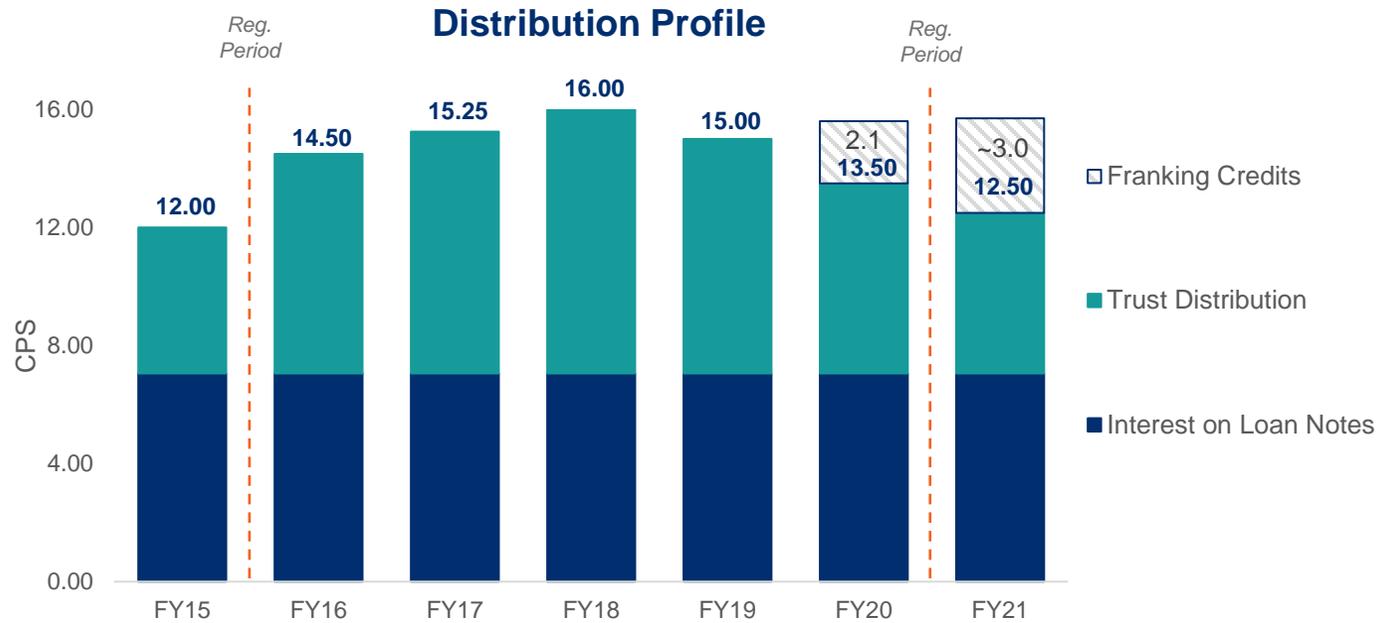


(1) CAGR calculated over the 10-year period 2011-2020

(2) CAGR calculated over 15-year period 2011-2025

DISTRIBUTION OUTLOOK

Outlook rebased to reflect VPN and SAPN' 5-year regulatory determinations and reflecting transition to tax payer



Cash Distribution Outlook

2020	Full-year distribution of 13.5 cps
2021	Full-year rebased distribution guidance of 12.5 cps
2022-25	Rebased distribution + CPI

Distribution Outlook

- Rebased 12.5cps for 2021
- Estimated Franking of ~3.0 cps in 2021
- Targeting growth in distribution ~CPI to 2025
- Estimated franking of 25% to 2025
- Sustainability based on operating cash flow across the period

Historic Distributions

- Fully covered by operating cash flow
- Retained cumulative Standalone Operating Cash Flow of 6.5cps (c.\$110m) over last 5 years

ISP Major Project growth and Value Build growth to be funded by DRP and debt, not at expense of distributions

FINANCIAL RESULTS

FULL YEAR 2020

STANDALONE NET OPERATING CASH FLOW

Net Operating Cash Flow (\$m)	2020	2019	Change
Investment Portfolio Distributions and Interest			
Victoria Power Networks - includes repayment of shareholder loans	171.5	159.5	7.5%
SA Power Networks	106.6	116.2	-8.3%
TransGrid	22.9	36.8	-37.8%
Total Investment Portfolio Distributions and Interest	301.0	312.5	-3.7%
Net operating cashflows - Bomen Solar Farm	4.7	-	n/m
Net interest (paid)/received	(1.8)	1.2	-250.0%
Corporate expenses	(13.2)	(13.3)	-0.8%
Underlying Net Standalone OCF before tax	290.7	300.4	-3.2%
Tax paid ⁽¹⁾	(37.9)	(16.9)	124.3%
Underlying Net Standalone OCF after tax	252.8	283.5	-10.8%
Underlying Standalone OCF per Security	14.7 cps	16.8 cps	-11.8%
Project and transaction bid costs	(5.6)	(5.3)	5.7%
Other interest paid ⁽³⁾	(6.7)	-	n/m
Other tax paid ⁽²⁾	(48.0)	(21.8)	120.2%
Standalone Net OCF - statutory	192.5	256.4	-24.9%
Spark Infrastructure Distribution per Security	13.5 cps	15.0 cps	-6.3%
Underlying Pay-out ratio	92%	90%	
Underlying Effective Tax Rate	13.0%	5.7%	

Cumulative underlying payout ratio for the last 5 years (2016 – 2020) is 93% (after tax payments)

(1) Tax paid of \$37.9m in 2020 represents the 2019 tax liability for the SIH1 and SIH2 tax groups. 2019 tax paid of \$16.9m represents the 2019 tax liability for SIH2 tax group. (2) Other tax paid of \$48.0m comprised of \$34.4m tax paid in relation to a number of historical years, and \$13.6m relating to instalments for the 31 December 2020 income tax year. 2019 other tax paid represents \$21.8m of tax paid in relation to a number of historical tax years (2015-2018). Refer to slide 45 for additional tax information (3) Other interest paid includes an interest charge of \$6.7m on historical tax payments made (related to the ATO litigation) of which \$5.0m is expected to be refunded in 2021.

UNDERLYING LOOK-THROUGH CASH FLOW SUMMARY

Spark Infrastructure share (\$m)	Victoria Power Networks	SA Power Networks	TransGrid	Spark Infrastructure	2020	2019	Change
EBITDA from operations	442.5	327.4	100.4	5.3	875.6	856.6	2.2%
less corporate costs	-	-	-	(13.2)	(13.2)	(14.8)	-10.8%
Look-through EBITDA	442.5	327.4	100.4	(7.9)	862.4	841.8	2.4%
less net finance charges ⁽¹⁾	(79.6)	(64.5)	(32.2)	(1.8)	(178.1)	(175.0)	1.8%
less net reg/unreg depreciation/maint. capex ⁽²⁾	(148.1)	(135.1)	(29.2)	-	(312.4)	(276.3)	13.1%
Working capital/non cash movements	(28.6)	17.1	(1.7)	(0.6)	(13.7)	6.9	n/m
Underlying net operating cash flows before tax	186.2	144.9	37.4	(10.3)	358.2	397.4	-9.9%
less tax paid ⁽³⁾⁽⁴⁾	-	-	-	(37.9)	(37.9)	(18.1)	n/m
Underlying net operating cash flows after tax	186.2	144.9	37.4	(48.2)	320.3	379.3	-15.6%
Underlying Standalone OCF per Security					18.6 cps	22.5 cps	-17.3%
<i>Distributions paid⁽⁵⁾</i>					233.5	253.6	
Growth capex ⁽⁶⁾	(145.1)	(27.0)	(58.6)	-	(230.7)	(203.6)	13.3%
Bomen Solar Farm acquisition and construction costs	-	-	-	(9.8)	(9.8)	(164.2)	-94.0%
Other	5.2	(12.9)	(10.5)	-	(18.3)	(34.4)	-46.8%
Investing cash flows	(139.9)	(39.9)	(69.1)	(9.8)	(258.8)	(402.2)	-35.7%

Look-through EBITDA for FY2020 increased by 2.4%; growth capex up 13.3% to \$230.7m

(1) Corporate finance charges excludes interest paid of \$6.7m on historical tax payments made (under review)

(2) Net reg/unreg depreciation is a proxy for maintenance capex. It is calculated as regulatory depreciation net of CPI uplift on RAB. Increase in net regulatory depreciation is primarily driven by decrease in CPI adjustment in comparison to 2019.

(3) Spark Infrastructure corporate tax paid of \$37.9m in 2020 represents the 2019 tax liability for the SIH1 and SIH2 tax groups. 2019 tax paid of \$16.9m represents the 2018 tax liability for SIH2 tax group. Excludes other tax paid of \$48.0m. Refer to slide 45 for additional tax information.

(4) VPN and SAPN cash tax paid of \$22.8m and \$2.8m respectively has been excluded as a tax refund related to the ATO litigation is expected in 2021 and the benefit of franking credits will be distributed to Spark Infrastructure in future years

(5) Total FY2020 and FY2019 distributions are based on weighted average number of Spark Infrastructure securities on issue throughout the year.

(6) Represents net increase in RCAB

STRONG BALANCE SHEET & LOW REFINANCING RISKS

All figures 100% at 31 Dec 2020	Rating (S&P / Moody's)	Undrawn Debt	Drawn Debt	Average Interest Rate	Total Debt Facilities		Next Maturity	
					Amount	Avg. Maturity	Amount	Date
VPN	A- / n/a	\$475m	\$4,928m	3.4% ⁽⁴⁾	\$5,403m	4.6 years	\$425m	August 2021
SAPN	A- / n/a	\$275m	\$3,322m	4.1% ⁽⁴⁾	\$3,597m	5.9 years	\$53m	June 2022
TransGrid	n/a / Baa2 ⁽¹⁾	\$1,264m ⁽²⁾	\$6,183m ⁽²⁾	3.7% ⁽⁴⁾	\$7,447m ⁽²⁾	5.1 years	\$287m ⁽³⁾	June 2021
Corporate	n/a / Baa1	\$360m	\$40m	2.3%	\$400m	2.1 years	\$400m	February 2023

- Substantial undrawn and committed facilities
- Investment grade credit ratings; SKI corporate rating currently negative outlook; expect to be Baa2 in 2021 in anticipation of lower regulatory returns over next 5 years
- Access to multiple sources of debt
- Long-weighted average maturities
- Minimal short-term refinancing requirements

(1) Relates to the TransGrid Obligor Group

(2) Relates to TransGrid Obligor Group and TransGrid Services

(3) This amount excludes \$313m undrawn debt at 31 December 2020

(4) Average interest rate is calculated based on finance charges (less non-cash credit valuation hedge adjustments) divided by average gross debt in the period

OUR INVESTMENTS' FINANCIAL RESULTS

FULL YEAR 2020

VICTORIA POWER NETWORKS

Financial (\$m) ⁽¹⁾	2020	2019	Change		
Regulated revenue - DUOS	1,001.1	956.9	4.6%	CPI-X	\$37.1m
Prescribed metering ("AMI")	81.4	85.7	-5.0%	STPIS ⁽²⁾	\$22.2m
Semi-regulated revenue	62.4	60.8	2.6%	Customer Growth ⁽³⁾	0.9%
Unregulated revenue	42.0	47.0	-10.6%	Consumption ⁽³⁾	-5.1%
Total Revenue	1,186.9	1,150.4	3.2%	FTE Change ⁽³⁾	1.7%
Operating costs	(303.9)	(312.8)	-2.8%	Net Debt / RAB	72.3%
Beon margin	20.1	11.3	77.9%	FFO / Net Debt	13.8%
EBITDA	903.1	848.9	6.4%		
Other					
Net finance costs ⁽⁴⁾	(165.6)	(167.2)	-1.0%		
Net capital expenditure	(585.2)	(507.6)	15.3%		
Distributions received by Spark Infrastructure	171.5	159.5	7.5%		

Victoria Power Networks EBITDA for FY2020 increased by \$54.2m or 6.4%

(1) 100% basis (2) 2017 STPIS recovered in FY2020 (3) Compared with FY2019 (4) FY2020 includes a \$1.9m (loss) in non-cash credit valuation hedge adjustments (FY2019: \$0.4m gain)

VICTORIA POWER NETWORKS

Key Financial Drivers

<p>Regulated Revenue Up by 4.6%</p>	<ul style="list-style-type: none"> • CPI of 1.59% from 1 January 2020 • X-factors for Powercor: -2.40% and CitiPower: -1.88% representing a real increase in revenue before CPI • \$22.2m STPIS recovery
<p>Regulated Asset Base Up by 4.7%⁽²⁾</p>	<ul style="list-style-type: none"> • RAB increased to \$6,635m • Increase driven by net capex of \$606m, less regulatory depreciation of \$402m, and CPI uplift of \$100m
<p>Other Revenue (excl. Beon) Down by 5.0%</p>	<ul style="list-style-type: none"> • Semi-regulated revenue: up 2.6% – increased new connections revenue driven by residential growth in the Powercor Network • AMI revenue: down 5.0% – depreciating RAB • Unregulated revenue: down 10.6% – sale of properties in the previous year
<p>Operating Costs (excl. Beon) Down by 2.8%</p>	<ul style="list-style-type: none"> • Revaluation of employee entitlement provisions and tight cost control in the business; partially offset by: • Higher lines maintenance, faults and insurance costs
<p>Beon Margin Up by 77.9%</p>	<ul style="list-style-type: none"> • Continued growth in new solar projects such as Jemalong and Melbourne Airport Solar Projects
<p>Net Capital Expenditure Up by 15.3%</p>	<ul style="list-style-type: none"> • Growth capex of \$387.2m up 13.0% (network connections and augmentation) – continuation of REFCL⁽¹⁾ program • Maintenance capex of \$198.0m up 20.0% – zone substation replacement projects • Highest ever capex program

Victoria Power Networks RAB has increased 4.7% over the last 12 months

(1) Rapid Earth Fault Current Limiter (2) From 31 December 2019

SA POWER NETWORKS

Financial (\$m) ⁽¹⁾	2020	2019	Change		
Regulated revenue – DUOS	849.2	848.8	0.0%	CPI-X	\$10.7m
Semi-regulated revenue	81.4	97.3	-16.3%	STPIS ⁽³⁾	\$34.0m
Unregulated revenue	11.6	14.0	-17.1%	Customer Growth ⁽⁴⁾	1.1%
Total Revenue	942.2	960.1	-1.9%	Consumption ⁽⁴⁾	-3.6%
Operating costs	(301.2)	(292.2)	3.1%	FTE Change ⁽⁴⁾	0.4%
Enerven margin	27.1	22.8	18.9%	Net Debt / RAB	73.9%
EBITDA	668.1	690.7	-3.3%	FFO / Net Debt	15.9%
Other					
Net finance costs ⁽²⁾	(137.2)	(138.7)	-1.1%		
Net capital expenditure	(368.7)	(405.6)	-9.1%		
Distributions received by Spark Infrastructure	106.6	116.2	-8.3%		

SA Power Networks EBITDA for FY2020 decreased by \$22.6m or 3.3%

(1) 100% basis (2) FY2020 includes a \$2.1m (loss) credit valuation hedge adjustment (FY2019: includes a \$1.4m loss) (3) 2017/18 STPIS result to be recovered from 1 July 2019 and 2018/19 STPIS result to be recovered from 1 July 2020 (4) Compared to FY 2019

SA POWER NETWORKS

Key Financial Drivers

<p>Regulated Revenue Up by \$0.4m</p>	<ul style="list-style-type: none"> • CPI of 1.78% from 1 July 2019 (1 July 2018: CPI 1.91%) • X-factor applicable from 1 July 2019 was -0.85% representing a real increase in revenue before CPI. No X-factor was applied for 2020/21 because the AER set the 2020/21 expected revenue in the Final Determination • \$34.0m STPIS recovery
<p>Regulated Asset Base Up by 1.3%⁽²⁾</p>	<ul style="list-style-type: none"> • RAB increased to \$4,395m • Increase driven by net capex of \$347m⁽¹⁾, less regulatory depreciation of \$328m, and includes CPI uplift of \$52m
<p>Underlying Other Revenue Down by 6.5%⁽³⁾</p>	<ul style="list-style-type: none"> • Semi-regulated revenue: down 4.8%⁽³⁾ - declining activity across all areas of asset relocation, embedded generation and council funded replacement of public lighting • Unregulated revenue down \$2.4m due to sale of assets in 2019
<p>Underlying Operating Costs (Excl. Enerven) Up by 3.1%</p>	<ul style="list-style-type: none"> • Revised corporate overhead capitalisation policy; partially offset by: • Reduced expenditure in connection with emergency response and lower labour costs • 2019 bushfire provisions adjusted
<p>Enerven Margin Up by 18.9%</p>	<ul style="list-style-type: none"> • Change in project mix, with projects for existing client base (including ElectraNet) complemented by new business activity including commercial solar and battery solutions • Enerven was engaged in deploying solar and battery capability to a significant number of SA Water sites under a framework contract of up to \$300 million, predominately over 2019 and 2020
<p>Net Capital Expenditure Down by 9.1%</p>	<ul style="list-style-type: none"> • Growth capex of \$138.2m, in line with 2019 - network connections and augmentation • Maintenance capex of \$230.5m, down 13.7%

SA Power Networks has seen RAB growth of 1.3% over the 12 months

(1) Excludes corporate overheads (2) Includes public lighting RAB (3) Excludes public lighting provision write back of \$6.5m in 2019 and 2020 provision of \$5.0m. In 2019 a long running public lighting dispute was resolved and required amounts were settled with customers in January 2020. As a result of finalisation of the quantum of this matter, provisions of \$6.5m were unwound in 2019.

TRANSGRID

Financial (\$m) ⁽¹⁾	2020	2019	Change		
Regulated revenue - TUOS	773.6	754.5	2.5%	CPI-X ⁽²⁾	\$18.2m
Unregulated revenue	124.2	120.1	3.4%	STPIS ⁽³⁾	\$15.3m
Other Revenue ⁽⁸⁾	(1.4)	5.4	n/m	RAB ⁽⁴⁾ Growth	3.2%
Total Revenue	896.4	880.0	1.9%	CAB ⁽⁴⁾⁽⁵⁾ Growth	28.8%
Regulated operating costs	(165.1)	(155.6)	6.1%	FTE Change ⁽⁴⁾	-6.2%
Unregulated operating and other costs	(62.2)	(43.4)	43.3%	Net Debt / RCAB ⁽⁵⁾⁽⁶⁾	80.7%
EBITDA	669.1	681.0	-1.7%	FFO / Net Debt ⁽⁷⁾	7.4%
Other					
Net finance costs ⁽²⁾	(220.3)	(222.2)	-0.9%		
Regulated capital expenditure	(501.0)	(254.7)	96.7%		
Contracted capital expenditure	(207.2)	(238.6)	-13.2%		
Distributions received by Spark Infrastructure	22.9	36.8	-37.8%		

TransGrid EBITDA for FY2020 decreased by \$11.9m or 1.7%

(1) 100% basis (2) Relates to period 1 January 2020 to 31 December 2020 and includes an adjustment relating to the revocation and substitution of TransGrid's revenue determination for the 2014-2018 regulatory period (3) 2019 STPIS result recovered from 1 July 2020 and 2018 STPIS recovered from 1 July 2019 (4) Compared with December 2019 (5) CAB comprises of unregulated infrastructure and telecommunication assets and investment property (6) Net Debt is calculated using gross debt less cash and adjusted for prescribed revenue over/(under) collection and includes TransGrid Services (TGS) (7) Relates to TransGrid Obligor Group (i.e. excludes TGS) (8) FY2020 amount includes (\$1.7m) negative revaluation of investment property

TRANSGRID

Key Financial Drivers – Regulated Business

<p>Regulated Revenue Up by 2.5%</p>	<ul style="list-style-type: none"> • CPI of 1.80% from 1 July 2020 (1 July 2019: CPI of 1.80%) • X-factor from 1 July 2020 was -0.17% and from 1 July 2019 was -0.97% representing a real increase in revenues before CPI • \$15.3m STPIS payment
<p>Regulated Asset Base Up by 3.2%</p>	<ul style="list-style-type: none"> • RAB increased to \$6,697m • Increase driven by capital expenditure of \$433m, less regulatory depreciation of \$282m, and includes CPI uplift of \$62m
<p>Operating Costs Down 2.1%⁽³⁾</p>	<ul style="list-style-type: none"> • Lower labour costs, consulting and other operational costs as a result of operating efficiencies gained
<p>Capital Expenditure Up by 96.7%</p>	<ul style="list-style-type: none"> • Growth/Augmentation capex⁽¹⁾ of \$291.9m (up 399.8%) • Maintenance capex of \$170.9m (up 6.4%) • Non-network⁽²⁾ capex of \$38.2m (up 6.7%) • Increase was mainly due to investment in augmentation projects including Powering Sydney's Future, Stockdill Switching Station and ISP projects, and higher maintenance capex

TransGrid has seen RAB growth of 3.2% over the 12 months

(1) Includes Integrated System Plan (ISP) projects

(2) Includes Network Capability Incentive Project Action Plan (NCIPAP) capex

(3) Excluding \$12.8m bushfire costs incurred during FY2020 for remediation of damage sustained during the bushfires in November and December 2019, expected to be recovered through cost pass-through provisions.

TRANSGRID

Key Financial Drivers – Unregulated Business

<p>Contracted Capital Expenditure Down by \$31.4m</p>	<ul style="list-style-type: none"> • Infrastructure capex includes renewable connections projects delivered in FY2020 (Darlington Point, Kiamal and Bomen Solar Farm) • Increase in telco capex primarily driven by NBN POI rollout
<p>Unregulated Revenue Up by \$4.1m</p>	<ul style="list-style-type: none"> • Infrastructure connection revenue continued to increase in 2020 to \$80.9m (FY2019: \$50.7m) as construction of a number of connection assets was completed • Decrease in line modification revenue to \$12.8m (FY2019: \$39.3m) as a result of the completion of a number of one-off projects in 2019 • Connections revenue is expected to continue to grow with a number of new connections projects currently under construction and in the pipeline • Increase in telecommunications revenue as a result of growth in data services and co-location facilities
<p>Unregulated Operating Costs Up by \$18.8m</p>	<ul style="list-style-type: none"> • Increase in new infrastructure connections partially offset by a decrease to the number of line modification projects • Additional project development costs supporting the acceleration of TransGrid’s rapidly expanding non prescribed connections pipeline, which is delivering increased contracted revenue growth (i.e. pre-contract / proposal costs)
<p>Contracted Asset Base Up by \$183.2m⁽¹⁾</p>	<ul style="list-style-type: none"> • CAB increased to \$820m • Increase driven by capex of \$208.7m less depreciation of \$24m and revaluation decrement on investment property \$1.7m

TransGrid has seen CAB growth of 28.8% over the 12 months

(1) From 31 December 2019

BOMEN SOLAR FARM

Underlying Financial Results (\$m)	2020 (6 months)	Revenue \$7.0m for the first 6 months of operations	
PPA fixed revenue	6.2	Operating costs \$1.7m	<ul style="list-style-type: none"> The revenues were underpinned by the fixed revenues associated with the PPA agreements with Westpac and Flow Power. Strong pricing in the Large-scale Generation Certificate's (LGC) market delivered \$0.7m of revenue during the period through the sale of merchant LGC's.
Merchant electricity revenue	0.1		
Merchant LGC revenue	0.7		
Total Revenue	7.0	Generation 105,110 MWh	<ul style="list-style-type: none"> Operating expenditure has been in line with expectations and has included additional vegetation management to address the increased growth in grass on site.
Operating costs	(1.7)		
EBITDA	5.3		
Working capital	(0.6)	CO2-e displaced ⁽¹⁾ 85,139 tonnes	<ul style="list-style-type: none"> The site generated 105,110 MWh of renewable energy during the period, experienced minimal downtime and no material curtailment or outages in the period. 3 week outage in January 2021 due to substation fault under investigation.
Net operating cash flows	4.7		
Other			<ul style="list-style-type: none"> The renewable energy generated from Bomen Solar Farm represented the displacement of 85,139 tonnes of CO2-e.
Generation (MWh)	105,110		

Bomen Solar Farm performed in line with expectations during the first 6 months of operations to 31 December 2020

(1) Australian Government, Department of Industry, Science, Energy and Resources – National Greenhouse Accounts Factors, October 2020.

EFFICIENCY AND REGULATION

INDUSTRY AND BUSINESS CONSIDERATIONS

AER BENCHMARKING

AER Benchmarking Report 2020 – Multilateral Total Factor Productivity (MTFP)¹ Rankings

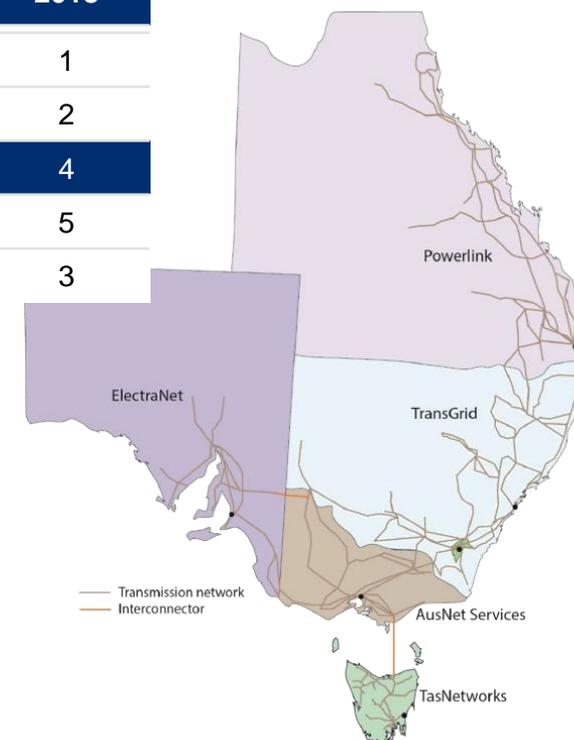
Distribution Network Service Providers

DNSP		2019	Δ	2018
SA Power Networks	South Australia	1	-	1
CitiPower	Victoria	2	-	2
Powercor	Victoria	3	↑	4
United Energy	Victoria	4	↑	5
Ergon Energy	Queensland	5	↓	3
Energex	Queensland	6	↑	7
Endeavour Energy	NSW	7	↑	8
Essential Energy	NSW	8	↓	6
TasNetworks	Tasmania	9	↑	10
Jemena	Victoria	10	↓	9
AusNet	Victoria	11	-	11
Evo Energy	ACT	12	-	12
Ausgrid	NSW	13	-	13

Transmission Network Service Providers

TNSP		2019	Δ	2018
TasNetworks		1	-	1
ElectraNet		2	-	2
TransGrid		3	↑	4
Powerlink		4	↑	5
AusNet		5	↓	3

- CitiPower, Powercor and SA Power Networks have remained in top 4 DNSPs since reporting began in 2006
- TransGrid achieved the highest productivity gains across TNSPs in 2018 and improved its rank from 4th to 3rd in 2019



Continuing to deliver high productivity performances to provide benefits to customers and improve returns

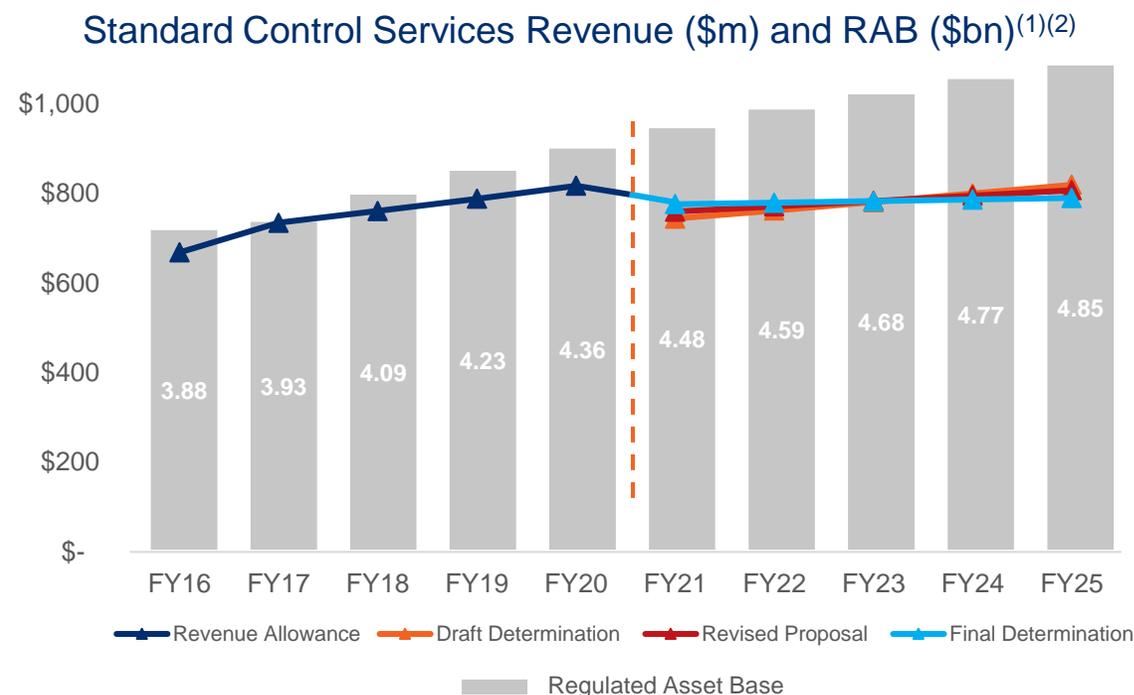
(1) The multilateral total factor productivity is a productivity index numbers (PIN) technique that measures the relationship between total output and total input. It allows both total productivity levels and growth rates to be compared between entities (networks). In the 2020 annual benchmarking report, the AER also apply the method to time-series TFP analysis at the industry level and for individual TNSP to better capture large Energy Not Supplied (ENS) changes.

SAPN 2020-25 FINAL REGULATORY DETERMINATION

The AER Final Determination establishes revenue certainty until 30 June 2025

Regulatory proposal metric	2015-20 Allowance ⁽¹⁾	2020-25 Draft Decision ⁽²⁾	2020-25 Revised Proposal ⁽²⁾	2020-25 Final Decision ⁽²⁾
Capex (\$2019-20)	\$2,011m	\$1,247m	\$1,693m	\$1,596m
Opex (\$2019-20)	\$1,375m	\$1,473m ⁽³⁾	\$1,470m	\$1,470m
WACC	6.17%	4.95%	4.79%	4.75%
Risk-free Rate	2.96%	1.32%	0.96%	0.90%
Inflation	2.50%	2.45%	2.36%	2.27% ⁽⁴⁾
Gamma	0.4	0.585	0.585	0.585
Revenue (Nominal)	\$3,769m	\$3,905m	\$3,933m	\$3,914m

The Final Determination is in line with expectations with improved capex and inflation outcomes



The majority of SA Power Networks' Revised Proposal was accepted by the AER in the Final Determination released on 5 June 2020

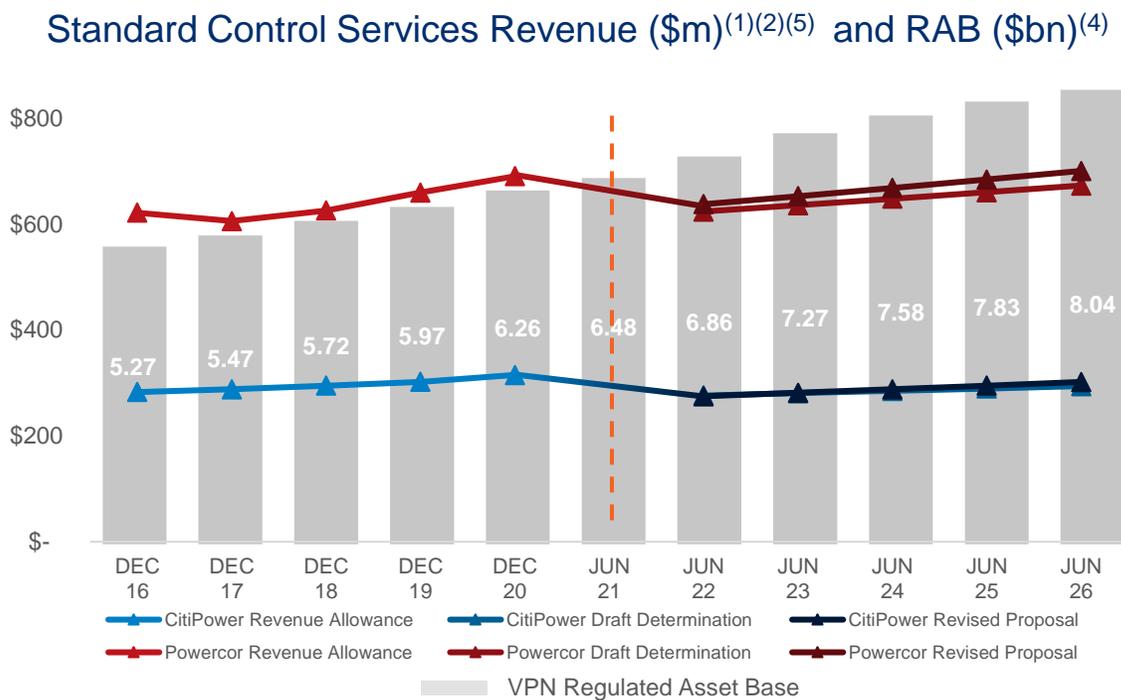
(1) AER Final Decision 2015-2020, October 2015 updated to \$2020 (2) AER Final Decision Overview, June 2020.(3) AER Draft Decision Overview, October 2019. (4) The reduction in the inflation forecast was due to the using of the trimmed mean CPI forecast as it was more appropriate in the COVID-19 circumstances.

VPN 2021-26 REGULATORY PROPOSAL

Final Risk-free Rate and the estimate of inflation is to be updated for the final decision in April 2021

Regulatory proposal metric	2016-20 CitiPower Allowance ⁽¹⁾	2021-26 CP Draft Decision ⁽¹⁾	2021-26 CP Revised Proposal ⁽¹⁾	2016-20 Powercor Allowance ⁽²⁾	2021-26 PC Draft Decision ⁽²⁾	2021-26 PC Revised Proposal ⁽²⁾
Capex (\$2021)	\$854m	\$570m	\$635m	\$2,060m	\$1,586m	\$1,849m
Opex (\$2021)	\$473m	\$463m	\$472m	\$1,317m	\$1,321m	\$1,388m
WACC	6.11%	4.59%	4.59%	6.11%	4.59%	4.59%
Risk-free Rate	2.48%	0.93%	0.93%	2.48%	0.93%	0.93%
Inflation	2.35%	2.37%	2.37%	2.35%	2.37%	2.37%
Gamma	0.4	0.585	0.585	0.4	0.585	0.585
Revenue ⁽³⁾ (Nominal)	\$1,484m	\$1,426m	\$1,441m	\$3,205m	\$3,242m	\$3,345m

VPN's revenue profiles submitted in their Revised Proposals closely align with the AER's Draft Determination

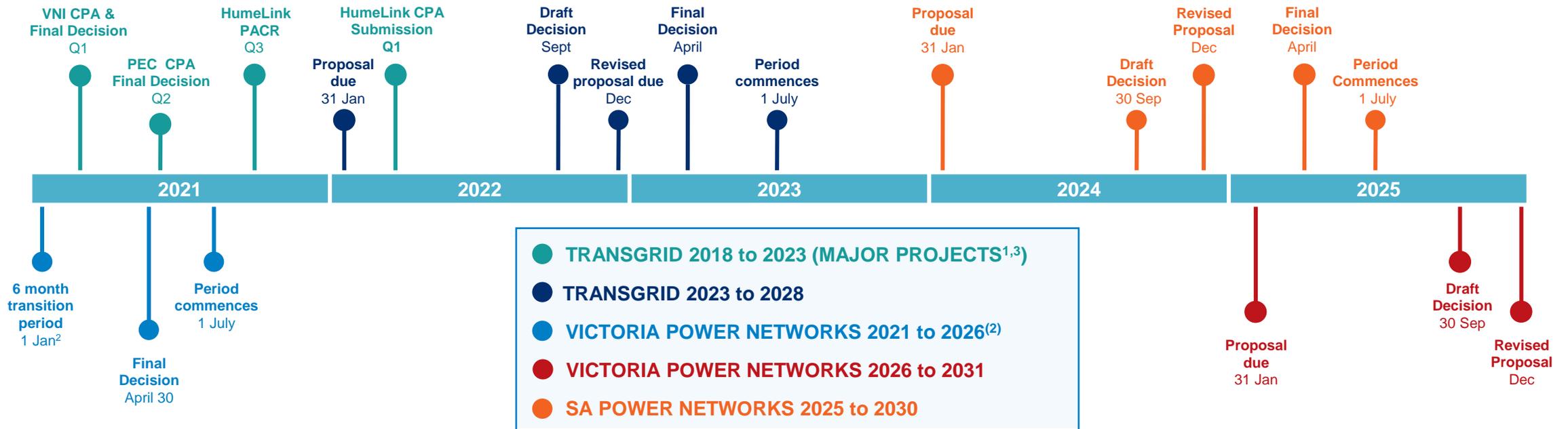


An expected inflation forecast of 2%⁽⁶⁾ in the final decision will provide a positive uplift in revenue

(1) CitiPower, Revised Proposal 2021-2026, 3 Dec 2020 (2) Powercor, Revised Proposal 2021-2026, 3 Dec 2020 (3) Standard Control Services Revenue - 'Smoothed' (4) RAB values from RAB roll-forward model (RFM) and post-tax revenue model (PTRM) submitted with CitiPower and Powercor revised proposals on 3 December 2020 (5) AER: CitiPower and Powercor – Final Decision 2016-2020 updated to \$2021 (6) The forecast reflects the new AER inflation forecast methodology and the short term inflation forecasts in the RBA February Statement on Monetary Policy.

REGULATORY TIMELINES

Determinations for SA Power Networks and Victoria Power Networks will incorporate lower returns from the AER’s 2018 decisions on the Rate of Return Instrument (RORI) and tax, but revenue will be certain for the five-year regulatory periods



Regulatory processes to support delivery of Major Projects will continue in to 2021

(1) The Regulatory Investment Test Transmission (RIT-T) and contingent project application (CPA) processes are expected to continue throughout 2021 (2) 6 month transition period will occur between 1 January 2021 and 30 June 2021 as a result of the Victorian Government decision to change the regulatory period cycle to a 1 July commencement date. A 5 year regulatory period will commence from 1 July 2021 (3) Revenue will be adjusted in the current regulatory period to incorporate the AER’s decisions on CPA’s – Dates subject to change.

REGULATORY REVIEWS

Engage and advocate for outcomes that support returns required while delivering outcomes in the best long-term interests of consumers

	Review	Objective	Implementation
AER	Inflation Review	Assess performance of inflation forecasting methodology and impact on returns	1 July 2021
AEMC	Rules to improve financeability of Actionable ISP projects	Better match the cash flow from regulated revenue with the financing costs of Actionable ISP projects	Q2 2021
AEMC	Rules to integrate DER	Allow two-way energy flows and charging for export	Mid 2021
AEMC	Integration of storage in to the NEM	Efficient integration of storage in to the National Electricity Market (NEM)	Mid 2021
AEMC	Ring Fencing review	Improve the efficiency and effectiveness of ring fencing arrangements for distribution and transmission network service providers	Late 2021
AEMC	Regulatory Framework for stand alone power systems	Allow customers to benefit from new technology that lowers costs of providing regulated services	Late 2021
ESB	Renewable Energy Zones (REZ) framework	Develop arrangements to support Renewable Energy Zones and interim implementation	Late 2021
AEMO	Integrated System Plan (ISP)	Efficient development of the National Electricity Market	July 2022
AER	Rate of Return Instrument (RORI)	Sets out approach to estimate rate of return: return on debt, return on equity and value of imputation credits	Dec 2022
AEMC	Rules to facilitate system stability	Create new markets for synchronous services, reserve markets and ahead markets	Prior to 2025
AEMC	Coordination of Generation and Transmission Investment (COGATI) Access and Charging ⁽¹⁾	Better co-ordinate generation and transmission investment to improve the efficiency of dispatch and location of generators; provide certainty to support new investment and improve planning information	2025
ESB	Post 2025 NEM Design	Develop long-term, fit-for-purpose market framework to enable provision of full range of services to customers necessary to deliver a secure, reliable and lower emissions electricity system at least-cost	2025

(1) Now incorporated in to the ESB's post 2025 NEM Design program as Grid Access

STRATEGY AND GROWTH

DELIVERING GROWTH FOR THE FUTURE

STRATEGIC VISION AND PRIORITIES

OBJECTIVE

Delivering long-term sustainable value through yield plus growth from our portfolio of high-quality, long-life essential energy infrastructure businesses

By building sustainable businesses and harnessing their evolving growth potential we will continue to create long-term value for Securityholders

BUSINESS MODEL

Value Enhance

Managing our portfolio for performance and organic growth through efficient investment

Value Build

Develop, build, own and operate energy infrastructure

Value Acquire

Growing through disciplined acquisitions



ELECTRICITY NETWORKS



RENEWABLE ENERGY



ELECTRICITY STORAGE



GAS NETWORKS / GAS STORAGE

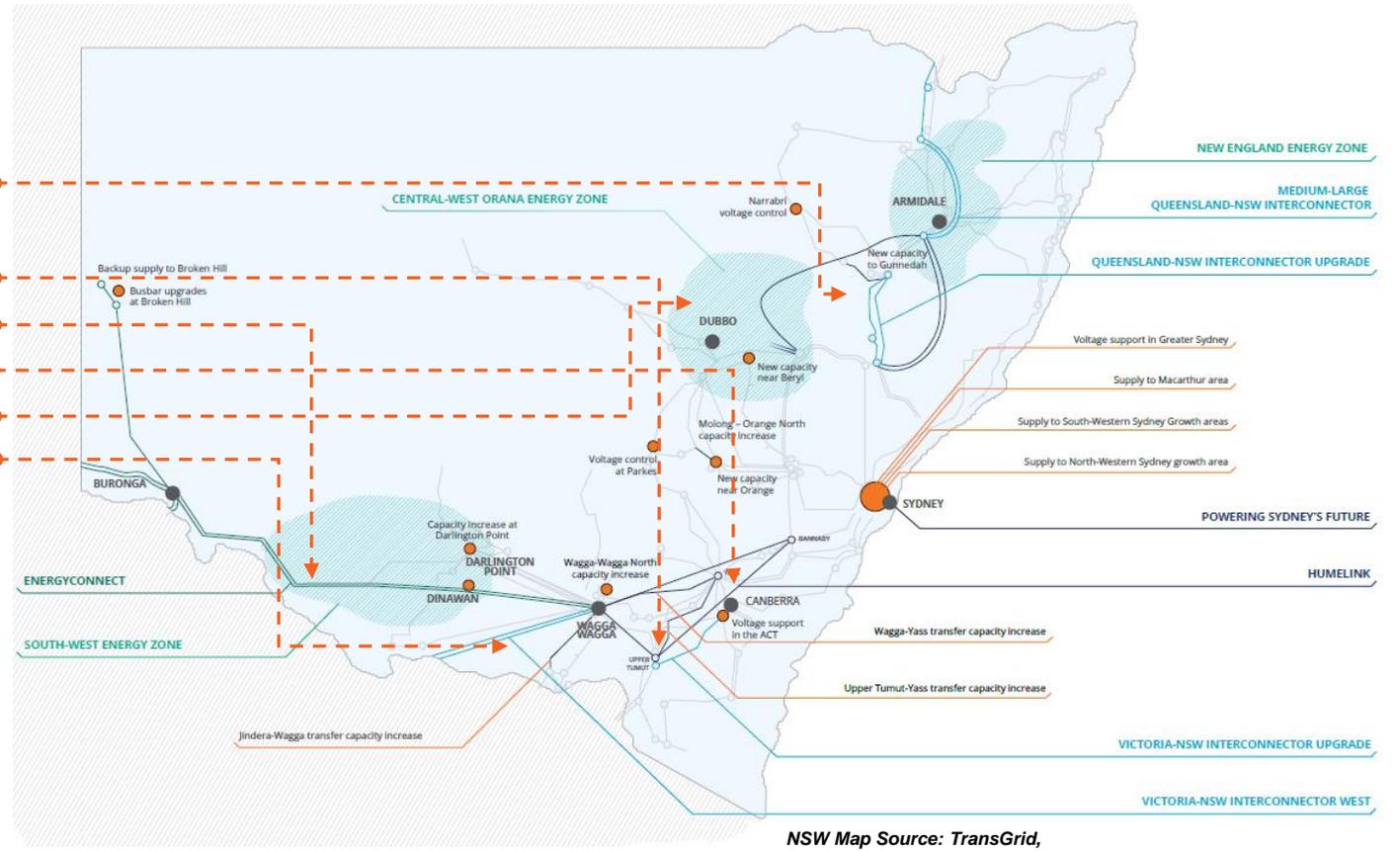


WATER NETWORKS / WATER STORAGE

TRANSGRID – GROWTH OPPORTUNITIES (I)

From mid-2020 under the National Electricity Rules there is a requirement to progress the regulatory process and preparatory work for actionable ISP projects

TransGrid Network Opportunities	AEMO ISP 2020 Modelled Cost	Delivery Target ⁽¹⁾
2018-2023 capex allowance	\$1.2bn	N/A
Committed		
QNI Minor	⁽²⁾ \$0.2bn	2021-22
Actionable		
VNI Minor	⁽³⁾ \$0.1bn	2022-23
Project EnergyConnect (PEC)	⁽⁴⁾ \$2.0bn	2024-25
HumeLink	⁽³⁾ \$2.1bn	2025-26
Central-West Orana REZ Transmission Link	\$0.7bn	2024-25
VNI West (Kerang Route) ⁽⁴⁾	⁽³⁾ \$2.4bn	2027-28
Total	\$7.3bn	
Preparatory Activities Required		
QNI Medium & Large	\$3.3bn	2032-33 to 2035-36
New England REZ Network Expansion	⁽⁵⁾ \$1.3bn	2030s
North West NSW Network Expansion	⁽⁶⁾ \$0.9bn	2030s
Total	\$5.4bn	
Total ISP Modelled Projects	\$12.9bn	



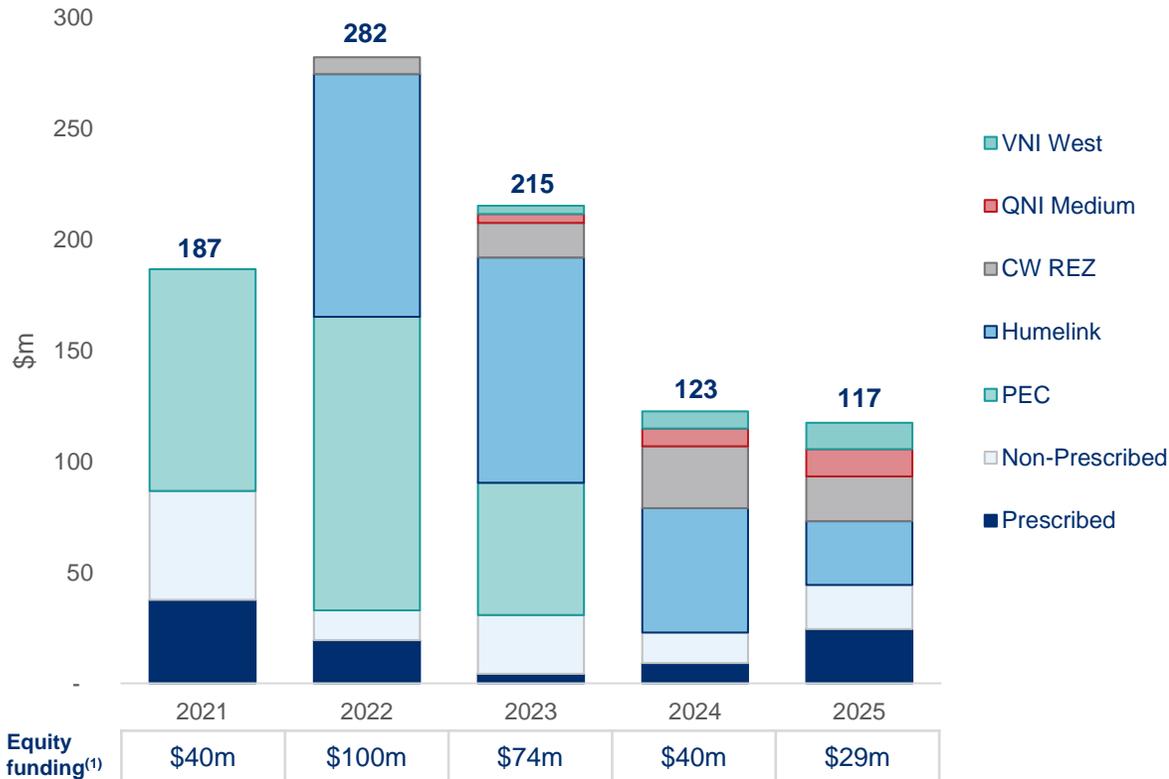
NSW Map Source: TransGrid, Transmission Annual Planning Report 2020

(1) AEMO 2020 ISP (2) Contingent Project Application (CPA) Approved 28 April 2020 (3) RIT-T process underway (4) CPA process commenced 9 October 2020. (5) Includes combined costs for Stage 1 & 2 (6) Includes combined costs for Stage 1,2 & 3

TRANSGRID – GROWTH OPPORTUNITIES (II)

TransGrid shareholders continue to seek solutions to financeability issues raised with regulators

TransGrid Indicative 5-Year Capex Profile (Proportionate)
Subject to Regulatory approvals



1. Indicative Spark Infrastructure share of equity funding required for ISP projects (ISP funding assumed 40% equity/60% debt). Non-Prescribed and Prescribed growth capex to be funded at TGD level.

Project EnergyConnect (PEC)	<ul style="list-style-type: none"> EPC and other major commercial milestones complete Final CPA determination from AER expected Q2 2021 Disappointed in AEMC draft determination on financeability rule change, final due in Q2 2021
HumeLink	<ul style="list-style-type: none"> Ongoing landowner and community consultation Route being refined with proposed route to be published mid-2021 Regulatory process ongoing
Central West REZ	<ul style="list-style-type: none"> Community and landowner consultation has commenced The project is receiving funding from the Australian Renewable Energy Agency (ARENA) as part of ARENA's Advancing Renewables Program TransGrid is working closely with the NSW Government to plan new transmission infrastructure for the REZ
Non-Prescribed connection pipeline	<ul style="list-style-type: none"> Includes Snowy 2.0 connection ~12GW potential = > \$250m proportionate capex Further upside from NSW Energy Roadmap Demonstrated access to excellent financing terms

Significant growth capital expenditure over the next 5 years on ISP major projects and non-prescribed connection assets

RENEWABLES – HIGH QUALITY PIPELINE ESTABLISHED

Well positioned to continue disciplined investment

Core Investment Areas

Solar

- >15GW forecast installed capacity between 2022-2042 in the NEM⁽¹⁾

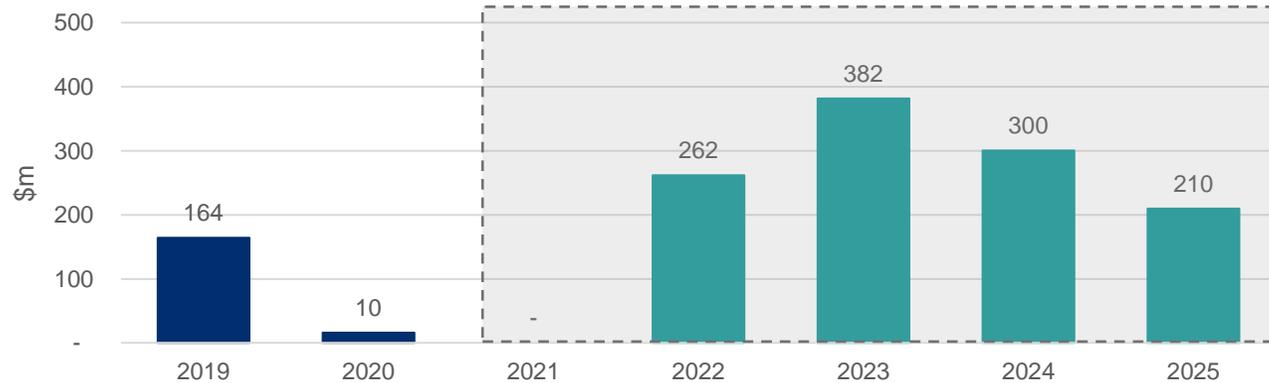
Wind

- >16GW forecast installed capacity between 2022-2042 in the NEM⁽¹⁾

Storage

- ~13GW installed capacity forecast between 2022-2042 in the NEM⁽¹⁾

Indicative Renewables Investment ~580MW⁽¹⁾⁽²⁾



Other Investment Areas under Consideration⁽³⁾

Renewable Energy Zones

Green Hydrogen

Virtual Power Plants

Development Pipeline (~1.5GW)

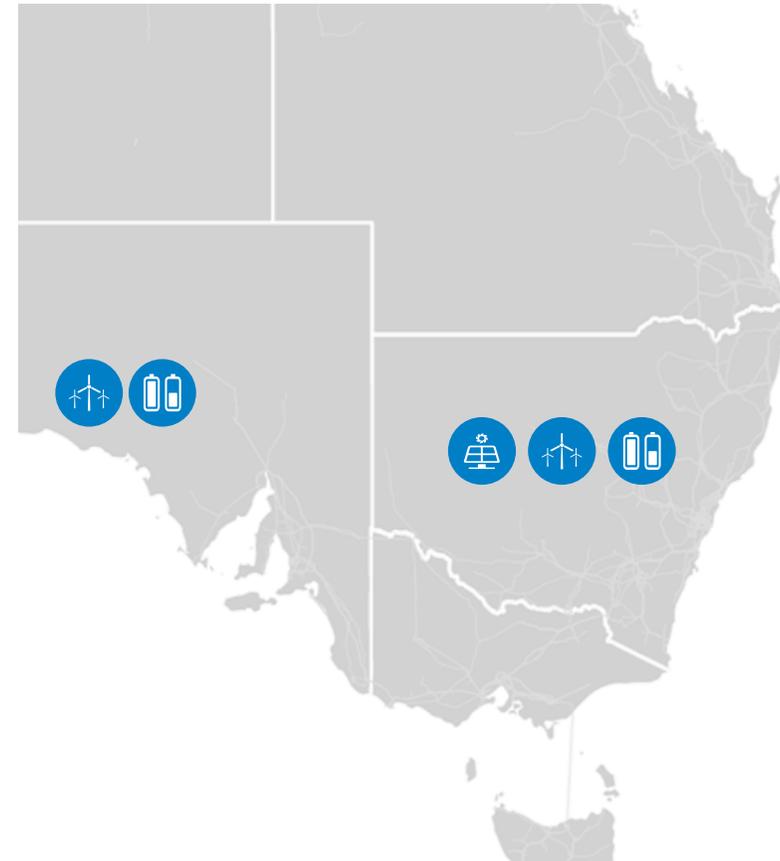
Solar



Wind



Storage



(1) AEMO's 2020 ISP Central Scenario (DP1)

(2) Based on probability weighted and proportionate final ownership of 100% owned developments

(3) Opportunities either through Investment Businesses or Spark Infrastructure directly

CAPITAL MANAGEMENT

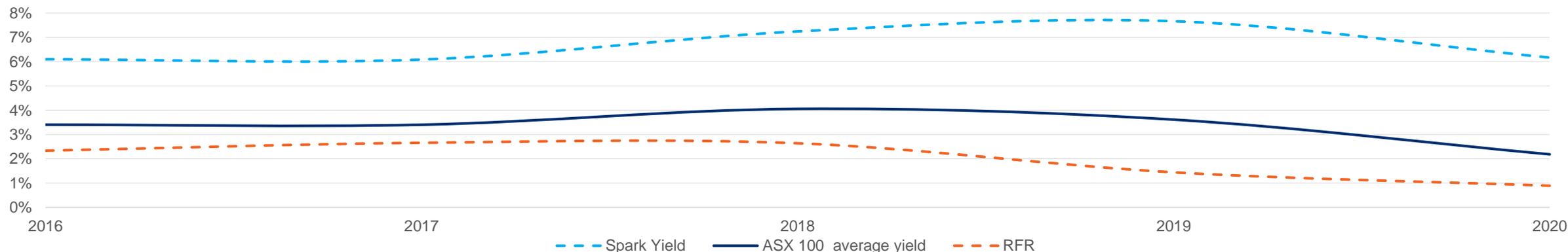
PRUDENT CAPITAL MANAGEMENT WILL DELIVER GROWTH IN ASSET BASE

CONSISTENTLY PAYING ATTRACTIVE DISTRIBUTIONS

The only consistently Top 10 yield performer in ASX 100

2016			2017			2018			2019			2020		
#	Company	Dividend Yield (%)	Company	Dividend Yield (%)										
1	Crown Resorts Ltd (ASX:CWN)	6.82	Fortescue Group Ltd (ASX:FMG)	10.20	Alumina Ltd (ASX:AWC)	11.00	Alumina Ltd (ASX:AWC)	11.40	Fortescue Group Ltd (ASX:FMG)	8.54				
2	NAB Ltd (ASX:NAB)	6.46	Telstra Ltd (ASX:TLS)	8.54	AMP Ltd (ASX:AMP)	10.00	Yancoal Australia Ltd (ASX:YAL)	11.00	AGL Energy Ltd (ASX:AGL)	8.20				
3	Spark Infrastructure (ASX:SKI)	6.09	NAB Ltd (ASX:NAB)	6.70	Whitehaven Coal Ltd (ASX:WHC)	9.49	BOQ Ltd (ASX:BOQ)	8.55	Aurizon Holdings Ltd (ASX:AZJ)	7.03				
4	Platinum (ASX:PTM)	6.06	Vicinity Centres (ASX:VCX)	6.36	NAB Ltd (ASX:NAB)	8.23	Harvey Norman Ltd (ASX:HAVN)	8.11	BEN Ltd	6.65				
5	IOOF Holdings Ltd (ASX:IFL)	5.92	Harvey Norman Ltd (ASX:HAVN)	6.24	BOQ Ltd (ASX:BOQ)	7.84	Spark Infrastructure (ASX:SKI)	7.66	Spark Infrastructure (ASX:SKI)	6.16				
6	CSR Ltd (ASX:CSR)	5.63	Spark Infrastructure (ASX:SKI)	6.08	Stockland (ASX:SGP)	7.67	BEN Ltd	7.16	AusNet Services Ltd (ASX:AST)	5.81				
7	AMP Ltd (ASX:AMP)	5.56	Westpac Banking (ASX:WBC)	6.00	Westpac Banking (ASX:WBC)	7.51	NAB Ltd (ASX:NAB)	6.74	Dexus (ASX:DXS)	5.54				
8	BEN Ltd (ASX:BEN)	5.35	BOQ Ltd (ASX:BOQ)	5.97	Spark Infrastructure (ASX:SKI)	7.24	Westpac Banking (ASX:WBC)	6.60	Telstra Ltd (ASX:TLS)	5.37				
9	ANZ Ltd (ASX:ANZ)	5.26	BEN Ltd	5.83	Wesfarmers Ltd (ASX:WES)	6.92	ANZ Ltd (ASX:ANZ)	6.50	APA Group (ASX:APA)	5.28				
10	ADBRI Ltd (ASX:ABC)	5.06	Stockland (ASX:SGP)	5.76	Platinum (ASX:PTM)	6.58	Vicinity Centres (ASX:VCX)	6.18	Origin Energy Ltd (ASX:ORG)	5.25				

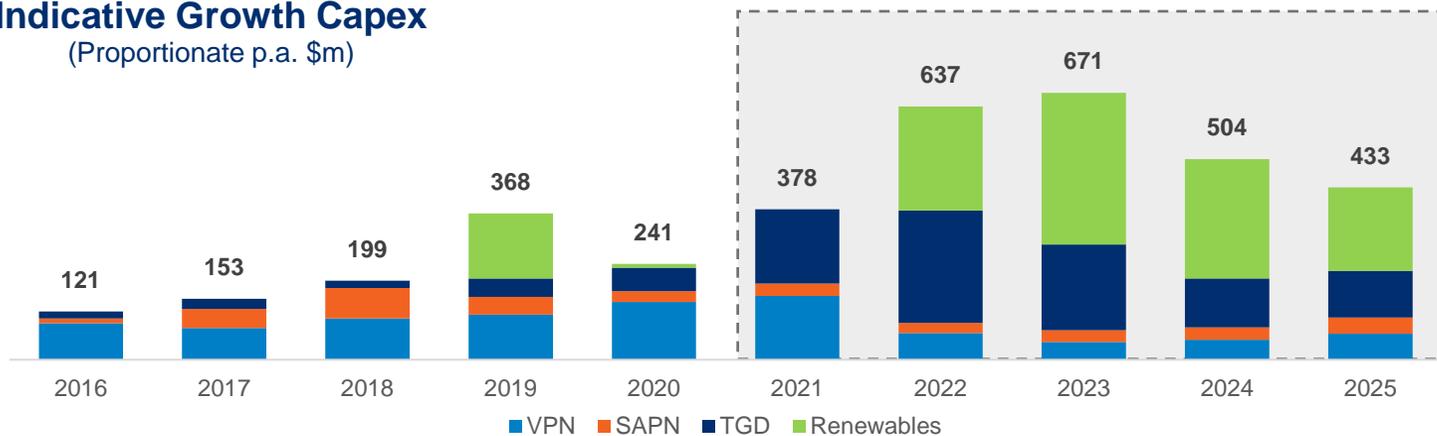
Dividend yield trend past 5 years - SKI vs ASX100 vs RFR



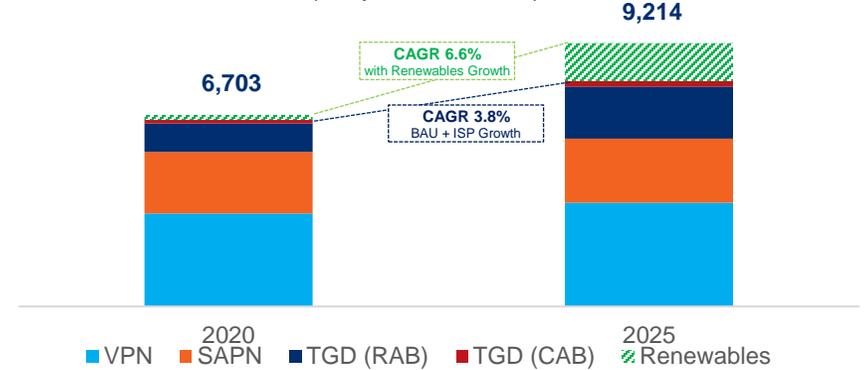
Source: Capital IQ

GROWTH PIPELINE - FULLY FUNDED

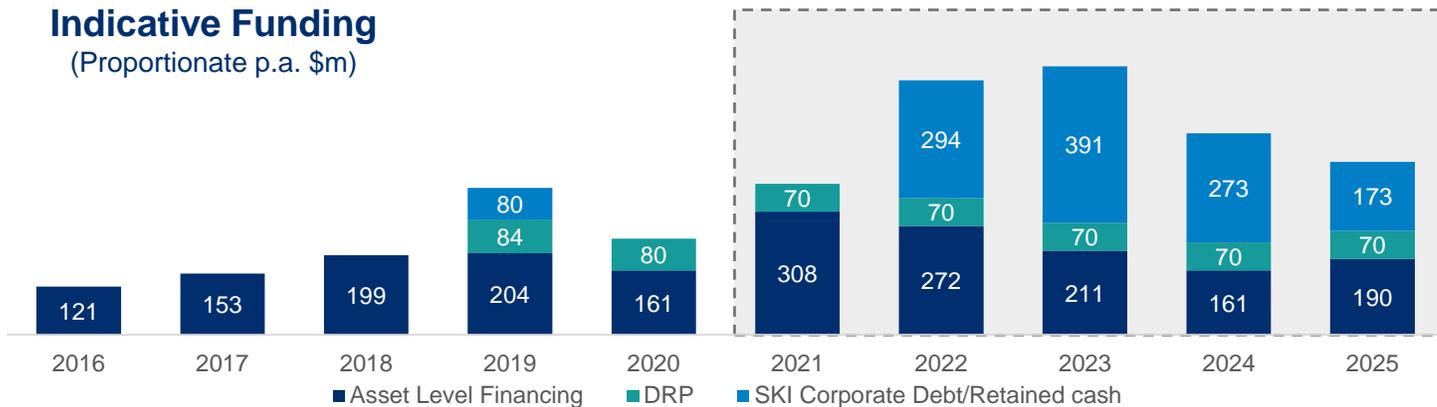
Indicative Growth Capex
(Proportionate p.a. \$m)



Indicative RCAB
(Proportionate \$m)



Indicative Funding
(Proportionate p.a. \$m)



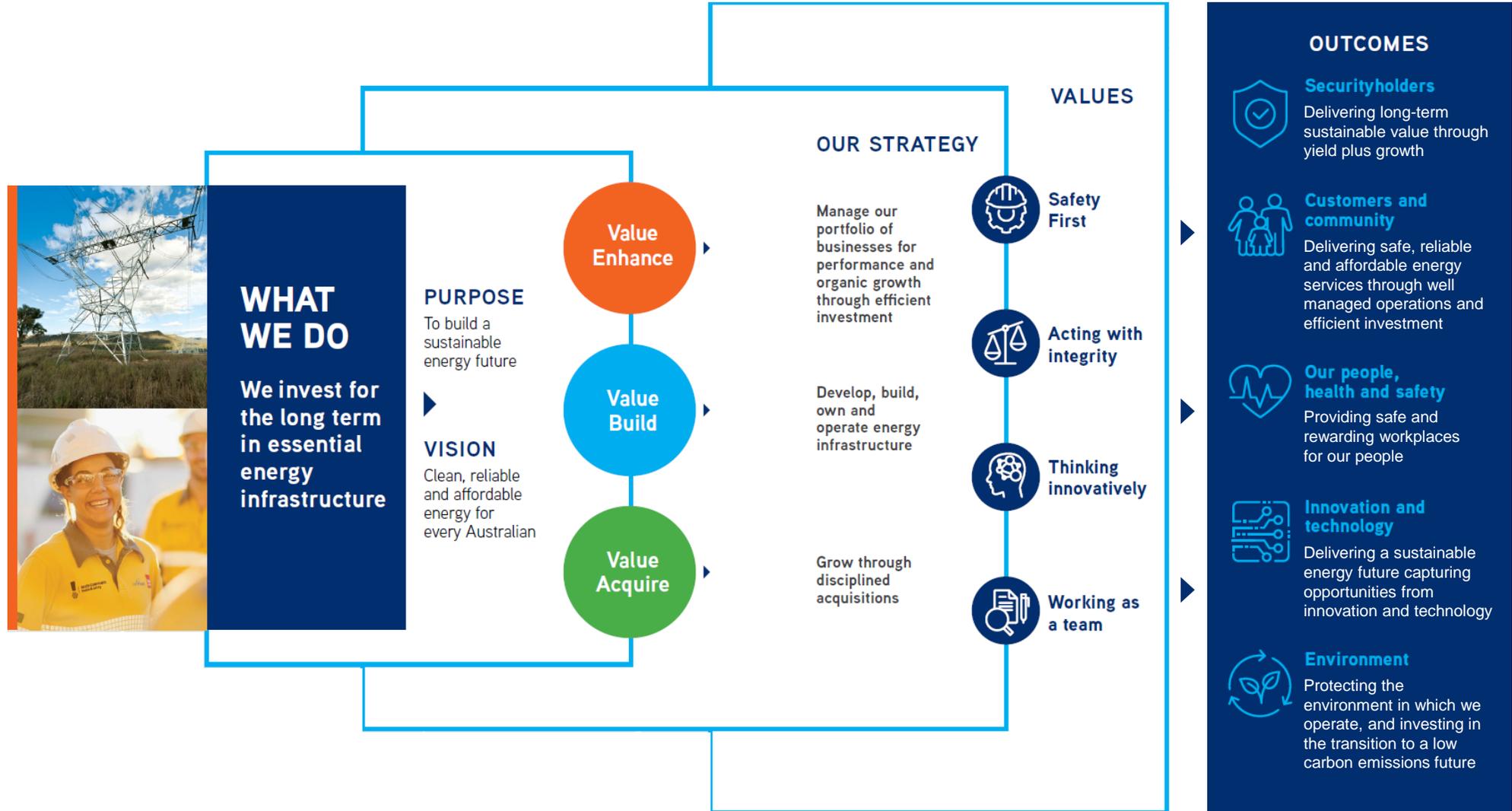
- RAB growth supported by AEMO's 2020 ISP + SAPN regulatory outcome and VPN draft regulatory determination
- Contracted growth supported by AEMO ISP
- Renewable development pipeline established
- Growth fully funded through DRP and debt capacity
- Spark Infrastructure committed to investment grade ratings

(1) SAPN values derived from SA Power Networks Final Determination – differential of annual opening RAB value vs closing RAB value, adjusted for SKI Financial Year
 (2) VPN values based on CitiPower and Powercor Regulatory Proposals submitted 31 January 2020 – differential of annual opening RAB value vs closing RAB value, adjusted for SKI Financial Year
 (3) Renewables growth equivalent to capex investment of ~580MW (~\$1.1bn) in 2021-2025
 (4) TransGrid includes investments presented on slide 30

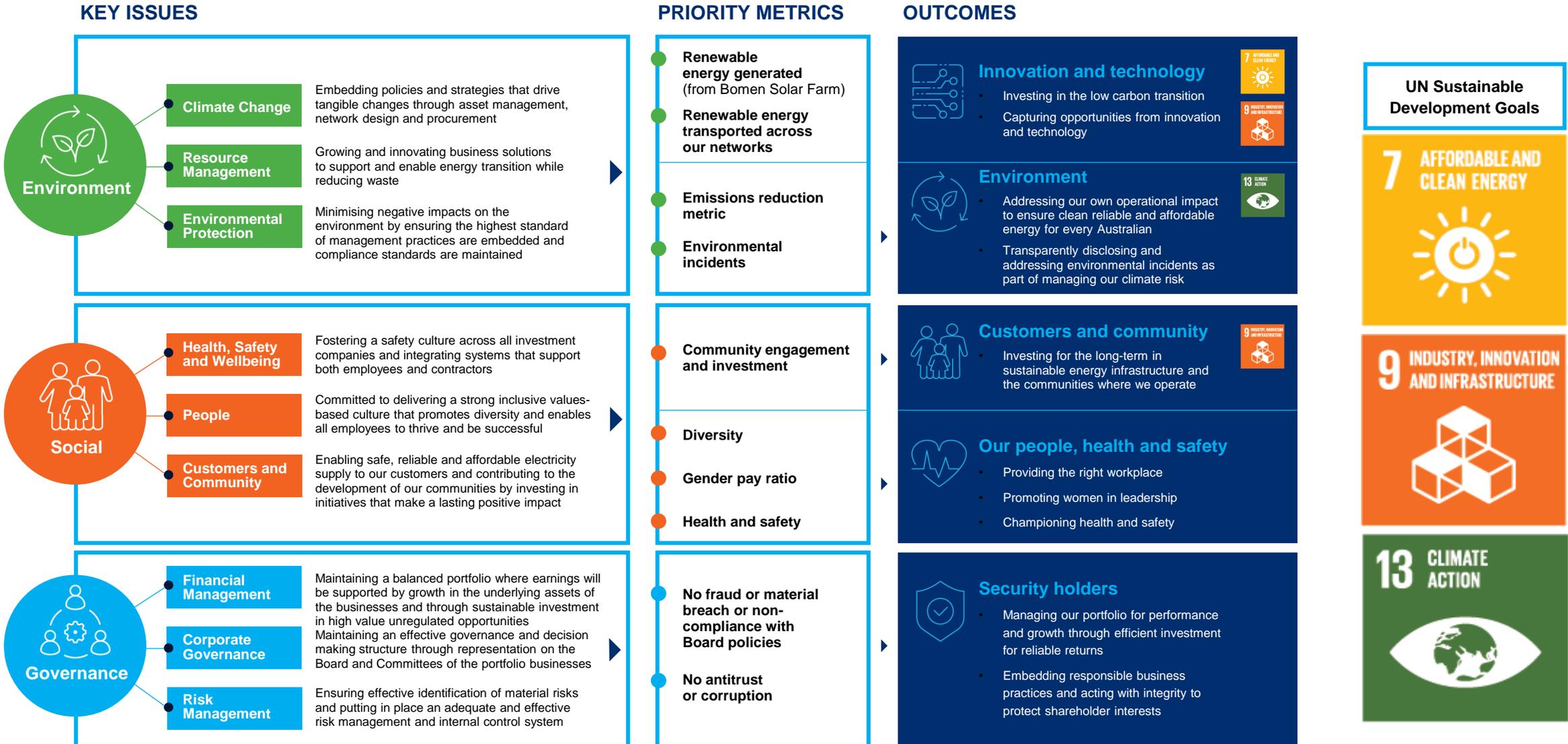
SUSTAINABILITY

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

ESSENTIAL ENERGY INFRASTRUCTURE



ESG AND SUSTAINABILITY GOALS



ESG: SKI GROUP PERFORMANCE (PROPORTIONATE)

	2020	2019	
Health & Safety 	Work related fatalities	0	0
	Lost Time Injury Frequency Rate (LTIFR)	2.3	2.1
Environment 	Renewable energy capacity	100MW _{ac}	0
	CO2-e displaced through renewable generation	85,160 tonnes	21 tonnes
	Renewable energy transported / support by Networks ⁽¹⁾	33%	28%
	Reportable environmental incident ⁽²⁾	2	2
Social & Governance 	Investment in community programs and engagement	\$1.4m ⁽³⁾	\$1.7m
	Anti-competitive, anti-trust or monopoly breaches	0	0
	Fraud, material breaches or non-compliances with Board policies	0	0
	Diversity: Women to Men ratio employed across all levels	21%	20%
	Gender pay gap ⁽⁴⁾	1%	N/A

ESG Ratings



Carbon Disclosure Project

Spark Infrastructure received a score of **B** in 2020 (up from **D** in 2019), demonstrating the business is taking coordinated action on climate issues



G R E S B
★ ★ ★ ★ ★ 2020

Global Real Estate Sustainability Benchmark

TransGrid scored 92 out of 100 points in 2020 and received a 5-star rating. Ranking them 21 out of 406 infrastructure assets around the globe

1. Based on the weighted average annual energy consumption x the State-based renewable energy (including residential solar)
 2. Incidents attributed to SA Power Networks – relating to transformer oil spills that exceed state based regulatory thresholds requiring notification
 3. Excludes \$550,000 of committed funding in 2020 via the Bomen Solar Farm Community Partnership program (in partnership with Westpac Banking Group) that will be sequentially spent from 2021
 4. Based on average female:male pay difference on comparable pay grades (excludes Executives)

CLOSING REMARKS

DELIVERING GROWTH IN SUSTAINABLE ASSET BASE WITH ATTRACTIVE YIELD

OUTLOOK AND DISTRIBUTIONS

Delivering attractive total return from strong growth and sustainable yield into the future

Outlook

- SAPN and VPN regulatory determinations deliver revenue certainty for next 5 years
- Expecting good customer and regulatory support for opex and capex allowances for VPN final determination; based on SAPN recent outcomes. Small uptick in risk-free rate and improved regulatory inflation forecasting methodology
- Growth agenda for regulated and contracted assets at TransGrid is substantial
 - Supported by AEMO's 2020 ISP
 - Financeability challenge of current regulatory settings for PEC remain
- Renewable development pipeline established; disciplined approach to ensure high quality accretive growth
- Will retain strongly defensive qualities, e.g. regulated assets to continue to exceed 85% of total assets
- DRP sufficient to fund equity capital requirements for growth pipeline, whilst maintaining investment grade ratings

Distribution guidance

- Guidance for FY21 of 12.5cps, subject to business conditions. Distribution estimated to be franked to ~25% (~3.0cps)
- Target to grow distributions by at or around CPI over next 5-years to 2025 (i.e. the end of new SAPN/VPN regulatory periods)
- Distributions sustainability based on operating cash flows across the period
- DRP to remain in operation, to fund equity commitments for growth pipeline

Yield and Growth will continue to deliver sustainable value to Securityholders

APPENDIX

KEY METRICS

Distributions, RAB, credit metrics and gearing

SECURITY METRICS

Market price at 19 February 2021	\$2.08
Market capitalisation	\$3.6 billion

DISTRIBUTIONS

2020 actual	13.50cps
Comprising:	
- Loan Note interest	7.05cps
- Trust Distributions	6.45cps
- Franking credits	2.10cps
2021 Guidance	12.50cps
- Franking credits	~25%

CREDIT RATINGS

Investment portfolio credit ratings	SA Power Networks: A- Victoria Power Networks: A- TransGrid: Baa2
Spark Infrastructure level credit rating	Baa1

SPARK INFRASTRUCTURE \$m

Total RAB and CAB (Spark Infrastructure share)	6,704
Gross debt at Spark Infrastructure level	40

VICTORIA POWER NETWORKS \$m

RAB ⁽¹⁾ (including AMI)	6,635
Net debt	4,799
Net debt/RAB	72.3%

SA POWER NETWORKS \$m

RAB ⁽¹⁾	4,395
Net debt	3,247
Net debt/RAB	73.9%

TRANSGRID \$m

RAB ⁽¹⁾	6,697
CAB ⁽¹⁾⁽²⁾	820
RCAB ⁽¹⁾⁽²⁾	7,517
Net debt ⁽³⁾	6,064
Net debt/RAB ⁽⁴⁾	89.5%
Net debt/RCAB	80.7%

(1) December 2020 estimate (2) Includes WIP/partially completed assets and investment property

(3) Net Debt is calculated using gross debt less cash and adjusted for prescribed revenue over/(under) collection and includes TransGrid Services

(4) Relates to TransGrid Obligor Group

UNREGULATED REVENUES (100% BASIS)

Victoria Power Networks (\$m)	2020	2019	Variance
Beon Energy Solutions	233.8	239.5	(5.7)
Service Level Agreement Revenue	23.3	22.7	0.6
Telecommunications	1.2	1.1	0.1
Joint Use of Poles	5.5	4.1	1.4
Other	11.9	19.1	(7.2)
TOTAL	275.7	286.4	(10.7)

SA Power Networks (\$m)	2020	2019	Variance
Energy Infrastructure and Solutions	296.2	268.2	28.0
Facilities Access / Dark Fibre	2.1	1.9	0.2
Asset Rentals	4.0	3.8	0.2
Sale of Salvage	1.0	1.7	(0.7)
Other	4.5	6.6	(2.1)
TOTAL	307.8	282.2	25.6

TransGrid (\$m)	2020	2019	Variance
Infrastructure Services	106.2	104.0	2.2
Property Services	4.9	5.0	(0.1)
Telecommunication Services	13.1	11.0	2.1
TOTAL	124.2	120.0	4.2

SEMI REGULATED REVENUES (100% BASIS)

Victoria Power Networks (\$m)	2020	2019	Variance
Public Lighting	7.9	11.9	(4.0)
New Connections	16.6	15.1	1.5
Special Reader Activities	4.4	4.6	(0.2)
Service Truck Activities	6.4	5.9	0.5
Recoverable Works	0.8	2.2	(1.4)
Specification and Design	13.5	13.3	0.2
Other	12.8	7.8	5.0
TOTAL	62.4	60.8	1.6

SA Power Networks (\$m)	2020	2019	Variance
Public Lighting	11.1	23.5	(12.4)
Metering Services	15.8	15.7	0.1
Pole/Duct Rental	4.8	3.9	0.9
Other Negotiated Services ⁽¹⁾	49.7	54.2	(4.5)
TOTAL⁽²⁾	81.4	97.3	(15.9)

(1) Includes Asset Relocation and Embedded Generation

(2) Does not include Alternative Control Services (ACS) revenue, which is reported as part of DUOS revenue

TAXATION UPDATE

Litigation update

- Federal Court confirmed earlier judgment on cash contributions but found in favour of VPN in respect of gifted assets. The effect of the decision is that:
 - Receipt of Gifted Assets do not give rise to an amount of assessable income (after the offset of any rebate paid by VPN to the customer)
 - Receipt of Cash Contributions (where assets are built by VPN), treated as assessable income on receipt
- Cash impact to Spark Infrastructure re SAPN is that refund of approx. \$45m (\$40m primary tax and \$5m interest) expected in 2021
- VPN expected to receive \$23m tax refund in 2021

Effective Tax Rate

- Until full transition to monthly instalments, prior year liability used for current year underlying tax presentation
- Taxable income expected to peak in respect of 31 December 2020; but will be offset by tax refund
- Taxable income expected to be lower in future years due to the tax profile of the underlying businesses
- Tax payable is impacted by franked/unfranked dividends received from VPN; VPN tax refund and Government's instant asset write off reduces VPN tax and franking in short term
- Spark Infrastructure's effective tax rate (excluding tax refund) for 2021-25 is expected to average ~13% of pre-tax Stand alone Cash Flow

Franking

- Spark Infrastructure announced that 2.1c of franking would accompany the March 2021 distribution. Further franking of 2.8c remains to be distributed in respect of tax paid to date. Further franking credits to distribute will arise as tax continues to be paid as well as in respect of franked dividends received from VPN
- Distributions estimated to be franked to approximately 25% (of total distribution) through 2025

Underlying Tax

Underlying Tax Paid 2020 (re 2019)		Underlying Tax Paid 2021 (re 2020)	
	\$m		\$m
Total Tax Paid per Statutory Cash Flow	85.9	Gross tax liability in relation to 2020	55.6
Less Historical Tax Paid (2015-18)	(34.4)	Expected Tax Refund	(40.0)
Less Tax Instalments Paid in Relation to 2020	(17.7)	Underlying Tax Paid 2021 (re 2020)	15.6
Add 2019 Tax Liability Paid in 2019	4.2		
Underlying Tax Paid 2020 (re 2019)	37.9		

CONSISTENT SERVICE OUTPERFORMANCE

Victoria Power Networks ⁽¹⁾		STPIS \$m
2017 regulatory year	36	Being recovered in 2019 and 2020 regulatory years
2018 regulatory year	20	To be recovered in 2021 regulatory year
2019 regulatory year	26	To be recovered in 2022 regulatory year
2020 regulatory year ⁽²⁾	22	To be recovered in 2023 regulatory year
SA Power Networks ⁽¹⁾		STPIS \$m
2016/17 regulatory year	23	Recovered in 2018/19 regulatory year
2017/18 regulatory year	36	Recovered in 2019/20 regulatory year
2018/19 regulatory year	30	Being recovered in 2020/21 regulatory year
2019/20 regulatory year ⁽²⁾	39	To be recovered in 2021/22 regulatory year
TransGrid ⁽¹⁾		STPIS \$m
2017 calendar year	16	Recovered in 2018/19 regulatory year
2018 calendar year	17	Recovered in 2019/20 regulatory year
2019 calendar year	14	Being recovered in 2020/21 regulatory year
2020 calendar year ⁽²⁾	6	To be recovered in 2021/22 regulatory year

Our investment businesses are delivering high reliability to customers

(1) Service Target Performance Incentive Scheme (STPIS) 100% basis

(2) Preliminary estimate

REGULATED PRICE PATH

CPI minus X⁽¹⁾

CitiPower	CPI (%)	X-Factor	Expected movement in revenue ⁽³⁾ %
	Actual (Forecast)		
Year 1⁽²⁾ (1 Jan 16)	2.50 (2.50)	-	-
Year 2 (1 Jan 17)	1.02 (2.35)	0.40	0.62
Year 3 (1 Jan 18)	1.93 (2.35)	-0.05	1.99
Year 4 (1 Jan 19)	2.08 (2.35)	-0.12	2.20
Year 5 (1 Jan 20)	1.59 (2.35)	-1.88	3.50

Powercor	CPI (%)	X-Factor	Expected movement in revenue ⁽³⁾ %
	Actual (Forecast)		
Year 1⁽²⁾ (1 Jan 16)	2.50 (2.50)	-	-
Year 2 (1 Jan 17)	1.02 (2.35)	4.68	-3.71
Year 3 (1 Jan 18)	1.93 (2.35)	-0.81	3.08
Year 4 (1 Jan 19)	2.08 (2.35)	-3.02	5.16
Year 5 (1 Jan 20)	1.59 (2.35)	-2.40	4.03

- Regulated electricity network revenues are determined by a price path set according to the CPI-X⁽¹⁾ formula. A negative X-factor means a real increase in distribution tariffs
- The regulatory pricing period currently commences from 1 January for Victoria Power Networks (CitiPower and Powercor) but will be adjusted to a 1 July from 2021, SA Power Networks and TransGrid are from 1 July each year
- Whilst CPI-X is the key underlying driver for year on year revenue movements, the revenue movements in reported results include adjustments for other factors

(1) Whilst referred to as “CPI-X”, the actual tariff increase formula used by the regulator is: $(1+CPI)^*(1-x)-1$. Source: AER

(2) No CPI-X was applied in 2016. The AER calculated the revenue cap as a dollar amount

(3) Excludes over or under recovery and S factor revenue

REGULATED PRICE PATH

CPI minus X⁽¹⁾

SA Power Networks	CPI (%)		Expected movement in revenue ⁽²⁾ %	SA Power Networks	CPI (%)		Expected movement in revenue ⁽²⁾ %	TransGrid ⁽³⁾⁽⁴⁾	CPI (%)		Expected movement in revenue ⁽²⁾ %
	Actual (Forecast)	X-Factor			Actual (Forecast)	X-Factor			Actual (Forecast)	X-Factor	
Year 1 (1 Jul 15)	1.72 (2.50)	n/a	-26.80	Year 1⁽⁵⁾ (1 Jul 20)	(2.27)	n/a	-7.30	Year 1 (1 Jul 18)	n/a n/a	n/a n/a	n/a
Year 2 (1 Jul 16)	1.69 (2.50)	-7.13	8.90	Year 2 (1 Jul 21)	(2.27)	1.79	0.44	Year 2 (1 Jul 19)	1.80 (2.45)	-0.97 (-1.98)	2.79
Year 3 (1 Jul 17)	1.48 (2.50)	-0.94	2.40	Year 3 (1 Jul 22)	(2.27)	1.79	0.44	Year 3 (1 Jul 20)	1.80 (2.45)	-0.17 (-1.98)	1.97
Year 4 (1 Jul 18)	1.91 (2.50)	-0.74	2.66	Year 4 (1 Jul 23)	(2.27)	1.79	0.44	Year 4 (1 Jul 21)	(2.45)	(-1.98)	
Year 5 (1 Jul 19)	1.78 (2.50)	-0.85	2.65	Year 5 (1 Jul 24)	(2.27)	1.79	0.44	Year 5 (1 Jul 22)	(2.45)	(-1.98)	

(1) Whilst referred to as CPI-X, the actual tariff increase formula used by the regulator is: $(1+CPI)*(1-x)-1$. Source: AER

(2) Excludes over or under recovery and S factor revenue

(3) The forecast X-Factor and forecast CPI for the periods from 1 July 2018 to 30 June 2023 are based on TransGrid's 2019-23 Transmission Revenue Determination issued by the AER on 18 May 2018. Actual X-factors are updated using actual cost of debt.

(4) On 16 May 2018, the AER advised by letter a revocation and substitution of TransGrid's transmission determination for the 2014-18 regulatory period. The AER also advised by email on 23 April 2018 that adjustments (\$10.8m) to the 2017-18 MAR are to be included in the price calculations for 2019-20.

(5) SA Power Networks is not required to apply an X factor for 2020/21 because the AER set the 2020/21 expected revenue in its Final Determination. The expected revenue for 2020/21 is around 9.4% lower than the approved total annual revenue for 2019/20 in real terms, or 7.3 % lower in nominal terms.

CAPITAL EXPENDITURE (100% BASIS)

\$m	Victoria Power Networks		SA Power Networks		TransGrid		Totals	
	2020	2019	2020	2019	2020	2019	2020	2019
Growth capex	387.2	342.6	138.2	138.4	291.9	58.4	817.3	539.4
Growth capex - non prescribed	-	-	-	-	207.2	238.6	207.2	238.6
Non-network capex ⁽¹⁾	-	-	-	-	38.2	35.8	38.2	35.8
Maintenance capex	198.0	165.0	230.5	267.2	170.9	160.6	599.4	592.8
Total	585.2	507.6	368.7	405.6	708.2	493.4	1,662.1	1,406.6
Spark Infrastructure share	286.8	248.7	180.7	198.7	106.3	74.1	573.7	521.5
Change vs pcp (%)	15.3%		-9.1%		43.5%		10.0%	

\$m	Maintenance capex spend		Regulatory depreciation		Less inflation uplift on RAB		Net regulatory depreciation	
	2020	2019	2020	2019	2020	2019	2020	2019
Victoria Power Networks	198.0	165.0	402.1	389.5	(100.0)	(126.4)	302.2	263.1
SA Power Networks	230.5	267.2	328.0	321.0	(52.2)	(74.7)	275.8	246.3
TransGrid	170.9	160.6	282.1	265.3	(62.2)	(126.5)	219.9	138.8
Total	599.4	592.8	1012.2	975.8	(214.4)	(327.6)	797.9	648.2
Spark Infrastructure share	235.6	235.9	400.1	388.0	(83.9)	(117.5)	316.2	270.5

(1) Non-network capex includes NCIPAP

INVESTMENT GRADE FUNDING

Issuer	Victoria Power Networks	SA Power Networks	TransGrid
Credit Rating (S&P / Moody's)	A- / n/a	A- / n/a	n/a / Baa2 ⁽²⁾ (on AMTN and USPP notes)
Weighted Average Maturity ⁽¹⁾ (31 December 2019)	4.6 yrs (5.4 yrs)	5.9 yrs (6.9 yrs)	5.1 yrs ⁽²⁾ (5.1 yrs)
Net Debt at 31 December 2020 (31 December 2019)	\$4.799bn (\$4.494bn)	\$3.247bn (\$3.232bn)	\$6.064bn ⁽³⁾ (\$5.718bn)
Net Debt / RAB at 31 December 2020 (31 December 2019)	72.3% (70.9%)	73.9% (74.5%)	89.5% ⁽²⁾ (88.9%)
Net Debt / RAB + CAB at 31 December 2020 (31 December 2019)	N/A	N/A	80.7% ⁽³⁾ (80.2%)
FFO / Net Debt at 31 December 2020 (31 December 2019)	13.8% (15.2%)	15.9% (16.7%)	7.4% ⁽²⁾ (8.1%)
Gross Debt at 31 December 2020 (31 December 2019)	\$4.928bn (\$4.555bn)	\$3.322bn (\$3.262bn)	\$6.183bn ⁽⁴⁾ (\$5.846bn)

Spark Infrastructure has increased corporate facilities to \$400m; rated Baa1 by Moody's

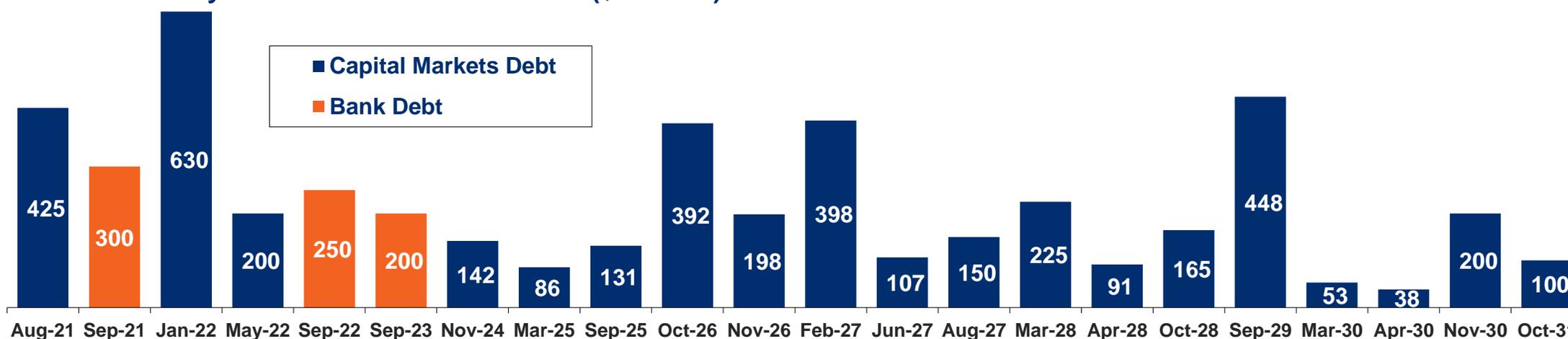
(1) Weighted average maturity calculation is based on drawn debt at 31 December 2020 (2) Relates to the Obligor Group (i.e. excludes TGS) (3) Net Debt is calculated using gross debt less cash and adjusted for prescribed revenue over/(under) collection and includes TransGrid Services (4) Includes TransGrid Services

VICTORIA POWER NETWORKS DEBT AND HEDGING

- In May 2020, Victoria Power Networks replaced \$353m in USPP and debt facilities maturing in June/July 2020 with \$425m of debt facilities maturing in May/June 2022, completing all 2020 refinancing requirements
- In September 2020, Victoria Power Networks raised HKD744 million of 5-year fixed rate notes. Cross currency swaps were executed at the time of the note placement resulting in total proceeds of approximately A\$131 million
- In November 2020, Victoria Power Networks raised A\$200 million of 10 year fixed rate notes at 2.065%
- Next debt maturity is \$425m in August 2021

Interest Rate Swaps	Notional Principal Amount	Average Contracted Fixed Interest Rate
< 1 year	\$800m	1.3%
1-2 years	\$400m	2.5%
2-5 years	\$1,200m	2.6%
5+ years	\$1,495m	2.0%
Total	\$3,895m	2.1%

Drawn Debt Maturity Profile at 31 December 2020 (\$m 100%)

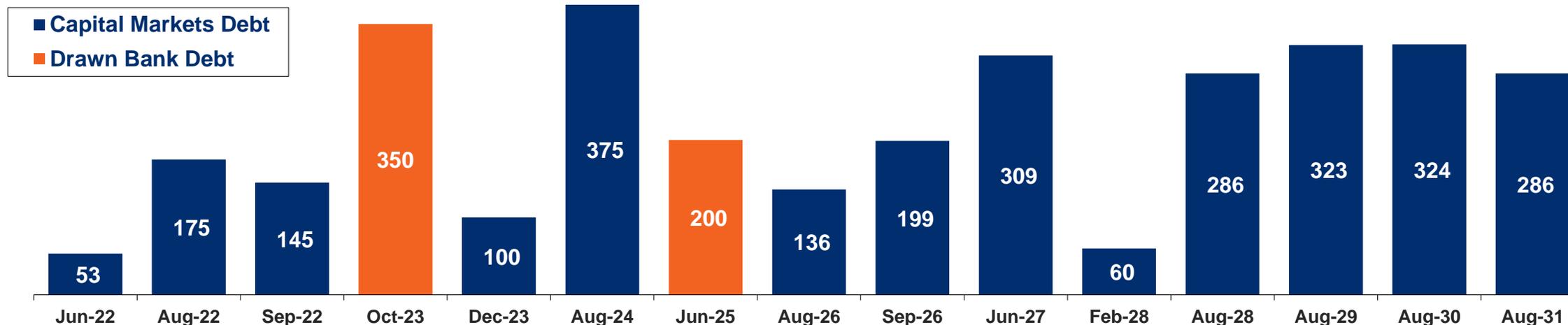


SA POWER NETWORKS DEBT AND HEDGING

- In February 2020, SAPN placed A\$60 million of 8-year fixed rate Australian Medium-Term Notes (AMTNs) maturing in February 2028
- Next debt maturity is \$53m in June 2022

Interest Rate Swaps	Notional Principal Amount	Average Contracted Fixed Interest Rate
< 1 year	\$336m	2.7%
1-2 years	\$311m	2.9%
2-5 years	\$1,034m	3.0%
5+ years	\$1,282m	2.8%
Total	\$2,963m	2.9%

Drawn Debt Maturity Profile at 31 December 2020 (\$m 100%)



TRANSGRID DEBT AND HEDGING

- In August 2020, TransGrid established A\$800m in new syndicated bank debt facilities comprising a \$600 million 3-year capex facility and \$200 million 7-year term debt facility
- In September, TransGrid placed A\$600 million of 10 year secured Australian Medium-Term Notes (AMTNs) maturing in September 2030
- In November 2020, TransGrid Services entered into a \$125 million corporate debt facility with the Clean Energy Finance Corporation
- In December 2020, TransGrid established a \$300m seven year bank debt facility with Export Development Canada (EDC)
- In February 2021, TransGrid Services successfully raised A\$600m via new 5-year syndicated bank debt facilities
- Next debt maturity is \$287m in June 2021

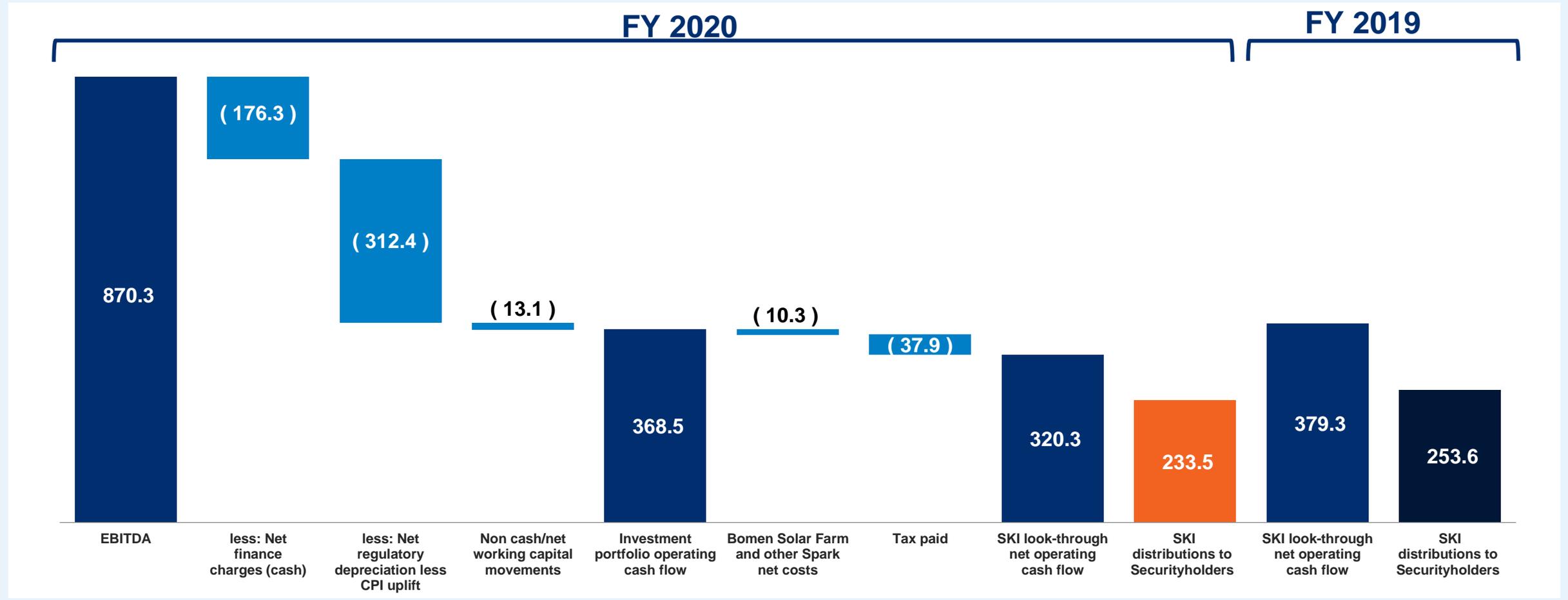
Interest Rate Swaps ⁽¹⁾	Notional Principal Amount	Average Contracted Fixed Interest Rate
< 1 year	\$303m	2.8%
1-2 years	\$303m	2.9%
2-5 years	\$2,893m	2.5%
5+ years	\$1,688m	1.9%
Total	\$5,186m	2.3%

Drawn Debt Maturity Profile at 31 December 2020 (\$m 100%)



Note: Information above relates to TransGrid Obligor Group and TransGrid Services

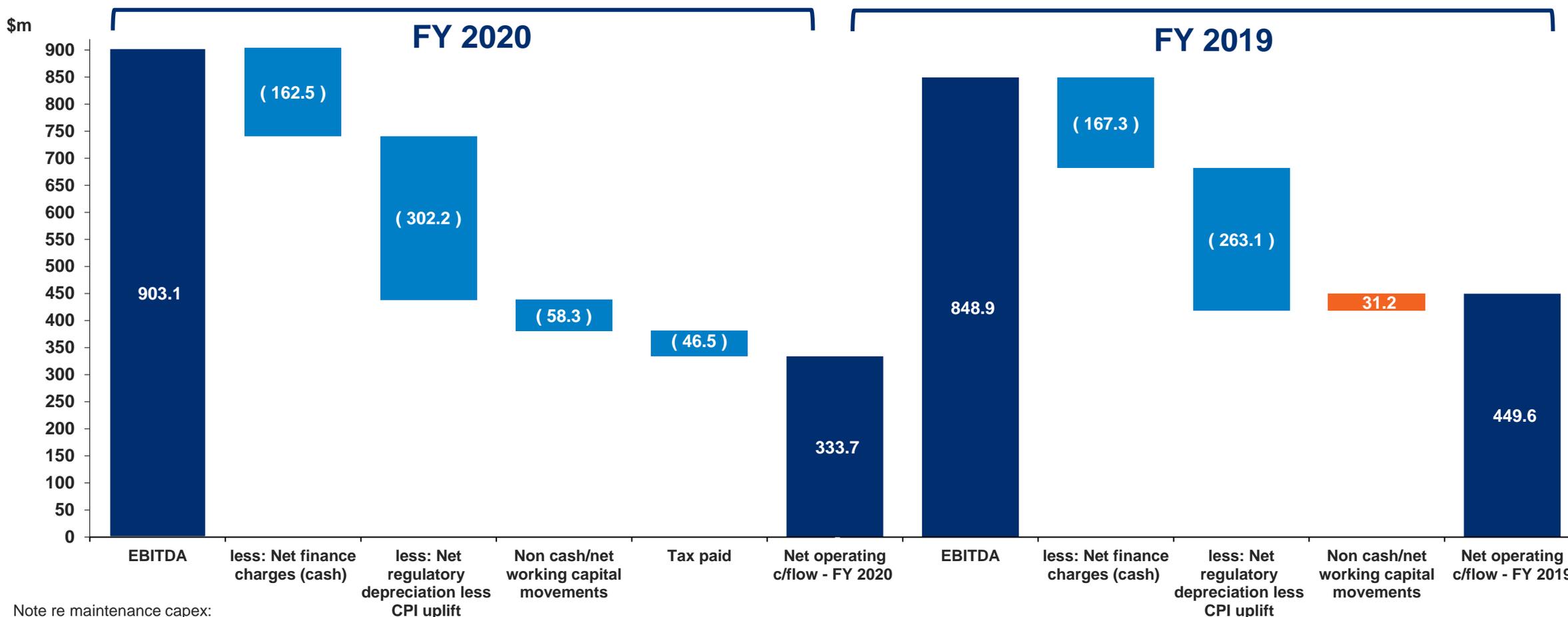
UNDERLYING LOOK-THROUGH NET OPERATING CASH FLOW (NOCF)



Distributions are fully covered by underlying look-through net operating cash flow by 1.4X

(1) EBITDA excludes customer contributions and gifted assets and includes 'true-up' of DUOS/TUOS to revenue cap
 (2) Net regulatory depreciation less CPI uplift is calculated based on actual/estimated inflation (refer to slides 55-57)

VPN LOOK-THROUGH NOCF (100%)



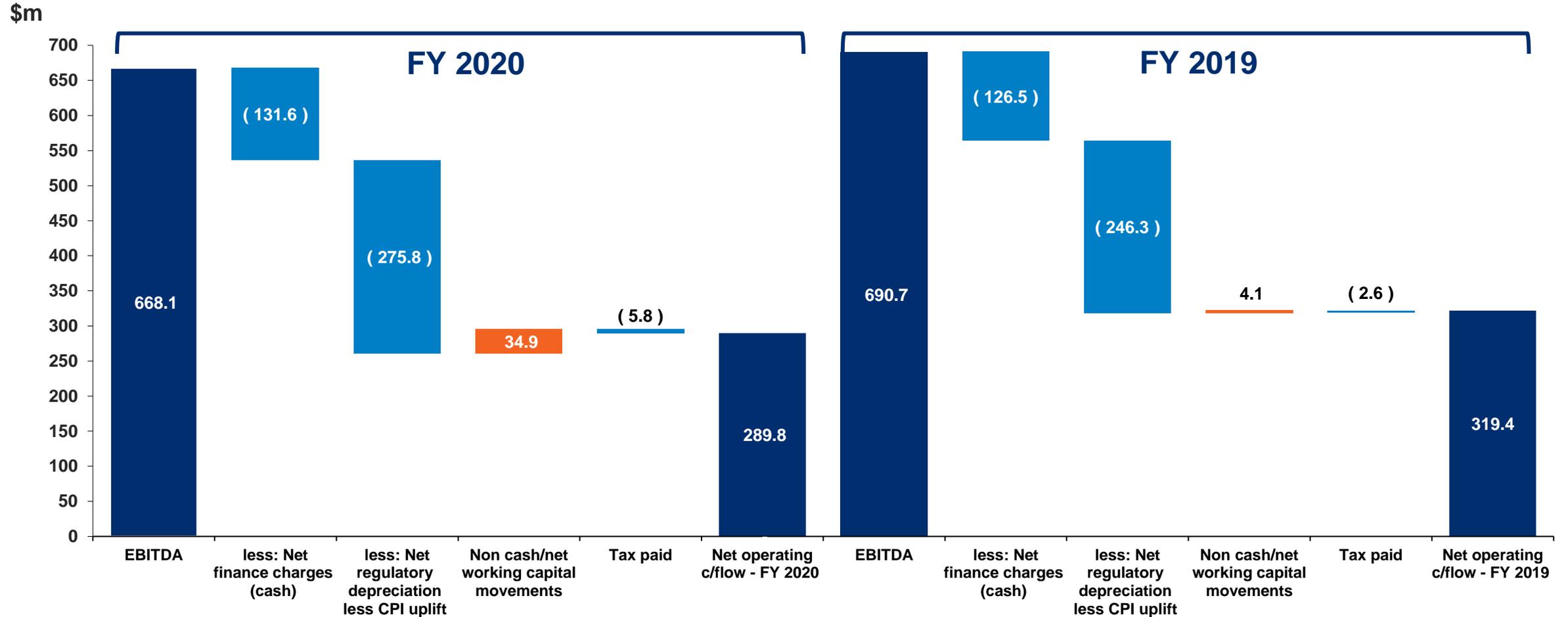
Note re maintenance capex:

Net regulatory depreciation is a proxy for maintenance capex. It is calculated as regulatory depreciation net of actual CPI uplift on RAB

CPI uplift on RAB was estimated by: CPI uplift on RAB for 2020 is 1.59%; CPI uplift on RAB for 2019 was 2.08%

CPI is based on 'All groups CPI' for weighted average of 8 capital cities, not seasonally adjusted (Source: ABS). June on June (released July)

SA POWER NETWORKS LOOK-THROUGH NOCF (100%)



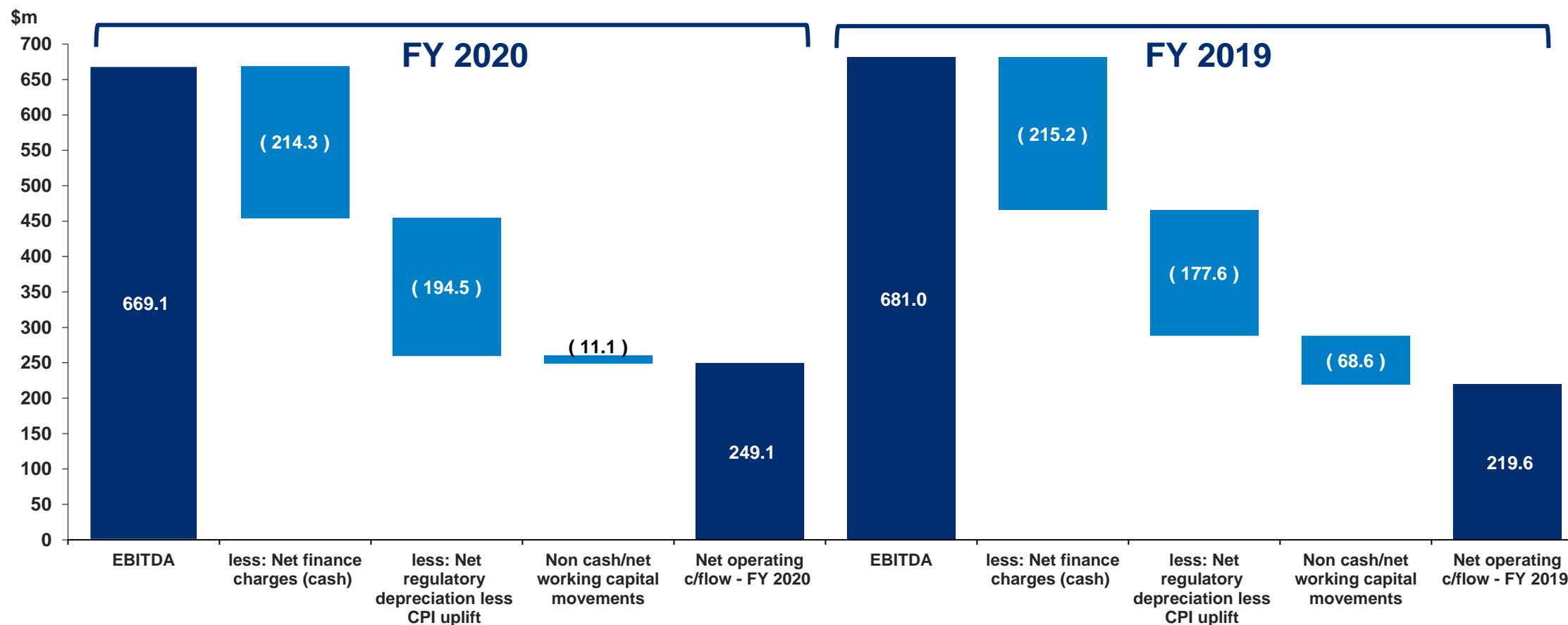
Note re maintenance capex:

Net regulatory depreciation is a proxy for maintenance capex. It is calculated as regulatory depreciation net of actual CPI uplift on RAB

CPI uplift on RAB was estimated by:

In H1 2020: actual December 2019 CPI of 1.84% was applied, with 50% assumed to apply to H1 2020; In H2 2020: forecast December 2020 CPI of 0.5% was applied, with 50% assumed to apply to H2 2020
 CPI is based on 'All groups CPI' for weighted average of 8 capital cities, not seasonally adjusted (Source: ABS). December on December (released January) for the regulatory period commencing 1 July

TRANSGRID LOOK-THROUGH NOCF (100%)



Notes:

Maintenance capex – Net regulatory depreciation is a proxy for maintenance capex. It is calculated as regulatory depreciation net of actual CPI uplift on RAB

CPI uplift on RAB was estimated by: In H1 2020: Actual December 2019 CPI of 1.84% on opening RAB (1 July 2019), with 50% assumed to apply to H1 2020; In H2 2020: estimated forecast December 2020 CPI of 0.86% on opening RAB (1 July 2020), with 50% assumed to apply to H2 2020

CPI is based on 'All groups CPI' for weighted average of 8 capital cities, not seasonally adjusted (Source: ABS). December on December (released January) for the regulatory period commencing 1 July

SHARE OF EQUITY PROFITS TO NPAT

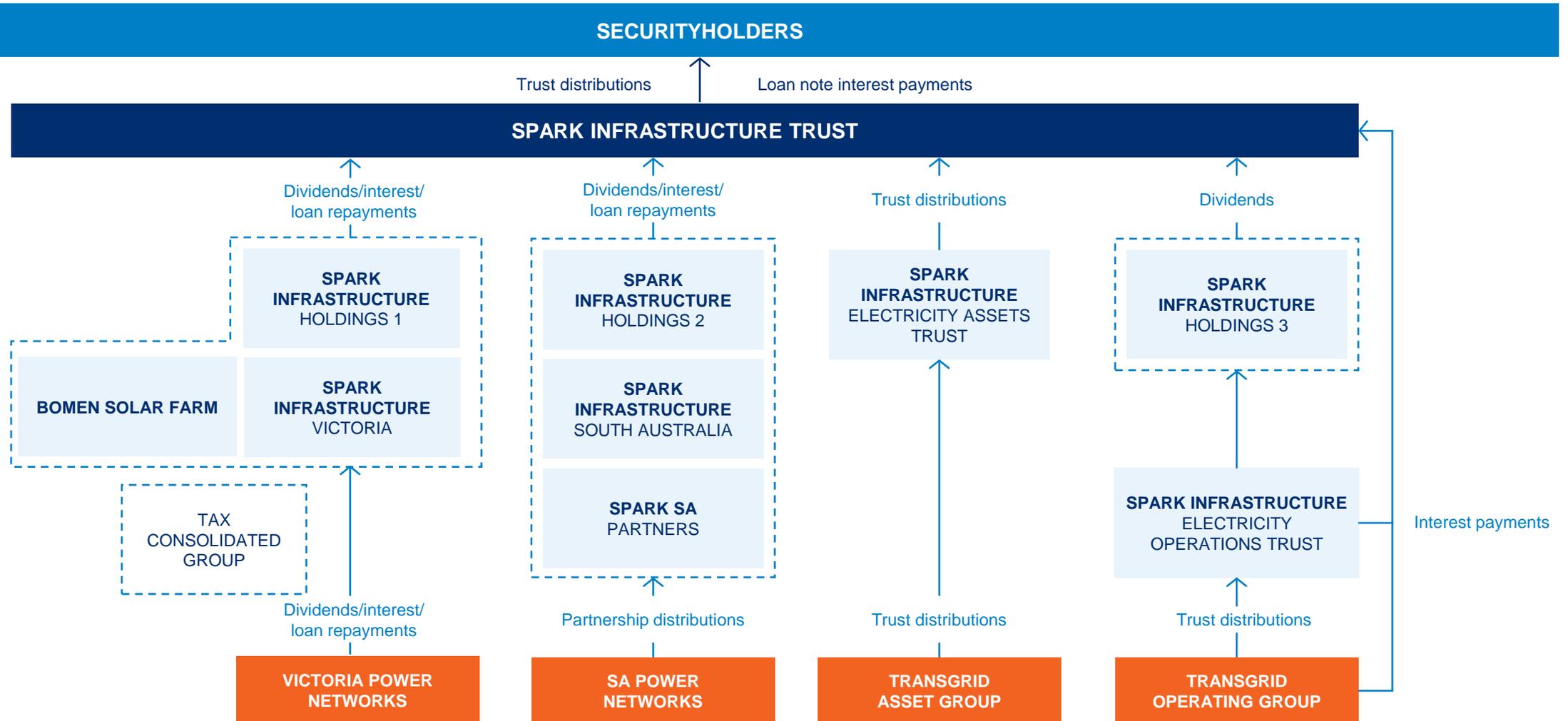
100% Basis \$m	Victoria Power Networks	SA Power Networks	TransGrid	Spark Infrastructure Share
Regulated revenue	981.1	849.2	751.1	1,009.6
Other revenue	419.5	389.2	122.9	414.7
Total Income	1,400.6	1,238.4	873.9	1,424.3
Operating costs	(517.7)	(570.3)	(227.3)	(567.2)
EBITDA	882.9	668.1	646.7	857.1
Depreciation and amortisation	(325.0)	(325.6)	(348.4)	(371.1)
Net interest expense (excl subordinated debt)	(165.6)	(137.2)	(220.3)	(181.5)
Subordinated debt interest expense	(102.3)	(72.7)	(62.0)	(95.0)
Net Profit before Tax	290.1	132.6	16.0	209.5
Tax expense	(91.0)	(3.5)	-	(46.3)
Net Profit after Tax	199.1	129.1	16.0	163.2
Less: additional share of profit from preferred partnership capital (PPC) ⁽¹⁾	-	(69.8)	-	(34.2)
Net Profit for Equity Accounting	199.1	59.2	16.0	129.0
Spark Infrastructure Share	97.6	29.0	2.4	129.0
Add: additional share of profit from PPC ⁽¹⁾	-	69.8	-	69.8
Less: additional adjustments made to share of equity accounted profits ⁽²⁾	4.0	1.5	1.3	6.9
Share of Equity Accounted Profits	101.6	100.4	3.7	205.7
Add: interest income from associates	50.1	-	9.3	59.4
Total Income from Associates	151.7	100.4	13.0	265.1
Interest income - other				0.7
Interest expense (including borrowing costs)				(3.9)
Interest expense – Loan Notes				(120.5)
Revenue from sale of Electricity and LGCs				7.0
Unrealised gains from derivative instruments				35.7
General and administrative expenses				(24.4)
Profit before Income Tax				159.8
Income tax expense				(54.8)
Net Profit after Income Tax Attributable to Securityholders				105.0

(1) Under the partnership agreement, Spark Infrastructure is entitled to an additional share of profit in SA Power Networks

(2) Includes adjustments made to distribution/transmission revenues to defer/accrue for amounts in excess of/under the regulated revenue cap to reflect that these amounts will be returned to/recovered from electricity consumers in future periods via adjustments to tariffs

SPARK INFRASTRUCTURE GROUP DIAGRAM

Simplified corporate structure



DISCLAIMER AND SECURITIES WARNING

Investment company financial reporting - Adjustments are made to distribution and transmission revenues to defer/accrue for amounts in excess of/under the regulated revenue cap to reflect that these amounts will be returned to/recovered from electricity consumers in future periods via adjustments to tariffs.

The financial reporting is based on TransGrid's special purpose financial statements for the year ended 30 June 2020 and half year ended 31 December 2020. Results have been adjusted by Spark Infrastructure to reflect the 12-month period to 31 December 2020.

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