

AusNet Services Holdings Pty Ltd
ACN 086 006 859

Interim Financial Report

For the six months ended 30 June 2025

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This interim financial report covers the consolidated entity consisting of AusNet Services Holdings Pty Ltd and its subsidiaries. The interim financial report is presented in Australian dollars.

AusNet Services Holdings Pty Ltd is a company limited by shares, incorporated and domiciled in Victoria, Australia. Its registered office and principal place of business is:

Level 31, 2 Southbank Boulevard
Southbank, Victoria 3006
Australia

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the financial statements of AusNet Services Holdings Pty Ltd for the year ended 31 December 2024 and any public announcements made by AusNet Services Holdings Pty Ltd during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* (Cth).

The interim financial report was authorised for issue by the Directors on 27 August 2025.

Directors Report

The Directors of AusNet Services Holdings Pty Ltd (the Company) present their report on the general purpose interim financial report of the consolidated entity for the six month ended 30 June 2025.

The financial report is for AusNet Services Holdings Pty Ltd and its controlled entities (the AusNet Services Holdings Group or the Group). The ultimate Australian parent of the Company is Australian Energy Holdings No 1 Pty Ltd (AEH), which is part of a consolidated group operating as AusNet (also referred to as us, our, we, the AusNet Group and the AEH Group).

Our Board of Directors

The persons listed below were Directors of AusNet Services Holdings Pty Ltd during the whole of the financial period and up to the date of this report unless otherwise noted.

David Smales – Chief Executive Officer

Jon D'Sylva – Chief Development Officer

Mark Ellul – Chief Financial Officer (resigned 4 July 2025)

Charlie Boyes – Chief Financial Officer (appointed 14 August 2025)

HY2025 operating environment

The six-month period ended 30 June 2025 includes the following operating and financial highlights:

- Completion of the issuance of \$950.0 million of AUD hybrid securities and \$886.6 million of Euro senior notes were raised, \$516.7 million of AUD hybrid securities were repurchased, \$751.0 million of the syndicated bank debt facilities were repaid, \$55.0 million of bilateral bank debt facilities were repaid, \$100.8 million of working capital bank debt facilities were drawn and \$114.9 million repaid in the same period.
- Improved regulated revenue in both our Electricity Distribution and Gas Distribution networks as a result of an improved regulatory price path.

Interim review of financial results

This discussion and analysis is provided to assist readers in understanding the general purpose interim financial report. In addition to revenue and profit, we use Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) and EBITDA after lease income (EBITDAaL) to measure our performance, which are non-IFRS measures. EBITDA is presented in the Consolidated Income Statement and EBITDAaL can be derived from adding EBITDA and lease interest income in Note B.1 of the interim financial statements. These measures are referred to below in our analysis.

The results below are for the period from 1 January 2025 to 30 June 2025 for the Group, with comparatives shown for the period from 1 January 2024 to 30 June 2024.

	30 June 2025	30 June 2024	Movement	%
Revenue (\$M)	749.3	672.6	76.7	11
EBITDA (\$M)	447.9	380.9	67.0	18
Net profit after tax (NPAT) (\$M)	46.2	30.6	15.6	51
Capital expenditure (\$M)	368.7	302.5	66.2	22

Comparing the 6 months to 30 June 2025 to its prior year comparative, the Group saw an increase in revenue of \$76.7 million. This was primarily driven by the regulated price path in the Electricity and Gas and Metering businesses.

EBITDA performance increased by \$67.0 million primarily due to the increase in regulated revenue partially offset by an increase in operating costs. The prior period operating expenditure included additional non-recurring costs associated with the February 2024 severe weather event (\$26.1 million) and the creation of the Energy Resilience Community Fund (\$12.0 million).

Directors Report**Interim review of financial results (continued)**

Capital expenditure increased by \$66.2 million during the period due to replacement works in the Electricity and Gas regulated businesses, and higher spend on digital projects.

The financial performance for each of our businesses for the period is discussed below.

Electricity distribution business

	30 June 2025	30 June 2024 (restated)	Movement	%
Revenue (\$M)	576.7	504.7	72.0	14
EBITDA (\$M)	336.5	263.1	73.4	28
Capital expenditure (\$M)	294.4	222.7	71.7	32

Electricity Distribution revenue increased by \$72.0 million. This was driven by the regulated price path per our price determination approved by the Australian Energy Regulator (AER) as well as the impact of solar rebates concluding and the resulting solar jurisdictional revenue. Customer contributions revenue also increased in the period due to higher volumes of medium density housing projects and increased gifted asset contributions from completed public lighting projects.

There was an improvement in EBITDA performance driven by the increase in revenue as well as lower operating costs. Operating costs decreased due to the prior year including one off costs of \$26.1 million associated with the February 2024 severe weather event and the establishment of a \$12.0 million Energy Resilience Community Fund. These have been offset by higher maintenance costs mainly driven by higher volume and compliance.

The \$71.7 million increase in capital expenditure was primarily due to higher volumes of replacement spend in 2025 and additional spend on digital projects.

Gas distribution and metering business

	30 June 2025	30 June 2024 (restated)	Movement	%
Revenue (\$M)	168.2	160.8	7.4	5
EBITDA (\$M)	117.4	118.0	(0.6)	(1)
Capital expenditure (\$M)	69.6	71.2	(1.6)	(2)

Gas distribution and metering revenues increased by \$7.4 million during the period due to regulatory price path offset by a decrease in customer contributions driven by a decrease in volume due to fewer new gas connections in response to the introduction of a connection charge 1 January 2025. Metering revenues decreased by \$3.7 million during the period mainly due to contestable services.

EBITDA performance improved due to revenue growth, partially offset by higher costs related to unaccounted for gas settlements and fixed assets retirements of gas meters.

Lower capital expenditure was driven by a decrease in spend on upgrading the residential network from low to high pressure mains.

Development & Future Networks business

	30 June 2025	30 June 2024 (restated)	Movement	%
Revenue (\$M)	4.6	9.3	(4.7)	(51)
EBITDA (\$M)	(6.0)	(0.2)	(5.8)	2,900
Capital expenditure (\$M)	4.7	8.6	(3.9)	(45)

Directors Report

Interim review of financial results (continued)

D&FN revenues in the 6 months ended 30 June 2025 decreased due to a reduction in Distributed Energy revenues specifically one-off Lifestyle Communities design and construction revenues and Energy Resilience revenues achieved in 2024.

EBITDA performance declined due to the decrease in revenue as well as higher operating costs due to digital spending and higher support costs.

Capital expenditure decreased primarily due to the prior half year including a non-recurring purchase of land in Bulgana.

Financial position

Total equity of the Group was \$2,409.2 million as at 30 June 2025, a decrease of \$121.7 million compared to 31 December 2024 (\$2,530.9 million), primarily attributed to:

- A loss on hedge accounting relating to fair value movement on hedges recognised in Other Comprehensive Income of \$166.8 million; partially offset by:
- Net profit of \$46.2 million

The Group's current assets exceed its current liabilities by \$223.7 million at 30 June 2025 (on 31 December 2024: current liabilities exceeded current assets by \$622.5 million).

At 30 June 2025, the Group has available a total of \$1,152.5 million (on 31 December 2024: \$1,032.4 million) of undrawn bank debt facilities and overdraft, and \$90.4 million (on 31 December 2024: \$1.2 million) of cash and cash equivalents.

The Group is, and is expected to, continue trading profitably and generating positive operating cash flows. At 30 June 2025, the Group generated profit before income tax \$66.4 million and positive operating cash flows of \$8.4 million.

Capital management

We manage our capital structure to maximise long-term returns to shareholders, as well as providing the flexibility to fund organic growth and other investment opportunities. An appropriate capital structure is also maintained to ensure an efficient cost of capital is available. Through our cash flows from operations and by maintaining an appropriate and prudent mix of debt and equity, we aim to achieve our targeted credit metrics that support an investment grade credit rating.

Debt raising and repayments

In line with our Treasury Risk Policy, we maintain a diversified debt portfolio by maturity and source. The AusNet Group, for whom the Company raises debt as its common or central funding vehicle, has a BBB+ credit rating from Standard and Poor's and Baa1 from Moody's Investor Services.

During the period, \$950.0 million of AUD hybrid securities and \$886.6 million of Euro senior notes were raised, \$516.7 million of AUD hybrid securities were repurchased, \$751.0 million of the syndicated bank debt facilities were repaid, \$55.0 million of bilateral bank debt facilities were repaid, \$100.8 million of working capital bank debt facilities were drawn and \$114.9 million repaid in the same period.

Distributions

There were no distributions declared during the period (2024: nil).

Directors Report

Material Risks and Uncertainties

We are committed to understanding and effectively managing risk to enhance our ability to deliver on our strategic objectives. Overseen by the Board and the Audit & Risk Committee, AusNet's risk management framework supports the identification, management and reporting of material risks. Risks are identified that have the potential to impact the delivery of business plans and objectives giving consideration to a range of potential impacts including Health & Safety, Environment & Community, Financial, Reputation and Legal & Regulatory.

Risks are identified, assessed and managed across the organisation in accordance with our risk management framework and applying consistent risk assessment criteria. The Board and Executive review AusNet's most material risks regularly and assess the effectiveness of the company's risk management framework on a periodic basis. Material risks are reviewed by risk owners and subject matter experts regularly to confirm risks are accurately identified and assessed, appropriate controls are in place, and that the risks are managed within Risk Appetite.

The ultimate Australian parent of the Company is Australian Energy Holdings No 1 Pty Ltd (AEH1). The Chief Executive Officer is accountable to the AEH1 Board for the implementation of risk management processes across all entities in the AusNet Group. All employees are responsible for making risk-based decisions in line with the company's values, objectives and risk appetite.

In our 31 December 2024 Financial Report, we detailed the following principal risks, which may materially impact the execution and achievement of our business strategy and financial prospects:

- Health and safety risks;
- Industry and regulatory risks;
- Climate change and sustainability risks;
- Information technology and security risks;
- Management and personnel risks;
- Funding and market list;
- Network reliability and services delivery risks; and
- Taxation risks.

We provide the following update on our material risks since the 31 December 2024 Financial Report:

Climate change and sustainability risks

The AusNet Group continues to report its emissions under the National Greenhouse and Energy Reporting (NGER) Act 2007 (Cth) and will report in accordance with Australian Accounting Standards Board (AASB) S2 *Climate-related Disclosures* starting in the 2025 financial year. The AASB S2 builds on the TCFD and requires more detailed and quantitative disclosures of climate impacts. The *Sustainability Report* will be subject to limited assurance under Part 2M of the *Corporations Act 2001* (Cth).

Taxation risks

As a large business taxpayer, the AusNet Group is subject to annual compliance reviews conducted by the Australian Taxation Office (ATO). The Group continues to cooperatively engage with the ATO in relation its review activities.

Several matters pertaining to the former group remain subject to ATO review. Management has applied Interpretation 23 – *Uncertainty over Income Tax Treatments* to account for these positions.

In relation to historical tax consolidation and capital allowance matters arising from the June 2015 corporate restructure, AusNet's appeal to the Full Court of the Federal Court was dismissed on 7 March 2025. A Special Leave Application seeking to appeal this decision was subsequently lodged with the High Court of Australia on 3 April 2025. On 7 August 2025, the High Court of Australia dismissed AusNet's Special Leave Application. There are no further avenues of appeal, and the matter is no longer before the courts.

Directors Report

Significant changes in the state of affairs

Other than referred to above, in the opinion of the Directors, there were no other significant changes in the state of affairs of the Group that occurred during the financial period.

Rounding of amounts

AusNet is a company of a kind referred to in Instrument 2016/201, issued by the Australian Securities and Investments Commission, relating to the 'rounding off' of amounts in the Directors' report. Amounts in the Directors' report have been rounded off in accordance with that Instrument to the nearest hundred thousand dollars unless otherwise stated.

Matters subsequent to the end of the financial period

(a) Borrowings

On 8 August 2025 AusNet Services Holdings Pty Ltd issued a notice to Subordinated Note Holders that the \$133.3 million Subordinated Notes due in 2080 will be fully redeemed early on 6 October 2025. These are classified as non-current borrowings in Note D.1.

In addition, in August 2025, AusNet entered into three new five-year bilateral facility agreements, replacing the existing facilities set to mature at the end of August 2025. The new facilities mature in August 2030.

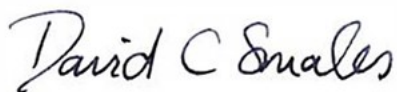
(b) Taxation matters

On 7 August 2025, the High Court of Australia dismissed AusNet's Special Leave Application in respect to a judicial review of certain tax consolidation outcomes relating to the former AusNet Services tax consolidated group, arising from the corporate restructure completed in June 2015. Refer to Note B.5 for additional details. There are no further avenues of appeal, and the matter is no longer before the courts.

(c) Other matters

Other than outlined above, there has been no matter or circumstance that has arisen since 30 June 2025 up to the date of issue of this financial report that has significantly affected or may significantly affect:

- (a) the operations in the financial period subsequent to 30 June 2025 of the Group;
- (b) the results of those operations; or
- (c) the state of affairs, in the financial period subsequent to 30 June 2025, of the Group.



David Smales

Director

Melbourne

27 August 2025



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with confidence**

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Auditor's independence declaration to the directors of AusNet Services Holdings Pty Ltd

As lead auditor for the review of the half-year financial report of AusNet Services Holdings Pty Ltd for the half-year ended 30 June 2025, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review;
- b. No contraventions of any applicable code of professional conduct in relation to the review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the review.

This declaration is in respect of AusNet Services Holdings Pty Ltd and the entities it controlled during the financial period.

Ernst & Young

Kester C Brown
Partner
27 August 2025

Consolidated interim income statement

For the six months ended 30 June 2025

		30 June 2025	30 June 2024
	Notes	\$M	\$M
Revenue	B.1, B.2	749.3	672.6
Use of system and associated charges	B.1	(85.9)	(71.8)
Employee benefit expenses		(50.8)	(43.1)
External maintenance and contractors' services		(93.9)	(76.5)
Materials		(0.8)	(3.4)
Information technology and communication costs		(36.8)	(34.2)
Lease expenses		(0.7)	(0.8)
Administrative expenses		(14.1)	(13.1)
Service level payments		(5.7)	(24.9)
Disposal of property plant and equipment		(4.0)	(2.9)
Reversal of impairment		-	1.5
Other costs		(8.7)	(22.5)
Total expenses excluding depreciation, amortisation, interest and tax		(301.4)	(291.7)
Earnings before interest, tax, depreciation and amortisation		447.9	380.9
Depreciation and amortisation		(192.0)	(183.8)
Profit from operating activities		255.9	197.1
Finance income	D.2	84.0	91.4
Finance costs	D.2	(273.5)	(238.2)
Net finance costs		(189.5)	(146.8)
Profit before income tax		66.4	50.3
Income tax expense	B.5	(20.2)	(19.7)
Profit for the period		46.2	30.6

The above consolidated interim income statement should be read in conjunction with the accompanying notes, including the basis of preparation.

Consolidated interim statement of comprehensive income

For the six months ended 30 June 2025

	30 June 2025	30 June 2024
	\$M	\$M
Profit for the period	46.2	30.6
Other comprehensive income		
Items that will not be reclassified to profit or loss in subsequent periods		
Movement in defined benefit fund	(1.5)	5.3
Income tax on movement in defined benefit fund	0.4	(1.6)
	(1.1)	3.7
Items that may be reclassified to profit or loss in subsequent periods		
Movement in hedge reserve	(238.3)	136.9
Income tax on movement in hedge reserve	71.5	(41.1)
	(166.8)	95.8
Other comprehensive income / (loss) for the period, net of income tax	(167.9)	99.5
Total comprehensive income / (loss) for the period	(121.7)	130.1

The above consolidated interim statement of comprehensive income should be read in conjunction with the accompanying notes, including the basis of preparation.

Consolidated interim statement of financial position

As at 30 June 2025

	Notes	30 June 2025 \$M	31 December 2024 \$M
ASSETS			
Current assets			
Cash and cash equivalents		90.4	1.2
Receivables	B.4	567.1	492.8
Finance lease receivables		0.5	0.5
Inventories		52.0	51.7
Derivative financial instruments		121.0	121.4
Other assets		152.3	32.2
Total current assets		983.3	699.8
Non-current assets			
Receivables	B.4	4,283.1	4,230.4
Property, plant and equipment	C.1	7,843.6	7,705.1
Intangible assets	C.2	510.7	489.9
Finance lease receivables		8.0	8.2
Derivative financial instruments		789.7	729.8
Defined benefit asset		68.8	69.1
Deferred tax assets	B.5	554.2	552.5
Other assets		8.0	8.0
Total non-current assets		14,066.1	13,793.0
Total assets		15,049.4	14,492.8
LIABILITIES			
Current liabilities			
Payables and other liabilities		254.8	382.5
Lease liabilities		4.0	3.7
Provisions		68.9	76.4
Borrowings	D.1	352.4	767.5
Derivative financial instruments		79.5	92.2
Total current liabilities		759.6	1,322.3
Non-current liabilities			
Contract liabilities		127.2	121.7
Lease liabilities		13.2	15.6
Provisions		36.6	33.7
Borrowings	D.1	11,481.0	10,196.0
Derivative financial instruments		222.6	272.6
Total non-current liabilities		11,880.6	10,639.6
Total liabilities		12,640.2	11,961.9
Net assets		2,409.2	2,530.9
EQUITY			
Contributed equity	D.3	3,028.1	3,028.1
Reserves		(1,867.8)	(1,701.0)
Retained profits		1,248.9	1,203.8
Total equity		2,409.2	2,530.9

The above consolidated interim statement of financial position should be read in conjunction with the accompanying notes, including the basis of preparation.

Consolidated interim statement of changes in equity

For the 6 months ended 30 June 2025

	Contributed equity \$M	Re-structure Reserve (i) \$M	Hedge reserve (ii) \$M	Retained profits \$M	Total equity \$M
30 June 2025					
Balance as at 1 January 2025	3,028.1	(2,000.0)	299.0	1,203.8	2,530.9
Total comprehensive income for the period					
Profit for the period	-	-	-	46.2	46.2
Other comprehensive income	-	-	(166.8)	(1.1)	(167.9)
Total comprehensive income for the period	-	-	(166.8)	45.1	(121.7)
Transactions with owners, recorded directly in equity					
Total transactions with owners	-	-	-	-	-
Balance as at 30 June 2025	3,028.1	(2,000.0)	132.2	1,248.9	2,409.2
30 June 2024					
Balance as at 1 January 2024	3,028.1	(2,000.0)	340.7	1,088.9	2,457.7
Total comprehensive income for the period					
Profit for the period	-	-	-	30.6	30.6
Other comprehensive income	-	-	95.8	3.7	99.5
Total comprehensive income for the period	-	-	95.8	34.3	130.1
Transactions with owners, recorded directly in equity					
Total transactions with owners	-	-	-	-	-
Balance as at 30 June 2024	3,028.1	(2,000.0)	436.5	1,123.2	2,587.8

(i) As a part of the financing for the acquisition of AusNet Pty Ltd (formerly AusNet Services Ltd), Australian Energy Holdings No 4 Pty Ltd (the new immediate holding entity of AusNet Pty Ltd) entered into a \$2.0 billion two year bridging loan facility. On 9 March 2022, AusNet Services Holdings Pty Ltd assumed all liabilities of this facility. As there were no cash proceeds received for the novated facility, an entry to restructure reserves of \$2.0 billion was recognised as an equity transaction with owners.

(ii) The hedge reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments. These gains or losses are transferred to the income statement when the hedged item affects income, except for highly probable forecast purchases of an asset where the gains or losses are included in the initial measurement of that asset.

The above consolidated interim statement of changes in equity should be read in conjunction with the accompanying notes, including the basis of preparation.

Consolidated interim statement of cash flows

For the six months ended 30 June 2025

Notes	30 June 2025 \$M	30 June 2024 \$M
Cash flows from operating activities		
Profit for the period	46.2	30.6
Add back interest, tax, depreciation and amortisation	401.7	350.3
	447.9	380.9
Non-cash gifted assets revenue	(42.3)	(29.4)
Other non-cash items	4.0	1.4
Working capital movement	(52.7)	(0.8)
Non-cash intercompany transactions	(82.5)	(15.7)
Net interest paid	(266.0)	(234.5)
	8.4	101.9
Cash flows from investing activities		
Payments for property, plant and equipment (i)	(329.8)	(293.7)
Proceeds from sale of property, plant and equipment	0.6	0.2
Payments for short term investments	(135.7)	-
Receipts from finance lease receivables	0.2	0.2
	(464.7)	(293.3)
Cash flows from financing activities		
(Repayments of) / proceeds from related party loans	48.4	(54.1)
Payments for lease liabilities	(2.7)	(1.8)
Proceeds from borrowings (ii)	D.1 1,937.5	1,446.1
Repayments of borrowings (ii)	D.1 (1,437.7)	(1,193.4)
	545.5	196.8
Net increase in cash held		
Cash and cash equivalents at beginning of the period	89.2	5.4
	1.2	2.0
	90.4	7.4

- (i) Payments for property, plant and equipment include \$5.6 million (June 2024: \$4.9 million) for capitalised finance charges.
- (ii) During the period, \$950.0 million of AUD hybrid securities and \$886.6 million of Euro senior notes were raised, \$516.7m of AUD hybrid securities were repurchased, \$751.0 million of the syndicated bank debt facilities were repaid, \$55.0 million of bilateral bank debt facilities were repaid, \$100.8 million of working capital bank debt facilities were drawn and \$114.9 million repaid in the same period.

The above consolidated interim statement of cash flows should be read in conjunction with the accompanying notes, including the basis of preparation.

Condensed notes to the consolidated interim financial statements

30 June 2025

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Condensed notes to the consolidated interim financial statements

For the six months ended 30 June 2025

Section A Overview

(a) Basis of preparation

The consolidated interim financial statements of AusNet Services Holdings Pty Ltd (the Company) and its subsidiaries (the AusNet Services Holdings Group, the Group, us, our or we) for the period ended 30 June 2025 were approved by the Board of Directors on 27 August 2025. The ultimate Australian parent of the Company is Australian Energy Holdings No 1 Pty Ltd, which is part of a consolidated group operating as AusNet (also referred to as the AusNet Group and the AEH Group).

The Company is deemed to be a disclosing entity as debt instruments issued by AusNet Services Holdings Pty Ltd are traded on the ASX.

The financial report has been prepared:

- in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001* (Cth);
- on a going concern basis, which contemplates the continuity of normal trading operations.
 - The Group's current assets exceed current liabilities by \$223.7 million at 30 June 2025 (on 31 December 2024: current liabilities exceeded current assets by \$622.5 million).
 - At 30 June 2025, the Group has available a total of \$1,152.5 million (on 31 December 2024: \$1,032.4 million) of undrawn bank debt facilities and overdraft, and \$90.4 million (on 31 December 2024: \$1.2 million) of cash and cash equivalents.
 - The Group is, and is expected to, continue trading profitably and generating positive operating cash flows. At 30 June 2025, the Group generated profit before income tax \$66.4 million and positive operating cash flows of \$8.4 million.
- under the historical cost convention, except for certain financial assets and liabilities (including derivative financial instruments) measured at fair value; and
- with amounts rounded off to the nearest hundred thousand dollars, unless otherwise stated, in accordance with Instrument 2016/191 issued by the Australian Securities and Investments Commission.

This general purpose interim financial report is presented in Australian dollars.

The interim financial report does not include all the notes normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the financial statements of the Group for the year ended 31 December 2024 and any public announcements made by AusNet Services Holdings Pty Ltd during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* (Cth).

The accounting policies applied by the Group in this consolidated interim financial report are the same as those applied by the Group in its consolidated financial report as at and for the year ended 31 December 2024.

Condensed notes to the consolidated interim financial statements

For the six months ended 30 June 2025

b) Critical accounting estimates and judgements

The preparation of the consolidated interim financial report requires management to make estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

The key sources of estimation uncertainty were the same as those applied by the Group in its consolidated financial report as at and for the year ended 31 December 2024.

The critical judgements and estimates used by management in applying the Group's accounting policies for the period ended 30 June 2025 reflect the latest available information. Any updates have not had a significant impact on the financial performance or financial position of the Group as at and for the period ended 30 June 2025.

(c) New accounting standards

(i) *New accounting standards effective*

A number of new or amended accounting standards became mandatory in the current reporting period. None of these accounting standards and amendments that became effective in the current reporting period had a material impact on our accounting policies.

(ii) *New accounting standards issued but not yet effective*

We have not yet early adopted any standard, interpretation, or amendment that has been issued but is not yet effective. We are currently assessing the impact of the amendments. The standards, interpretations or amendments which are applicable to the Group but not yet effective include:

AASB 18 Presentation and Disclosure in Financial Statements

In April 2024, AASB 18 was issued which replaces AASB 101 Presentation of Financial Statements. This standard introduces new requirements for presentation within the statement of profit or loss, including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations.

It also requires disclosure and description of management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information. In addition, there are consequential amendments to several other standards.

AASB 18, and the amendments to the other standards, will be effective for the Group for the reporting period beginning on 1 January 2027. The Group is currently working to identify all impacts the amendments will have on the presentation of the financial statements.

Condensed notes to the consolidated interim financial statements

For the six months ended 30 June 2025

Section B Operating our business

This section highlights the performance of the Group for the period, including results by operating segment and analysis of revenue.

Note B.1 Segment information

Segment information is based on the information that management uses to make decisions about operating matters and allows users to review operations through the eyes of management. We present our reportable segments and measure our segment results for each of our networks as well as our Development & Future Networks business. During the current financial year, the Group revised its reportable segments following changes in the internal reporting structure reviewed by the Chief Operating Decision Maker. Comparative segment information for the prior period has been restated to conform to the current period's segment presentation.

Segment revenues and expenses are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis. Segment revenues, expenses and results include transactions between the segments that are eliminated on consolidation.

The Cost Allocation Methodologies as approved by the Australian Energy Regulator (AER) are used as the basis for allocating expenses to the relevant segment.

(a) Description of reportable segments

An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses for which discrete financial information is available and whose operating results are regularly reviewed by the Chief Operating Decision Maker. The Chief Operating Decision Maker is deemed to be the Chief Executive Officer. Following the business transition into the new operating model an updated assessment of the operating segments of the business has been performed. From 1 January 2025, all internal management and shareholder reporting was amended to be based on the new Lines of Business, i.e. 1. Electricity Distribution 2. Gas Distribution & Metering and 3. Development & Future Networks. Both the regulated and unregulated metering business is included in the Gas Distribution & Metering segment results.

The Group is organised into the following segments:

(i) Electricity distribution

The electricity distribution network carries electricity from the high voltage transmission network to end users.

The electricity distribution segment does not purchase or sell electricity. Our electricity distribution network covers eastern Victoria including the eastern metropolitan region of Melbourne. We charge retailers and some large customers regulated rates for the use of the electricity distribution network.

The performance obligation is the provision of the access to the network and as such use of system revenue is recognised over the contract period which is deemed to be the regulatory reset period. The transaction price is assessed as the determined recoverable revenue over that period. Variable consideration relating to volumes is constrained to the period in which it occurs, and volume over or under recoveries under the revenue cap are not considered to comprise variable consideration in accordance with *AASB 15 Revenue from Contracts with Customers*.

Alternative Control Services including public lighting, cross boundary charges and new connection charges are rendered to customers for a fixed rate with revenue recognised at a point in time when the services are rendered.

Customer Contributions

Customer contributions include the receipt of cash from a customer for the construction of assets, or the contribution of completed assets to us.

Non-refundable contributions received from customers towards the cost of extending or modifying our networks are generally recognised as revenue and an asset respectively once control is gained of the contribution or asset and it is operating as intended. The performance obligation is at a point in time being the time at which the customer is connected to the network.

Condensed notes to the consolidated interim financial statements

For the six months ended 30 June 2025

Note B.1 Segment information (continued)

(a) Description of reportable segments (continued)

(i) *Electricity distribution*

For some customer projects, the performance obligation will be linked to an ongoing service contract, and hence the performance obligation will be satisfied over time, being the contract term.

Customer contributions of cash are measured with reference to the cash contribution received and customer contributions of assets are measured at the fair value of the assets contributed at the date the Group gain control of the asset. Fair value is determined with reference to the depreciated replacement cost of the asset unless another measure of fair value is considered more appropriate.

(ii) *Gas distribution and metering*

The gas distribution network carries natural gas to commercial and residential end users.

The gas distribution segment does not purchase or sell gas. Our gas distribution network covers central and western Victoria. We charge retailers and some large customers regulated rates for the use of the gas distribution network including for metering revenue.

The performance obligation is the provision of the access to the network and as such use of system revenue is recognised over the contract period which is deemed to be the regulatory reset period. The transaction price is deemed to be the determined recoverable revenue over that period. Variable consideration, being the volume fluctuations or true ups for unaccounted for gas are constrained to the period to which they apply. Ancillary Services are rendered to customers at a fixed rate. Revenue associated with the provision of Ancillary Services is recognised at a point in time services are provided. Customer contributions in the gas distribution segment are accounted for in the same way as the electricity distribution segment.

In addition, the Gas distribution and metering segment provides contestable and non-contestable metering services. Customers pay a fixed rate over the term of the contract. For both types of services performance obligations are satisfied over time and there is no variable consideration.

(iii) *Development & Future Networks*

The Development & Future Networks segment provides energy services, as well as a range of asset and utility services to support the management of electricity and gas networks. Revenues from these services are recognised at a point in time as the services are rendered. The segment also includes Distributed Energy arrangements, which involve longer-term contracts. Revenues from these are recognised progressively over time, reflecting the continuous delivery of services and benefits to the customer.

Condensed notes to the consolidated interim financial statements

For the six months ended 30 June 2025

Note B.1 Segment information (continued)

	Electricity distribution	Gas distribution & Metering	Development & Future Networks	Inter-segment eliminations	Total
	\$M	\$M	\$M	\$M	\$M
30 June 2025					
Regulated revenue	511.6	150.5	-	(0.1)	662.0
Customer contributions	59.8	5.6	-	-	65.4
Service revenue	-	10.9	2.5	-	13.4
Other revenue	5.3	1.2	2.1	(0.1)	8.5
Total segment revenue	576.7	168.2	4.6	(0.2)	749.3
Use of system and associated charges	(79.3)	(6.8)	-	0.2	(85.9)
Segment operating expenses	(159.3)	(41.6)	(10.6)	-	(211.5)
Retirements	(1.6)	(2.4)	-	-	(4.0)
Segment operating expense	(240.2)	(50.8)	(10.6)	0.2	(301.4)
Impairment	-	-	-	-	-
Segment result - EBITDA (i)	336.5	117.4	(6.0)	-	447.9
Lease interest income	-	-	0.5	-	0.5
EBITDAaL (ii)	336.5	117.4	(5.5)	-	448.4
Depreciation and amortisation	(149.6)	(40.8)	(1.6)	-	(192.0)
Capital expenditure	294.4	69.6	4.7	-	368.7
30 June 2024 (restated)					
Regulated revenue	461.3	139.8	-	-	601.1
Customer contributions	40.8	4.7	-	-	45.5
Service revenue	-	14.6	1.8	-	16.4
Other revenue	2.6	1.7	7.5	(2.2)	9.6
Total segment revenue	504.7	160.8	9.3	(2.2)	672.6
Use of system and associated charges	(66.0)	(5.8)	-	-	(71.8)
Segment operating expenses	(174.1)	(35.9)	(10.7)	2.2	(218.5)
Retirements	(1.5)	(1.1)	(0.3)	-	(2.9)
Segment operating expense	(241.6)	(42.8)	(11.0)	2.2	(293.2)
Impairment	-	-	1.5	-	1.5
Segment result - EBITDA (i)	263.1	118.0	(0.2)	-	380.9
Lease interest income	-	-	0.5	-	0.5
EBITDAaL (ii)	263.1	118.0	0.3	-	381.4
Depreciation and amortisation	(141.0)	(42.0)	(0.8)	-	(183.8)
Capital expenditure	222.7	71.2	8.6	-	302.5

(i) Earnings before interest, tax, depreciation and amortisation.

(ii) EBITDA after lease income

(b) Notes to and forming part of the segment information*(i) Accounting policies*

Segment revenues and expenses are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis. The Cost Allocation Methodologies as approved by the Australian Energy Regulator (AER) are used as the basis for allocating expenses to the relevant segment.

Condensed notes to the consolidated interim financial statements

For the six months ended 30 June 2025

Note B.2 Revenue from contracts with customers**Disaggregated revenue**

In the following table, revenue is disaggregated by revenue type and timing of recognition. The table also includes a reconciliation of the disaggregated revenue with AusNet's reportable segments (Note B.1).

	Electricity distribution \$M	Gas distribution & Metering \$M	Development & Future Networks \$M	Inter-segment eliminations \$M	Total \$M
30 June 2025					
Timing of recognition					
At a point in time	76.7	17.6	2.1	(0.1)	96.3
Over time	499.3	150.6	2.5	(0.1)	652.3
Revenue from contracts with customers	576.0	168.2	4.6	(0.2)	748.6
Other income not in scope of AASB 15					
Income from government grants (i)	0.7	-	-	-	0.7
Total segment revenue	576.7	168.2	4.6	(0.2)	749.3
30 June 2024 (restated)					
Timing of recognition					
At a point in time	54.2	17.6	7.9	(2.1)	77.6
Over time	449.7	143.2	1.4	(0.1)	594.2
Revenue from contracts with customers	503.9	160.8	9.3	(2.2)	671.8
Other income not in scope of AASB 15					
Income from government grants (i)	0.8	-	-	-	0.8
Total segment revenue	504.7	160.8	9.3	(2.2)	672.6

- (i) Government grant income in the electricity distribution segment comprises grants under the Powerline Replacement Program whereby grants are received to fund bushfire safety capital expenditure, with income recognised over the life of the constructed assets.

Condensed notes to the consolidated interim financial statements

For the six months ended 30 June 2025

Note B.3 Seasonality of operations**(a) Electricity distribution**

Electricity distribution volumes display some seasonal variation with increased volumes in winter due to higher demand for heating and increased volumes in summer as a result of higher demand for air conditioning. However, the impact of seasonal volume variation on electricity distribution revenue is limited due to the tariff structure, which includes a fixed component and a contract demand capacity component. The high proportion of consumption by commercial and industrial customers also limits seasonal variation. Electricity distribution revenue operates under a revenue cap, with the amount of total revenue fixed over the regulatory reset period. Any under/over recovery in a particular regulatory year will be built into subsequent years' tariffs. As such, whilst seasonality has an impact on distribution volume, the impact on revenue is not as pronounced.

(b) Gas distribution & Metering

Gas distribution volume is seasonal with a distinct winter peak due to gas demand for heating. A component of the seasonal revenue variation is mitigated due to the tariff structure, which includes a fixed component and a demand capacity-based component. There is no seasonality for the metering services.

(c) Development & Future Networks

Development & Future Networks revenue is not seasonal and is earned as the services are rendered.

Note B.4 Receivables

	30 June 2025 \$M	31 December 2024 \$M
Current receivables		
Accounts receivable	61.4	28.5
Contract assets (i)	140.2	112.4
Accrued revenue – other	6.4	12.7
Other receivables	0.1	0.1
Interest receivables	1.1	-
Related party receivables	357.9	339.1
Total current receivables	567.1	492.8
Non – current receivables		
Common Funding Vehicle loan receivable (ii)	4,283.1	4,230.4
Total receivables	4,850.2	4,723.2

- (i) Contract assets primarily relate to unbilled regulated distribution revenue from AEMO market participants (retailers). Invoices are raised on 30-day billing cycles for distribution and on 60-day cycles for gas.
- (ii) As the common funding vehicle, AusNet Services Holdings Pty Ltd lends funds to other entities within the AusNet Services Group, including AusNet Transmission Group Pty Ltd. Related party interest is charged based on the weighted average interest rate of the Company's borrowing for the relevant regulated business. The interest rate is reset quarterly.

Condensed notes to the consolidated interim financial statements

For the six months ended 30 June 2025

Note B.5 Taxation

AusNet Services Holdings Pty Ltd is part of the tax consolidated group headed by Australian Energy Holdings No 1 Pty Ltd and is subject to a tax funding arrangement.

(a) Deferred tax assets

Upon joining the new tax consolidated group headed by AEH 1, a reset and increase in the tax base of depreciable assets arose for assets held by the AusNet Services Holdings Group, which has created an estimated deductible temporary difference of \$5.1 billion on acquisition.

Recognition of an associated deferred tax asset for this deductible temporary difference was assessed under the requirements of AASB 112 *Income Taxes*, based on the forecasted taxable income of the AusNet Services Holdings Group. At 30 June 2025, the full deferred tax asset of \$554.2 million was recognised, as utilisation was deemed probable at the date of the financial report. Management judgement has been applied to determine the amount of deferred tax assets that can be recognised based on forecast taxable income. Whilst a level of uncertainty associated with the estimation of forecast taxable income, management has assessed the deferred tax assets are probable of recoupment.

(b) Risk to tax positions adopted

The tax expense and deferred tax balances assume certain tax outcomes and values of assets in relation to the application of tax legislation as it applies to the Company. Judgement is required in determining the timing of deductibility of expenditure, which impacts the amount of income tax payable and whether deferred tax balances are to be recognised in the statement of financial position. Changes in tax legislation or the interpretation of tax laws by tax authorities may affect the amount of provision for income taxes and deferred tax balances recognised.

AusNet has sought, through the Federal Court of Australia, a judicial review of certain tax consolidation outcomes relating to the former AusNet Services tax consolidated group, arising from the corporate restructure completed in June 2015. A successful outcome would result in a higher uplift in historical tax bases and higher capital allowance entitlements from June 2015. The potential uplift in tax bases has not been previously recognised in the financial statements of AusNet or been adopted in filed income tax returns. Consequently, there is no material adverse income tax impact from an unsuccessful outcome.

The matter was heard by the Full Court of the Federal Court in August 2024. On 7 March 2025, the majority of the Full Federal Court dismissed AusNet's appeal. On 3 April 2025, AusNet filed a Special Leave Application to the High Court of Australia, seeking to appeal the decision of the Full Federal Court. On 7 August 2025, the High Court of Australia dismissed AusNet's Special Leave Application. There are no further avenues of appeal, and the matter is no longer before the courts.

Other than the matters outlined above, there have been no significant changes during the six months ended 30 June 2025.

Condensed notes to the consolidated interim financial statements

For the six months ended 30 June 2025

Section C Investing in our business

This section highlights the investments made by us into our non-current asset base, including the core network assets.

Note C.1 Property, plant and equipment

	Freehold land \$M	Buildings \$M	Easements \$M	Electricity distribution network \$M	Gas distribution network \$M	Other plant and equipment \$M	Right- of-use asset \$M	Capital work in progress \$M	Total \$M
30 June 2025									
Cost	50.4	188.4	3.9	8,612.8	2,766.1	552.2	35.0	420.9	12,629.7
Accumulated depreciation	-	(26.5)	-	(3,309.6)	(939.9)	(491.3)	(18.8)	-	(4,786.1)
Carrying amount as at 30 June 2025	50.4	161.9	3.9	5,303.2	1,826.2	60.9	16.2	420.9	7,843.6
31 December 2024									
Cost	50.4	183.3	3.9	8,379.8	2,724.0	536.1	34.0	437.0	12,348.5
Accumulated depreciation	-	(25.0)	-	(3,204.6)	(911.3)	(486.0)	(16.5)	-	(4,643.4)
Carrying amount as at 31 December 2024	50.4	158.3	3.9	5,175.2	1,812.7	50.1	17.5	437.0	7,705.1

Condensed notes to the consolidated interim financial statements

For the six months ended 30 June 2025

Note C.2 Intangible assets

	Distribution licences \$M	Goodwill \$M	Software \$M	Total \$M
30 June 2025				
Cost	354.5	35.8	811.1	1,201.4
Accumulated impairment	-	(35.8)	(3.1)	(38.9)
Accumulated amortisation	-	-	(651.8)	(651.8)
Carrying amount as at 30 June 2025	354.5	-	156.2	510.7
31 December 2024				
Cost	354.5	35.8	753.7	1,144.0
Accumulated impairment	-	(35.8)	(3.1)	(38.9)
Accumulated amortisation	-	-	(615.2)	(615.2)
Carrying amount as at 31 December 2024	354.5	-	135.4	489.9

Condensed notes to the consolidated interim financial statements

For the six months ended 30 June 2025

Section D Financing our business

This section provides information relating to our capital structure and our exposure to financial risks, how they affect the Group's financial position and performance, and how those risks are managed. The Group's financial risk management objectives and policies are consistent with those disclosed in the Group's consolidated financial report as at and for the year ended 31 December 2024.

Note D.1 Borrowings

	Maturity date at 30 June 2025	30 June 2025 \$M	31 December 2024 \$M
Current borrowings			
Working capital bank debt facilities (ii)	2025	-	14.1
Bi-lateral bank debt facilities (ii)	2025	-	55.0
Syndicated bank debt facilities (ii)	2025	-	698.4
US dollar (USD) senior notes (i)	2026	121.1	-
Hong Kong dollar (HKD) senior notes (i)	2026	231.3	-
Total current borrowings		352.4	767.5
Non-current borrowings			
Hong Kong dollar (HKD) senior notes (i)	2027 – 2034	600.6	875.0
Domestic medium-term notes	2027 – 2043	3,768.5	3,703.3
Syndicated bank debt facilities (ii)	2029 – 2032	1,214.1	1,264.1
Euro (EUR) senior notes (i), (ii)	2027 – 2035	2,980.8	1,901.0
Japanese Yen (JPY) senior notes (i)	2038	106.0	101.7
US dollar (USD) senior notes (i)	2026	-	128.2
Norwegian Kroner (NOK) senior notes (i)	2027 – 2029	500.7	455.1
Australian dollar (AUD) hybrid securities (ii), (iii)	2055 – 2080	1,087.0	650.0
Euro (EUR) hybrid securities (i), (iii)	2081	1,223.3	1,117.6
Total non-current borrowings		11,481.0	10,196.0
Total borrowings		11,833.4	10,963.5

- (i) The carrying value of foreign currency borrowings are translated at spot rate as at balance date. The foreign currency risk associated with these borrowings is hedged through the use of cross-currency swaps.
- (ii) During the period, \$950.0 million of AUD hybrid securities and \$886.6 million of Euro senior notes were raised, \$516.7m of AUD hybrid securities were repurchased, \$751.0 million of the syndicated bank debt facilities were repaid, \$55.0 million of bilateral bank debt facilities were repaid, \$100.8 million of working capital bank debt facilities were drawn and \$114.9 million repaid in the same period.
- (iii) The first call date for hybrid securities is in October 2025 for AUD hybrid due 2080, February 2031 for AUD hybrid due 2055 and September 2026 for EUR hybrids.

The Group had \$1,152.5 million of undrawn but committed bank debt facilities (31 December 2024: \$1,032.4 million) and \$90.4 million of cash and cash equivalents as at 30 June 2025 (31 December 2024: \$1.2 million).

Condensed notes to the consolidated interim financial statements

For the six months ended 30 June 2025

Note D.1 Borrowings (continued)**(a) Fair value measurement**

Derivative financial instruments are recognised at fair value and are measured in accordance with generally accepted pricing models based on discounted cash flow analysis. Transaction costs are recognised in the income statement. These pricing models use significant market observable data as well as market corroboration based on active quotes. As such, fair value measurements are deemed level two within the fair value hierarchy as per AASB 13 *Fair Value Measurement*. The Group does not have any financial instruments which would be categorised as either level one or three of the fair value hierarchy.

The Group also has a number of financial assets and liabilities which are not measured at fair value in the consolidated statement of financial position. With the exception of borrowings, the carrying amounts of these items are considered to be a reasonable approximation of their fair value at 30 June 2025.

The fair value of total borrowings as at 30 June 2025 was \$11,875.1 million (31 December 2024: \$10,997.8 million). This fair value measurement uses significant market observable data, and therefore was a level two measurement within the fair value hierarchy as per AASB 13 *Fair Value Measurement*. The valuation techniques applied are consistent with those applied in the consolidated financial report as at and for the year ended 31 December 2024.

Note D.2 Net finance costs

	30 June 2025 \$M	30 June 2024 \$M
Finance income		
Interest income	3.4	0.2
Interest income – related party	80.1	90.7
Lease interest income	0.5	0.5
Total finance income	84.0	91.4
Finance costs		
Interest expense	251.9	240.4
Interest expense – leases	0.3	0.3
Other finance charges - cash	5.0	3.4
Other finance charges non-cash	6.2	4.3
(Gain) / Loss on accounting for hedge relationships	16.7	(4.6)
Unwind of discount on provisions	0.8	0.9
Defined benefit net interest income	(1.8)	(1.6)
Capitalised finance charges	(5.6)	(4.9)
Total finance costs	273.5	238.2
Net finance costs	189.5	146.8

Condensed notes to the consolidated interim financial statements

For the six months ended 30 June 2025

Note D.3 Equity

		30 June 2025 \$M	31 December 2024 \$M
Contributed equity			
Ordinary shares – fully paid	(a)	3,028.1	3,028.1
Total contributed equity		3,028.1	3,028.1

(a) Movements in ordinary share capital

Date	Details	Number of shares	\$M
1 January 2025	Opening balance	3,020,707,692	3,028.1
30 June 2025	Closing balance	3,020,707,692	3,028.1
1 January 2024	Opening balance	3,020,707,692	3,028.1
31 December 2024	Closing balance	3,020,707,692	3,028.1

Condensed notes to the consolidated interim financial statements

For the six months ended 30 June 2025

Section E Other disclosures

This section includes other information to assist in understanding the financial performance and position of the Group, or items required to be disclosed in order to comply with accounting standards and other pronouncements.

Note E.1 Contingent liabilities and contingent assets

The Group is involved in various tax, legal and administrative proceedings and claims on foot, the ultimate resolution of which, in our view, will not have a material effect on the consolidated financial position, results of operations or cash flows. Other than potential additional costs in addition to the environmental provision noted in Note E.2, we are not aware of any additional contingent liabilities or assets as at 30 June 2025 (December 2024: nil).

Note E.2 Provisions

(a) Measurement of environmental provision

Provisions include an environmental provision of \$44.3 million (December 2024: \$43.9 million), which represents an estimate of costs to remediate soil and water contamination on gas sites which were previously used as coal processing facilities. The provision is based on preliminary cost estimates and timing of remediation, considering current legal and regulatory requirements, the estimated extent of the contamination, the nature of the site and surrounding areas, and the technologies and methods available. Management is exploring a number of strategies for future land use options for the three sites, with the estimation of the provision at period end being based on the current preferred option. The extent of remediation activities and associated costs may differ significantly depending on which option is ultimately chosen, and on other factors impacting the extent of ultimate remediation effort and underlying cost that are not known at balance date. As a result, there is a risk that in the event of full remediation of all three sites, the cost may exceed the provision at 30 June 2025.

Site investigations are ongoing and there have been no significant updates to estimated costs in the current period. Remediation work has commenced for one site in 2025.

(b) Provision for Energy Resilience Community Fund

Following the severe weather event in Victoria on 13 February 2024, AusNet established a \$12 million Energy Resilience Community Fund ('the Fund') and a Deed of Undertaking was executed. The Fund will provide grants to community and not-for-profit organisation, local councils and small businesses to help build and strengthen community energy resilience. During the period ended 30 June 2025, \$2.8 million of the provision was distributed. The remaining provision balance of \$5.6 million represents funds required to be distributed prior to 31 December 2026.

Note E.3 Events occurring after the balance sheet date

(a) Borrowings

On 8 August 2025 AusNet Services Holdings Pty Ltd issued a notice to Subordinated Note Holders that the \$133.3 million Subordinated Notes due 2080 will be fully redeemed early on 6 October 2025. These are classified as non-current borrowings in Note D.1.

In addition, in August 2025, AusNet entered into three new five-year bilateral facility agreements, replacing the existing facilities set to mature at the end of August 2025. The new facilities mature in August 2030.

(b) Taxation matters

On 7 August 2025, the High Court of Australia dismissed AusNet's Special Leave Application in respect to a judicial review of certain tax consolidation outcomes relating to the former AusNet Services tax consolidated group, arising from the corporate restructure completed in June 2015. There are no further avenues of appeal, and the matter is no longer before the courts. Refer to Note B.5 for additional details.

Condensed notes to the consolidated interim financial statements

For the six months ended 30 June 2025

Note E.3 Events occurring after the balance sheet date (continued)

(c) Other matters

Other than outlined above, there has been no matter or circumstance that has arisen since 30 June 2025 up to the date of issue of this financial report that has significantly affected or may significantly affect:

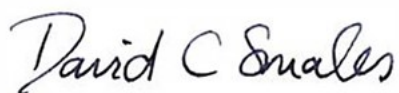
- (a) the operations in the financial period subsequent to 30 June 2025 of the Group;
- (b) the results of those operations; or
- (c) the state of affairs, in the financial period subsequent to 30 June 2025, of the Group.

Directors' declaration

In the opinion of the Directors of AusNet Services Holdings Pty Ltd (the Company):

- (a) the interim financial statements and notes set out on pages 10 to 30, are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2025 and its performance for the six-month period ended on that date; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors.



David Smales
Director

Melbourne
27 August 2025



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with confidence**

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Independent auditor's review report to the members of AusNet Services Holdings Pty Ltd

Conclusion

We have reviewed the accompanying half-year financial report of AusNet Services Holdings Pty Ltd (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, explanatory notes and the directors' declaration. The half-year financial report of AusNet Services Holdings Pty Ltd is referred to by the Company as the Interim Financial Report.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group does not comply with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2025 and of its consolidated financial performance for the half-year ended on that date; and
- b. Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the half-year financial report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Directors' responsibilities for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the half-year financial report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 30 June 2025 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.



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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in black ink that reads 'Ernst & Young' in a cursive style.

Ernst & Young

A handwritten signature in black ink that reads 'Kester C Brown' in a cursive style.

Kester C Brown
Partner

Melbourne
27 August 2025