



AUSTRALIA
PACIFIC
AIRPORTS
CORPORATION

Annual Report

FY25



LAUNCESTON
AIRPORT

MELBOURNE AIRPORT



First Nations Acknowledgement

Australia Pacific Airports Corporation acknowledges the First Nations of the lands on which our airports operate. APAC is committed to working closely with First Nations peoples in Melbourne and Launceston to deepen our understanding about how our airports can continue to operate and develop in a way that recognises and celebrates the airports' First Nations cultural heritage.

APAC pays respect to their Elders past and present.

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Christine O'Reilly

This year Australia Pacific Airports Corporation (APAC) delivered a strong financial performance and record passenger numbers at both Melbourne and Launceston Airports.

The approval of Melbourne Airport's Third Runway lays a solid foundation for the delivery of a multi-billion-dollar capital plan. This plan is designed to support future growth in passenger numbers and cargo volumes whilst aligning with the operational needs of airlines.

Chair's Report

I am pleased to present APAC's 2024/25 Annual Report in my first year as Chair.

Over the past 12 months, both Melbourne and Launceston Airports recorded strong passenger demand, reflecting the resilience of the aviation sector in the face of inflation and cost of living pressures on household budgets. Growth has been particularly strong in the Visiting Friends and Relatives (VFR) market, highlighting just how deeply Australians value connection with loved ones.

Melbourne Airport achieved a historic milestone in January 2025, recording its busiest month on record. This was driven by record international seat capacity, which reached 114 per cent of the pre-pandemic levels achieved five years ago.

Launceston Airport also set new passenger records, despite the collapse of Bonza in 2024.

Safety

Safety remains the company's highest priority, underpinning every aspect of airport operations and guiding the actions of staff at all levels.

We have implemented proactive strategies to identify emerging risks and trends, whilst reinforcing a shared commitment to maintaining a safe environment for all airport personnel and the travelling public.

With an ever-growing number of workers on the precinct, safety on the airfield ramp and in construction zones has been a particular focus for the past twelve months.

We were pleased to maintain our zero-fatality record for another year. However, a slight increase in the number of incidents resulting in serious injury serves as a reminder that there is no room for complacency when it comes to safety and highlights the need for continued vigilance and ongoing improvement.

Building better infrastructure

Melbourne Airport's Third Runway will

ensure Victoria's growing population has the aviation infrastructure it needs to service the increased demand for both passenger and cargo services.

The timely and efficient delivery of this critical project is a priority for the Board and is essential to ensure Melbourne Airport does not become a handbrake on Australia's aviation network.

As Australia's largest 24-hour international gateway, Melbourne Airport continues to experience strong growth in passenger numbers. In response, APAC has committed to expanding the airport's international terminal.

Whilst negotiations with airlines to finalise the scope of this expansion are ongoing, enabling works are already underway to remove constraints around the terminal, on both the airside and landside.

These investments are designed to enhance the airport experience for our passengers while providing airlines with increased flexibility and capacity for future growth.

Supporting this infrastructure program is a strong and well-managed balance sheet.

The company delivered an EBITDA of \$945.4 million, up 12 per cent on the previous financial year, driven by strong international passenger volumes and returns from property investments. After depreciation, interest costs and tax, the company generated \$388.5m of Net Profit After Tax.

This equates to a Return on Asset of 4.2 per cent which reflects a balanced performance consistent with a competitive market environment and APAC's commitment to delivering sustainable value for our customers and shareholders.

To fund Melbourne Airport's expansive capital program, in June 2025, the company secured an additional \$1.5 billion of financing, including Melbourne Airport's inaugural hybrid issuance,

which further strengthens the balance sheet in readiness for the period of increased capital investment.

While the market's confidence in our business is pleasing, the successful delivery of our infrastructure pipeline will continue to require disciplined financial management.

Board

I would like to acknowledge former Board Chair Peter Hay, who stepped down at the end of September after more than five years in the role and having led the business through one of the most challenging periods in commercial aviation history.

I would also like to thank Lorie Argus and the APAC Management Team for their dedication and commitment to delivering for our customers, and for their support as I stepped into the role of Chair.

During the year there were a number of other board changes. Talieh Williams resigned in August 2024, followed by Raphael Arndt in September 2024 and Michael Cummings in December 2024.

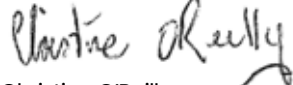
They were replaced by Stewart Brentnall in August 2024, Ben Samild in October 2024 and Nik Kemp in December 2024.

In May, a dispute arose between Dexis and the remainder of our Directors, (the non-conflicted Directors), in respect to a shareholder matter.

The matter is currently before the Supreme Court, with a hearing scheduled for November 2025.

Importantly, this legal process has had no impact on the safe and secure operation of our airports.

Management continues to focus on delivering strong outcomes for our customers, and our shareholders remain supportive of the company and its strategic direction.


Christine O'Reilly
Chair



Lorie Argus

The past 12 months have set new records at both Melbourne and Launceston Airports and highlight the need for ongoing investment in efficient infrastructure to improve the traveller experience.

The Federal Government recognised this in September 2024 with the approval of plans for Melbourne Airport's Third Runway, which will deliver the airfield capacity needed to serve Victoria's growing population for decades to come.

CEO's Report

Building Your Airports

Melbourne Airport is Australia's largest 24-hour international gateway, and one of the largest airports in the world currently operating without a parallel runway system.

The approval of Melbourne Airport's Third Runway was a milestone moment for Victoria and cements a key pillar in our ten-year capital investment strategy.

The new runway will allow us to deliver the airfield capacity we need to cater for our growing population and corresponding demand for aviation, while giving our airlines the flexibility and room they need to continue to expand their services into Victoria.

But the third runway is just one part of the puzzle.

Growing peak hour passenger volumes are placing even greater strain on the international arrival and departure facilities, so in January we announced plans for a significant expansion of the international terminal.

This followed more than 12 months of consultation with airlines about their plans and preferences which has been backed up by further consultation on the scope and sequencing of upgrade works.

On the landside, the terminal expansion is enabled by the Naarm Way elevated roads project, which is currently under construction and when completed in 2026, will change the way most of our passengers arrive and depart the airport.

New pick-up and drop-off areas will serve to increase capacity and reduce congestion on our road network and will replace the existing space-constrained kerbside zones.

Alongside the new road network, we have continued to advocate for a rail connection.

I was pleased to join the Federal Minister for Infrastructure, Transport, Regional Development and Local Government, Catherine King, and the Victorian Minister for Public and Active Transport, Gabrielle Williams in March to sign a Memorandum of Understanding to progress the Melbourne Airport Rail Link project.

Building this infrastructure while maintaining a 24-hour operation will be challenging, but it will ensure our city is well positioned for future success.

Launceston Airport has also been undertaking major works.

Taxiway Foxtrot is Launceston's largest airfield project in more than 60 years and will help improve the efficiency of freight operations by facilitating larger aircraft such as the Airbus A321.

Creating connections that matter

Strong connections have never been more important, and both Melbourne and Launceston Airports have set new records for monthly passenger numbers over the course of the financial year.

Melbourne Airport was recognised by passengers for a third year running as the Best Airport in Australia/Pacific at the 2025 Skytrax World Airport Awards. This award reflects the work of the entire team at Melbourne Airport who are

always "stepping forward" to help our travellers.

Despite household budget pressures, Australians have continued to make travel a priority, with international passenger numbers at Melbourne Airport up more than eight per cent year-on-year.

We have been pleased to welcome two new airlines to Melbourne Airport, with China's Juneyao Airlines launching services from Shanghai in December, and United States giant Delta Air Lines confirming it will launch flights from Los Angeles in December 2025.

We've also worked with our established airlines to add new routes and additional frequencies.

We're proud to work as part of Team Victoria to facilitate Melbourne's major events calendar, which continues to drive domestic and international leisure travel. Securing an NFL fixture at the MCG is an exciting addition for 2026, and we expect this will drive increased visitation from North America.

Launceston Airport managed to set new records, with January setting new benchmarks for both busiest day and busiest month.

A diverse and sustainable business

Decarbonising aviation remains a significant challenge, but we are on track to deliver our commitment of net-zero Scope 1 and 2 emissions by the end of the 2025 calendar year, with the completion of our second solar farm. In addition, 3,000 tonnes of Australian Carbon Credit Units were purchased between 1 January 2025 and 30 June 2025.

At the same time, our work to reduce Scope 3 emissions continues to gather pace, with our infrastructure ready for the introduction of Sustainable Aviation Fuel and scoping underway for the installation of Fixed Ground Electrical Power and Pre Conditioned Air at domestic and international gates.

Global uncertainty continues to be a feature of our environment, but our diversified business means the company is well positioned to weather any global issues.

We've continued to invest in expanding our property portfolio, with new tenants joining the Melbourne Airport Business Park, and the dual-branded Melbourne Airport Novotel and ibis Styles hotel showing positive results after its first year of trade.

We're committed to investing in our people and ensuring we have a workforce that better reflects the society we serve. We have deliberately worked to increase our proportion of female employees, and we've finalised our Diversity, Equality, Inclusion and Belonging strategy.

Connecting with our community

Melbourne Airport is proudly the largest employment hub in the city's north-west, and the largest in Victoria outside of the Melbourne Central Business District. We are proud to have increased our investment in nearby communities through our Community Investment and Community Giving Funds.

Alongside this, we have invested in a new public information trailer, which will dramatically enhance our presence at community festivals and events. We have also engaged architects to design

a new public Visitor Centre and viewing area, which we hope will become a valuable asset for people from around the state.

To further broaden our reach, this year we hosted camera crews from production company ITV, who filmed a ten-part documentary series on Melbourne Airport that aired on Channel 10 and National Geographic. This has been a fantastic opportunity to highlight our people, particularly the operations teams who work around the clock to keep Melbourne Airport running safely.

Our 'Stepping Forward' customer service program continues to deliver for our passengers and airport community, and after three successful years is being reinvigorated and expanded to include more of our partners, as well as the team in Launceston.

It was through this customer-focused lens that we trialled a mobility hub program at Melbourne Airport, to improve accessibility for travellers as they move around the terminal and ground transport facilities. Feedback from the pilot was overwhelmingly positive and has been used to develop a permanent program, which we look forward to bringing to life in the coming financial year.

Outlook

We have an ambitious capital plan to deliver the airfield, terminal and ground transport infrastructure that Melbourne Airport needs to continue its role as Australia's largest 24-hour gateway.

This will set our airlines up for success and increase the opportunities for Victoria's people and businesses to connect with the world.

Demand for international travel is forecast to continue growing, underpinned by an increase in passengers travelling to visit friends and relatives and ongoing enthusiasm for leisure travel. Melbourne's large and diverse population has helped facilitate growth in new markets, and this will continue as people prioritise connection with loved ones.

The successful entry of Juneyao Airlines into the Melbourne market, the impending launch of Delta Air Lines services to Los Angeles and the return of Virgin Australia to long haul flying through a wet lease agreement with Qatar Airways are all cause for optimism.

On the domestic front, the shortage of additional aircraft that has hampered growth appears to be easing, while the opening of Western Sydney Airport brings potential to grow traffic from both Melbourne and Launceston Airports.

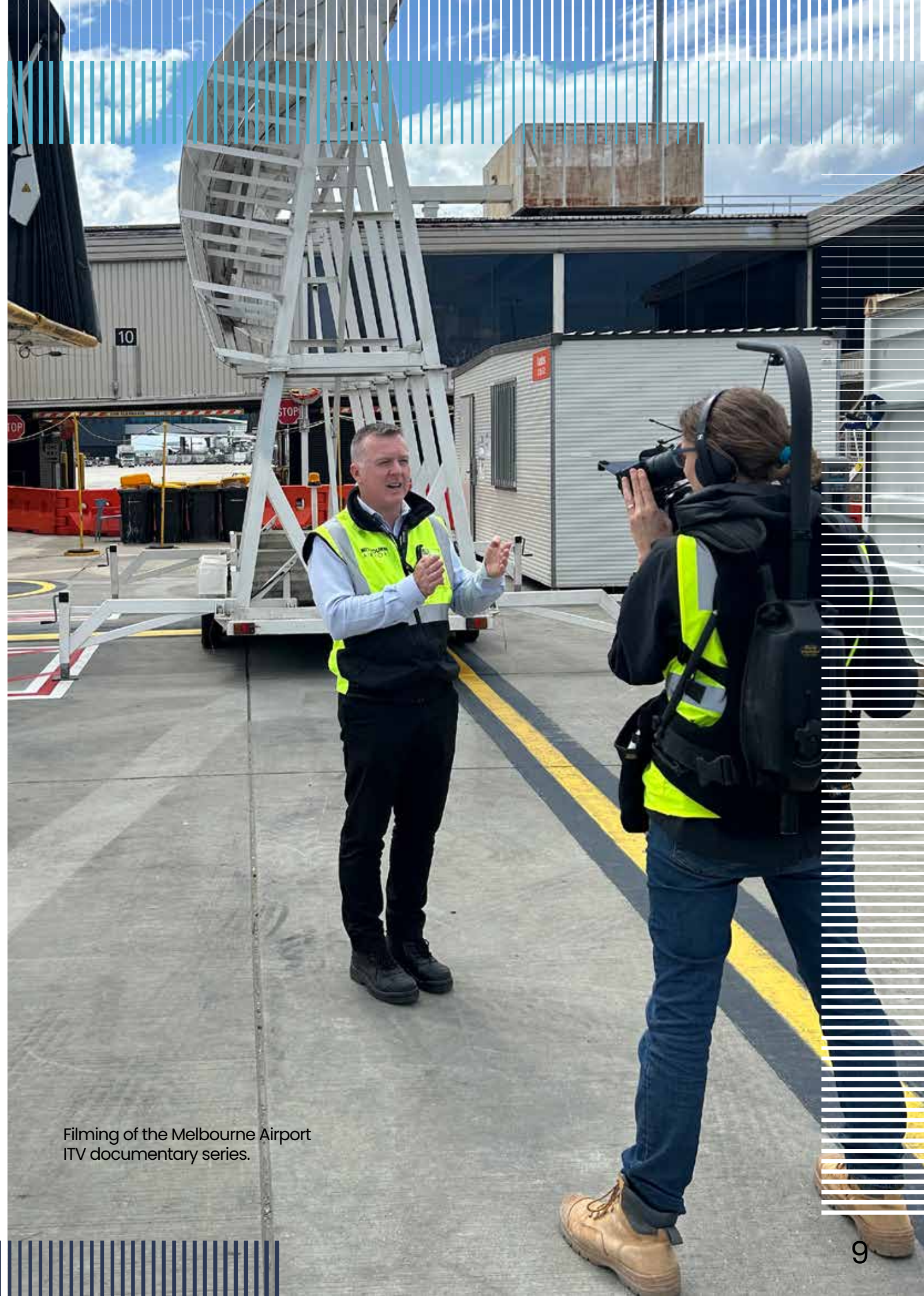
It's an exciting time for APAC as we build the infrastructure we need to serve our customers now and into the future.

Construction of these much-needed projects will bring new challenges, but with the needs of our passengers always front of mind and a team empowered to step forward to help wherever needed, we are well placed to deliver on our vision to be Australia's favourite airport destinations.

L Argus

Lorie Argus
Chief Executive Officer

Filming of the Melbourne Airport
ITV documentary series.



Melbourne Airport
Naarm Way Stage 2 Construction

FY25 vs FY24

Highlights



TOTAL REVENUE +15.8%

\$1,421.4m↑



EBITDA +12.4%

\$945.4m↑



NET PROFIT AFTER TAX +24.6%

\$388.5m↑



CAPITAL EXPENDITURE +47.1%

\$1,179.2m↑



TOTAL PASSENGERS (EX TRANSITS) +2.8%

37.6m↑



INTERNATIONAL PASSENGERS +8.3%

12.0m↑



MELBOURNE AIRPORT
DOMESTIC PASSENGERS +0.4%

24.2m↑



LAUNCESTON AIRPORT
DOMESTIC PASSENGERS +0.8%

1.4m↑



SCOPE 1 & 2 EMISSIONS -60.0%

5.8k tCO2-e↓

Australian Pacific Airports Corporation

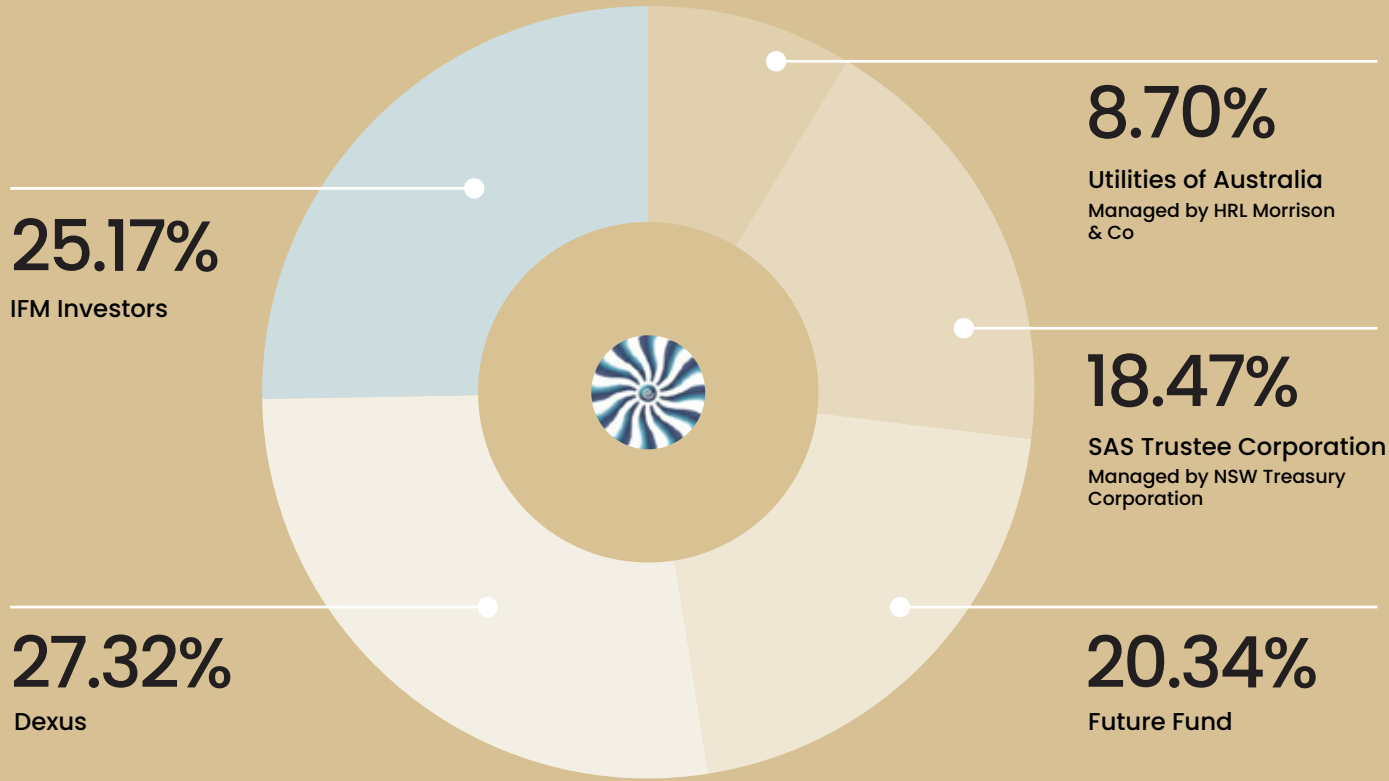
Australia Pacific Airports Corporation Limited (APAC) is committed to delivering strong, sustainable returns for the benefit of our diverse stakeholders through the performance of two key Australian aviation assets.

APAC is a privately held corporation owned by institutional investors, predominantly superannuation/pension funds.

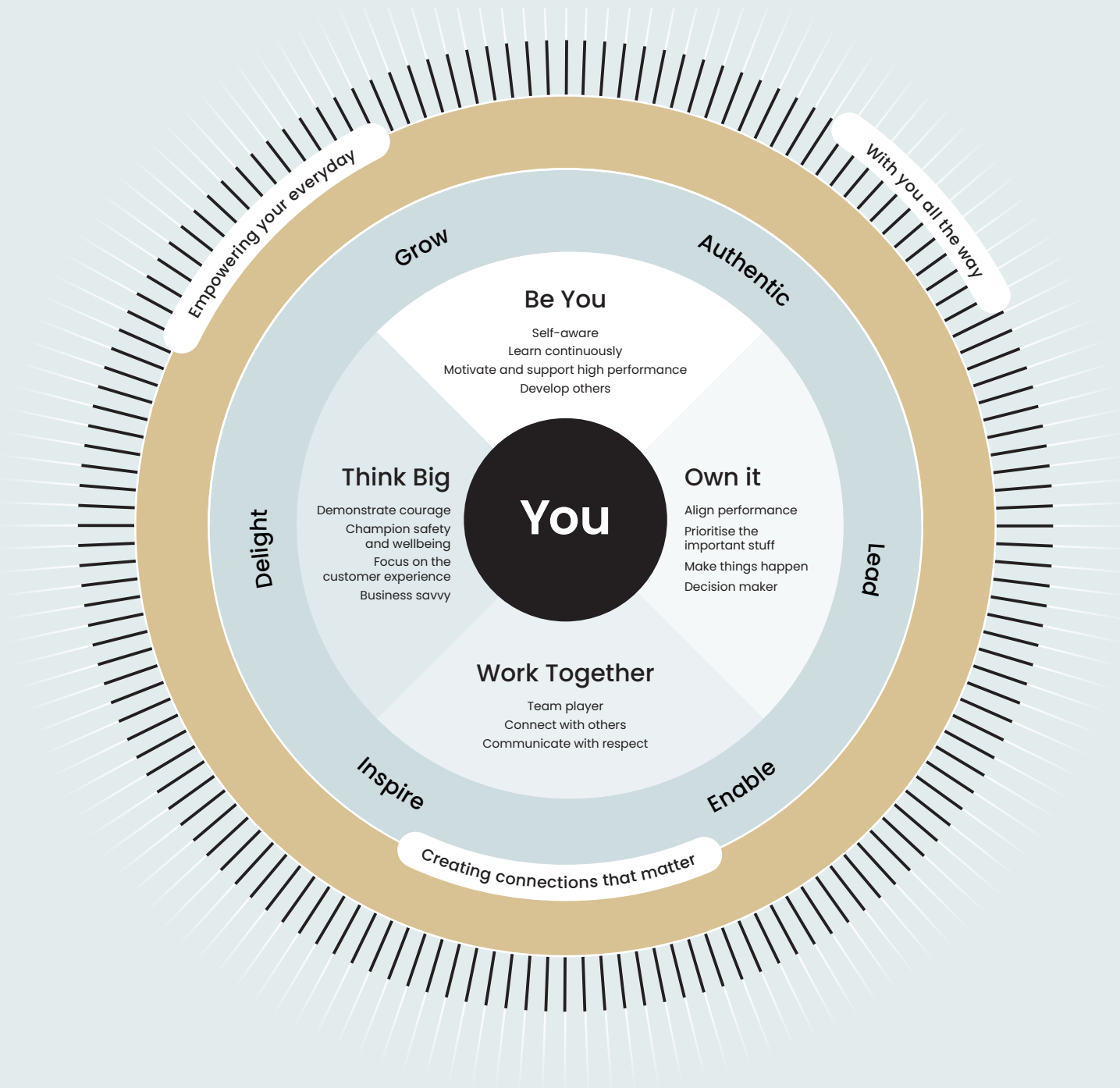


Ownership Structure

The funds are owned, managed, or represented by the following five entities:



APAC Values and Behaviour Framework



Our vision is to be Australia's favourite airport destination.



About Melbourne Airport

Melbourne Airport is Australia's largest 24-hour international gateway and has been connecting Victoria to the world since 1970.

The airport is located 22 kilometres north-west of Melbourne's Central Business District and is well connected to the city's freeway and arterial road network, with plans for a government funded rail link connecting the airport to the suburban train system via Sunshine.

The airport has two intersecting runways which are operated in different modes in response to wind direction or to reduce aircraft noise impacts.

Plans for Melbourne Airport's Third Runway were approved by the Federal Government in September 2024.

The new north-south runway will be located 1.3 kilometres to the west of the existing north-south runway and is expected to open in 2031.

The terminal complex is located on the east side of the airfield and combines international facilities (Terminal 2) with three domestic terminals (Terminals 1, 3 and 4).

This integrated terminal precinct enables Melbourne Airport to provide the shortest minimum connection times between domestic and international flights of all major Australian airports.

86 aircraft parking stands serve the terminal precinct and accommodate the embarkation or disembarkation of passengers, loading or unloading of mail or freight, and fuelling, parking and maintenance.

Air traffic control, aeronautical information services, airport rescue and firefighting and navigation services are provided by Airservices Australia from facilities located in the airport midfield.

Aircraft maintenance, repair and overhaul facilities are provided to the south of the airfield.

The airport is close to major industrial areas and serves as a hub for freight and logistics, while providing employment to thousands of residents in nearby suburban growth corridors.

The Melbourne Airport site is approximately 2,740 hectares and is predominantly surrounded by semi-rural properties to the immediate north and west, which helps protect the community and safeguards the airport from urban encroachment.

There is urban development to the east and south of the airport, comprising a mix of residential and industrial properties.

As the largest Victorian employment hub outside of the Melbourne Central Business District, the airport precinct supports more than 18,000 jobs.

Melbourne Airport makes a significant contribution to both the state and national economies as a key driver of tourism and trade-based industries that support jobs and generate growth.

It is estimated that a typical daily international flight contributes more than \$154 million to the Victorian economy per annum.



Melbourne Airport Strategy

Creating connections that matter

Grow

Pursue and deliver on opportunities for sustainable airport growth

- Grow the number and frequency of airline services and carriers
- Deliver on the airport's transformative capital plan, unlocking future growth
- Maintain a strong financial position, delivering value for our shareholders, customers and tenants
- Grow property developments to enhance revenue diversity and business resilience

Delight

Delight our travellers, partners and teams with their airport experience

- Relentlessly prioritise the traveller across all aspects of our business
- Work with our partners to set them up for success and deliver efficient airport operations
- Continuously improve our technology and digital assets to support our people and partners
- Keep pace with airport innovation to create experiences which are memorable and delight

Inspire

Play an active role in supporting our community and sharing the benefits of airport expansion

- The safety, security and health of travellers and team members comes first
- Inspire our partners and communities through industry-leading sustainability and environmental performance
- Promote the airport's economic and social value on the path to securing community, industry and government support to grow
- Develop, inspire and support our team members to lead with purpose and achieve high performance

Melbourne Airport
Terminal Upgrades



FY25 Melbourne Airport Safety

Highlights[^]



FATALITIES
0



LOST TIME INJURIES (EMPLOYEES)
4



LOST TIME INJURY FREQUENCY RATE
(EMPLOYEES)
6.04 per million hours



CUSTOMER INCIDENTS
70

[^]FY25 lag indicators

Safety Strategy

APAC's safety strategy is guided by the following key principles:



Everyone working at Melbourne and Launceston Airports has the right to a healthy and safe working environment.



All members of the public visiting or passing through Melbourne and Launceston Airports have the right to a safe airport experience.



Well-designed, healthy and safe work environments will allow workers at Melbourne and Launceston Airports to have more productive working lives.



Safe and compliant aerodrome operations require a cooperative approach between APAC and the operators using Melbourne and Launceston Airports.

Safety

As Australia’s largest 24-hour international gateway, the safety of travellers, staff and visitors is Melbourne Airport’s top priority.

Streamlining the Approach to Safety

To continually improve safety performance, APAC launched the Safety Enhancement Program – a strategic initiative designed to build a consistent, integrated and accountable approach across the business. The program will standardise how safety is managed and operationalised and embed ownership at every level.

Key components of the program include a comprehensive review of the Safety Management System, embedding Safety Business Partners within operational teams, and a significant software upgrade to streamline processes, improve data visibility and enhance the user experience.

Aviation Safety

Melbourne Airport continues to collaborate closely with all airfield users to strengthen safety through joint accountability and a focus on safety culture. Efforts have focused on positive communication, collective risk management and efficient information dissemination to staff across more than 100 organisations. This resulted in a positive recognition from the Civil Aviation Safety Authority in its latest audit.

These efforts have included the ongoing implementation of a positive safety intervention campaign targeted at airfield users and continued quarterly airfield safety campaigns. These campaigns have been met with enthusiasm from the staff who have participated.

Melbourne Airport is now developing the next campaign in this series. It will focus on an interactive learning module showcasing frontline talent from across the airfield and share examples of people who have received positive safety intervention awards. It will also include reminders of key risks on the airfield, generated through safety alerts and video messaging to clearly articulate the consequences of poor safety practices, including footage of airfield incidents both local and abroad.

A popular safety initiative was the introduction of onsite food trucks designed to engage airfield workers in informal conversations about safety and their shared environment.

Construction Safety

With numerous construction projects underway across the airport, ongoing and early engagement with contractors is key to providing a safe environment for both construction teams and the travelling public. From procurement and design through to operational readiness and testing, significant effort has been directed toward connecting with project teams and reinforcing compliance with Occupational Health and Safety legislation, Melbourne Airport safety standards and Melbourne Airport Minimum Public Safety Requirements.

In the last financial year, Melbourne Airport focused on advancing contractor relationships, encouraging safety reporting, improving incident management practices and ensuring that lessons learned are shared across departments and project teams.

The 2024 Safety Forum demonstrated a strong appetite from contractors for further engagement with Melbourne Airport and multiple contractors have expressed interest in collaborating for the 2025 Safety Forum scheduled for October.

Estate and People Safety

The mental health and wellbeing of employees remains a high priority at Melbourne Airport. The Mental Health and Wellbeing Ambassador program, comprised of 13 passionate volunteers trained in Mental Health First Aid, continues to champion the importance of physical and mental wellbeing across the business. In anticipation of upcoming Victorian legislation on managing psychosocial risks in the workplace, enhancements are being made to the Safety Information Management System to enable reporting and communication of psychosocial hazards and incidents to both the Safety and People & Culture teams.

To further support employee health, a range of free wellbeing initiatives were offered throughout the year, including heart health checks, flu vaccinations and skin checks. Melbourne Airport staff also have access to complimentary gym memberships at the Novotel & ibis Styles Melbourne Airport to promote physical and general wellbeing.

Beyond the direct workforce, the safety team actively engages with service providers to ensure they effectively manage risks associated with operating in a 24/7 airport environment. Relationship-building initiatives such as monthly safety forums and service provider safety barbecues have continued to foster open, honest and collaborative partnerships, which are essential to maintaining a strong and sustainable safety culture. Workshops run across the organisation this year have covered topics as diverse as situational awareness and de-escalation training, building resilience in the workplace, fatigue management and manual handling.



Investing in Our Travellers

Melbourne Airport is investing in infrastructure and services that deliver on our vision to be Australia's favourite airport destination



Stepping Forward

- Expansion of the 'Stepping Forward' customer service program to include more airlines, retailers and construction companies. The program is designed to empower all airport workers to proactively offer assistance to travellers before they reach out for help.
- Launch of a common Melbourne Airport uniform to better assist travellers in identifying airport staff.

Improving accessibility

- A four-month pilot of Melbourne Airport Assist in September 2024 to assist travellers from entry into the precinct to airline check in, then from baggage reclaim back to their point of departure. With 8,500 assists during the pilot, it has been transformed into a permanent program that will launch in September 2025 running between 6:00am and 10:00pm, seven days a week.
- Upgrades to the Melbourne Airport website to include digital wayfinding and online mobility hub, allowing travellers to plan their journeys ahead of time.
- The launch of an accessibility training program for the more than 18,000 people who work on the Melbourne Airport precinct to improve understanding and inclusivity.
- Detailed Design finalised for the first Sensory Room in International Departures with construction to commence in FY26. It is designed for travellers needing either a sensory-avoiding or a sensory-stimulating space within the sterile area.



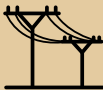


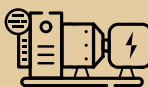





Better Terminals




- Opening of expanded Terminal 3 baggage claim to increase space for Virgin Australia passengers and provide arrivals-level connectivity to Terminal 4.
- Opening of the new Terminal 1 security screening point providing smoother processing of Qantas domestic passengers.
- Ongoing work to upgrade the Terminal 2 international baggage system to increase capacity, improve reliability and pave the way for any-time check-in.
- Planning underway for significant expansion of Terminal 2 international departures and arrivals.

Keeping people connected

- Construction of new and expanded passenger pick-up and drop-off zones as part of Naarm Way Stage Two project due to open in FY27.
- Detailed planning of Melbourne Airport's third runway to increase capacity and help reduce delays.
- Opening of taxiway Delta to improve airfield efficiency and help reduce delays.
- Memorandum of Understanding signed with State and Federal Governments to progress Melbourne Airport Rail.

Highlights

	ELECTRICITY PURCHASED FROM GRID† 39.70 GWh		ELECTRICITY FROM PURCHASED RENEWABLE ENERGY 37.50 GWh
	ELECTRICITY FROM ONSITE SOLAR 19.14 GWh		ELECTRICITY FROM ONSITE NON-RENEWABLE SOURCES 1.27 GWh
	CARBON EMISSIONS (TOTAL SCOPE 1 & 2) 5.74k tCO2-e		CARBON EMISSIONS SCOPE 1 5.41k tCO2-e
	CARBON EMISSIONS SCOPE 2* 330 tCO2-e		CARBON EMISSIONS SCOPE 3^ 5.49m tCO2-e
			CARBON OFFSET ACQUIRED FOR SCOPE 1 & 2 EMISSIONS** 3k tCO2-e

 <div>AREA CURRENTLY MANAGED FOR ECOLOGICAL BIODIVERSITY 513 ha</div>	 <div>AIRPORT LAND CURRENTLY MANAGED FOR ECOLOGICAL BIODIVERSITY 19 %</div>	 <div>TREES/SHRUBS/GROUND COVER PLANTED 5.4k</div>
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	TOTAL TERMINAL WASTE TO LANDFILL 4.36k tonnes		TOTAL TERMINAL WASTE DIVERTED FROM LANDFILL 597 tonnes
	ORGANIC WASTE PROCESSED ONSITE 98 tonnes		ORGANIC WASTE PROCESSED OFFSITE 3 tonnes
	GREEN WASTE PROCESSED OFFSITE 68 tonnes		TOTAL CONSTRUCTION WASTE TO LANDFILL 10.53k tonnes
	TOTAL CONSTRUCTION WASTE DIVERTED FROM LANDFILL 143.71k tonnes		TOTAL CONSTRUCTION WASTEWATER TO LANDFILL 183 KL

	TOTAL CONSTRUCTION WASTEWATER DIVERTED FROM LANDFILL 56.26k KL		TOTAL WATER CONSUMPTION 1.24m KL		RECYCLED WATER USED 172.17k KL
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† Launceston electricity grid consists of a blend of renewable and non-renewable energy

* Scope 2 greenhouse gas emissions for Melbourne Airport are calculated using a “Market-Based” approach to reflect the purchased power agreement (PPA) arrangement and onsite solar electricity generation; a “Location-based” approach remained for Launceston Airport.

^ To calculate the Scope 3 emissions in the report, the following were used as standards and guidelines: a) Emissions boundaries based on the Australian National Greenhouse Emissions Reporting protocols. b) Scope 3 categories based on the global Greenhouse Gas Protocol Scope 3 categories. c) Source / activities of emissions based on Airport Council International, Federal Airport Administration USA, European Environment Agency guidelines.

Source / activities were then assessed for inclusion based on their size, influence, risk, stakeholders and outsourcing. Note: the source / activity emissions included in future Scope 3 calculations may change subject to their future materiality.

** APAC has retired 3,000 tCO₂-e Australian Carbon Credit Units (ACCUs) as part of our commitment to achieving Net Zero for Scope 1 and 2 emissions by the end of the 2025 calendar year. The credits chosen support diverse plantings and contribute to the restoration of biodiverse native vegetation – ensuring our climate action also delivers meaningful environmental co-benefits.

Environment & Sustainability

APAC is committed to operating in an environmentally sustainable manner, working in partnership with governments, customers and the community to ensure best practices guide our operations and future growth.

Emissions

The aviation industry plays a crucial role in the economic prosperity and social wellbeing of a vast and remote continent such as Australia. APAC recognises aviation’s contribution to CO₂ emissions and is actively taking steps to reduce our environmental impact and to support the transition to a lower emissions future.

Melbourne Airport has prioritised achieving net-zero for Scope 1 and Scope 2 emissions in 2025 through a comprehensive, precinct-wide program of initiatives. Ongoing energy efficiency upgrades and on-site solar energy generation directly reduce the airport’s reliance on non-renewable energy sources. Melbourne Airport continues to be powered by renewable energy, sourced from both on-site solar generation and a power purchase agreement established in 2024.

The completion of a second solar farm in 2025 underscores the airport’s position as a leader in renewable energy. The 20,000 new solar panels deliver 7.5-megawatts of capacity, saving more than 14,000 tonnes of carbon per annum, and are in addition to a 12-megawatt solar array commissioned in 2021.

In financial year 2025 (FY25), Melbourne Airport generated more than 19,130 megawatt-hours of solar energy. This is enough to power all four airport terminals, making Melbourne the first major airport in Australia to operate its terminals on 100 per cent solar energy.

Complementing the solar arrays is the direct sourcing and supply of GreenPower® to tenants. This contributes to the broader adoption of renewable energy across the precinct with another ten large customers switching to Melbourne Airport GreenPower in FY25, taking the total number of tenants connected to the scheme to 164.

Gas usage at Melbourne Airport was reduced by 18 per cent in FY25 through the implementation of building tuning initiatives. The airport has advanced plans to eliminate gas heating, completing the design and onboarding a construction partner to replace the existing gas-fuelled hot water plant with electric heat pumps, all powered by the airport’s solar farms. This transition will remove an additional 9,000 tonnes of carbon emissions and is scheduled for completion in 2027.

The number of electric vehicles (EVs) increased to 36 during the year and they now represent 35 per cent of the total airport fleet. Melbourne Airport also built an EV charging compound at Gate 22 powered by green energy, with six additional sites identified for future charging infrastructure.

To accommodate growing public demand for electric vehicle charging, Melbourne Airport will also be home to a large-scale EV charging hub currently under development by BP. This Gigahub is expected to be operational by June 2026.

Sustainable diesel was introduced onto the airfield in March 2025. Hydrotreated vegetable oil (HVO) fuels a fleet of tractors, forklifts, trucks and cars and can be used to power electric generators. HVO also improves engine performance and reduces wear and tear on components and has a longer shelf-life than mineral diesel.

To address residual emissions in 2025, APAC secured Australian Carbon Credit Units (ACCUs) that support reforestation, biodiversity and the recovery of threatened species’ habitats, keeping the company on track to become the first Australian capital city airport operator in Australia to achieve net-zero Scope 1 and 2 emissions.

As medium-term projects such as the replacement of the gas-powered boiler plant with electric heat pumps and the



transition to a low-emission vehicle fleet progress, APAC’s reliance on ACCUs will decrease.

Melbourne Airport maintained Level 3 Accreditation (Optimisation) in the global Airport Carbon Accreditation program. The program, which is run by the Airports Council International (ACI), is a voluntary carbon management scheme and consists of seven levels that progress from mapping carbon emissions, reducing emissions and carbon neutrality, through to the highest level of maintaining a net-zero balance. Melbourne Airport achieved a prestigious five-star rating from the Global Real Estate Sustainability Benchmark (GRESB), scoring 98 out of 100 for the Infrastructure Asset Benchmark Report.

In 2025, ACI Asia-Pacific & Middle East awarded Melbourne Airport ‘Gold’ status in its Green Airports Recognition program celebrating the airport’s leadership in sustainability and innovation.



What are Scope 1, 2 and 3 emissions?



SCOPE 1 EMISSIONS

Direct emissions from owned or controlled sources (for example, combustion of diesel in company-owned vehicles and the use of natural gas to power Melbourne Airport’s tri-generation plant).



SCOPE 2 EMISSIONS

Indirect emissions from the generation of purchased energy (for example, purchased grid electricity used to power airport facilities).


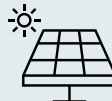




SCOPE 3 EMISSIONS

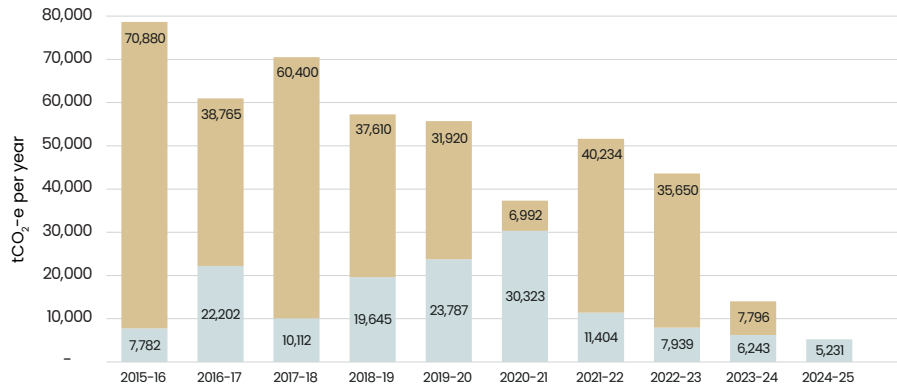
All relevant indirect emissions (not included in Scope 2) that occur in the value chain of the airport, including both upstream and downstream emissions (for example, aircraft movements, waste from airport tenants, and employee and passenger journeys to and from the airport).

Our Scope 3 Plan

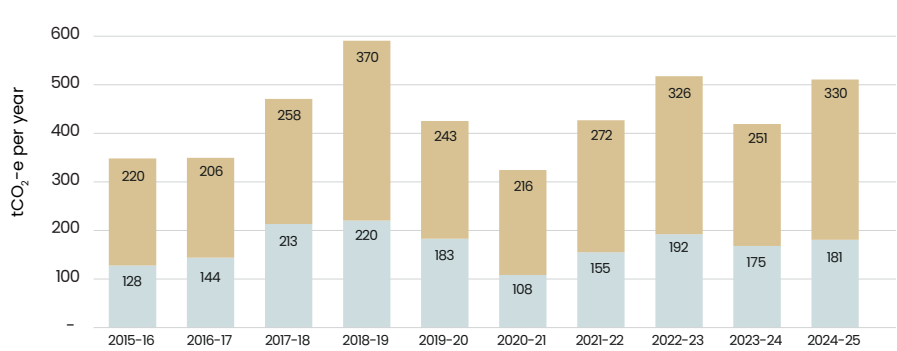
Our Scope 3 plan centres on four key pillars. For each pillar, an aspiration and key focus area has been set and our progress will be reported against annually.

Pillar	Our Action Plan	Our Aspiration	Addressable Emissions (CO ₂ -e)
 Sustainable flying	<ul style="list-style-type: none">Support decarbonisation in flyingPromote the development of alternative fuels and flight technology	<ul style="list-style-type: none">Play our part by working with our airline partners to achieve industry net zero by 2050Partner with airlines and ground handlers to minimise on-ground emissionsAdvocate for the introduction of a domestic Sustainable Aviation Fuel (SAF) supply chain	~350k tonnes (LTO cycle, APU)
 Green energy precinct	<ul style="list-style-type: none">Provide partners (such as airlines, ground transport, retailers and other tenants) with green energy	<ul style="list-style-type: none">Make green (renewable) energy available to our embedded network customers, and our electric vehicle chargingContinue to grow our solar farm and rooftop solar network	~100k tonnes
 Electrify operations	<ul style="list-style-type: none">Support the electrification of petrol / diesel transport across our precinct	<ul style="list-style-type: none">Supply EV charging to our travellers and operational partners to encourage the transition to low-emission and electric vehicles (EVs)Use of green (renewable) energy in vehicle charging	~150k tonnes
 Sustainable design, construction and procurement	<ul style="list-style-type: none">Greener buildings, infrastructure and constructionSustainable procurement standards (services and projects)	<ul style="list-style-type: none">Consider sustainable performance across every construction projectOur major projects are a focus for sustainable innovationEnsure procurement policies and supplier selection considers sustainable performance	~250k tonnes

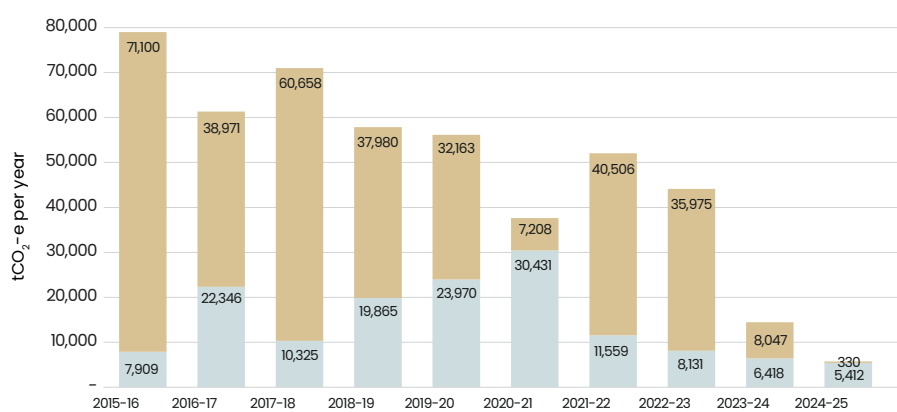
Melbourne Airport Scope 1 & 2 greenhouse gas emissions



Launceston Airport Scope 1 & 2 greenhouse gas emissions



APAC Scope 1 & 2 greenhouse gas emissions



* 3,000 tonnes of Australian Carbon Credit Units were purchased to offset APAC Scope 1 & 2 emissions.

Scope 1 emissions (tCO₂-e) Scope 2 emissions (tCO₂-e)

APAC has retired 3,000 tCO₂-e of Australian Carbon Credit Units (ACCUs) as part of its commitment to achieving Net Zero for Scope 1 and 2 emissions by the end of 2025.

APAC has chosen credits that support diverse plantings and contribute to the restoration of biodiverse native vegetation to ensure climate action also delivers meaningful environmental co-benefits.



Climate Risk

APAC has completed physical climate risk assessments for Melbourne Airport and Launceston Airport, as well as a high-level climate transition risk assessment. These assessments will inform APAC’s climate adaptation measures and support long term operational resilience.

A range of acute climate-related hazards are being assessed including bushfires, drought, extreme wind, heatwaves, and heavy rains. The airports are not considered high risks to these exposures.

Like all airport operators, APAC faces a variety of transition risks across policy, legal, technology, market, reputation, and social domains. A key challenge is the shift toward future fuel mixes to support decarbonisation. APAC is actively working with industry partners to advance these efforts and support the aviation sector’s transition to a low-carbon future.

These assessments indicate that physical risks at both Melbourne and Launceston airports are rated as medium, increasing to high in the long term (post-2055). Transition risks are rated as high in the next five years, increasing to very high in the long term. One key challenge is the shift toward future fuel mixes to support aviation decarbonisation. APAC is actively working with industry partners to advance these efforts and support the sector’s transition to a low-carbon future.

APAC manages and continuously monitors all identified climate related risks in accordance with its Risk Management Policy and continuously monitors emerging developments and impacts.

Looking ahead, APAC is actively reviewing its approach to climate risk and opportunity management, including the use of scenario modelling and assessment timeframes, to reflect the dynamic and evolving nature of climate science, policy and regulation.



Waste and Circular Economy



Reducing and reusing waste is a key pillar of APAC’s ESG strategy, with a strong focus on circular economy principles.

This financial year, Melbourne Airport’s organic waste program successfully diverted more than 96,000 kilograms of organic waste from landfill, preventing more than 183,000kg of greenhouse gas emissions. The system converts organic waste from in-terminal retailers into protein, which is recycled into the food chain and used as a

soil improver for gardens and farming. Approximately 3,860 kilograms of protein was repurposed for use by poultry farmers, aquaculture and pet owners.

Construction projects prioritise recycling and resource recovery, with a strong emphasis on reusing soil, water, concrete and asphalt to reduce environmental impact and landfill. Thanks to the substantial soil and concrete recovery, Melbourne Airport’s Taxiway Zulu 2.0 project had near-total diversion from landfill, including the reuse of 68,750 tonnes of soil and recycling of 837 tonnes of concrete.

Sustainable materials are also being adopted in construction. The Operations Road extension and refurbishment utilised carbon-reduced concrete pipes and pavements, lowering reliance on Portland Cement. This new eco-friendly carbon-reduced concrete, combined with other sustainability initiatives, reduced project emissions by an estimated 489 tonnes of CO₂ emissions.

At Launceston Airport, targeted separation and recycling initiatives diverted 1.24 tonnes of organic waste from landfill. The airport also undertakes recycling and waste tracking to better manage construction waste across major infrastructure projects, including the departure lounge redevelopment. To mark World Environment Day, the airport also ran an office-wide e-waste recycling drive to encourage the responsible disposal of old electronics.

PFAS Management

PFAS (Per- and poly-fluorinated alkyl substances) are manufactured chemicals used in a range of industrial and domestic applications for their durability and resistance to heat, stains, grease, and water.

For more than five decades, firefighting foam containing PFAS was used extensively in airport firefighting operations across Australia, leading to contamination at both Melbourne Airport and Launceston Airport.

At Melbourne Airport, foams containing PFAS were stored or used at several locations, including sites leased by Airservices Australia, Qantas and Virgin Australia. At Launceston Airport, Airservices Australia primarily leased locations to store and use foams containing PFAS.

On 22 August 2024, the Senate appointed the Select Committee on PFAS to examine the extent, regulation and management of PFAS across the country. Its work included a public hearing in Launceston on 12 March 2025.

Launceston Airport made a written submission to the inquiry and provided an airport tour for the Committee and appeared as a witness at the hearing. The Committee complemented the work Launceston Airport completed in the management of PFAS and its tenant (Airservices Australia). The Committee issued its interim report on 14 March 2025, which included references to the progress of remediation efforts, including excavation, treatment and backfilling of treated soil, undertaken by Airservices Australia at Launceston Airport.

Water Quality

Melbourne and Launceston Airports work proactively with tenants and contractors to manage water quality across the estates and undertake annual monitoring of upstream, downstream and on-airport water quality to ensure a detailed understanding of local water conditions.

At Melbourne Airport, two on-site water treatment plants manage PFAS and other contaminants, including metals. One of these facilities treats the base flow of Arundel Creek, with treated water reused for construction activities.

Stormwater runoff at Melbourne Airport is captured in retention basins, where it is filtered through vegetation, naturally cleaned, and either reused or safely released downstream. Over the past 12 months, 172,170 kilolitres of

recycled stormwater from the Steel Creek basin was piped into the terminal and used for toilet flushing in selected amenities blocks in T1, T2 and T3. Two new retarding basins were also established at Sharps Road and Annandale Road during the year.

Melbourne Airport continues to work with Melbourne Water and Brimbank City Council to maintain revegetated land bordering the Maribyrnong River. Weed and pest animal control remained ongoing for all project management zones, helping to ensure the protection of previous revegetation works undertaken along the waterway bordering Sydenham Park (Yaluk Barring) and Melbourne Airport’s estate.



Biodiversity and Land Management

Melbourne Airport manages more than 2,700 hectares of land and actively implements sustainable practices to promote biodiversity and responsible land management.

In the past year, 5,410 native shrubs, trees and ground cover were planted across the terminal and business park precincts to provide microhabitats for small birds, reptiles and insects. These efforts contribute to a more diverse and resilient ecological landscape.

To mark World Environment Day, 75 participants from 15 organisations including service providers, tenants, contractors and business partners, planted 5,000 native grasses at a natural temperate grassland site on the airport’s estate in addition to 324 trees along the Deep Creek and Maribyrnong River corridor as part of ongoing waterway enhancement initiatives.

These new and restored microhabitats are supported by our estate management practices that minimise chemical use, limit mowing, promote natural regeneration and create more green space by converting hardstand and grassed areas into planted zones.

At Launceston Airport, the community marked World Environment Day by participating in a corporate Clean-Up Event.

To protect native ecosystems, Melbourne Airport treated more than 724 hectares of noxious weeds throughout

the estate. Controlling these weeds reduces the threat to biodiversity and supports our rehabilitation and revegetation programs.

Additionally, the Melbourne Airport Business Park unveiled a further two landscaped greenspace areas: Steel Park (1000m²) and Sir John Overall Park (2000m²). These pocket parks feature park benches and picnic tables, creating welcoming green spaces for everyone in the precinct while supporting local biodiversity.



Aircraft Noise

The nature of aviation means the impact of aircraft operations can extend beyond airport boundaries. Airservices Australia, the agency responsible for the management of Australia’s airspace and flight paths, undertakes noise monitoring in areas close to Melbourne Airport flight paths.

In response to community feedback and to complement Airservices Australia’s existing monitoring, Melbourne Airport deployed its own portable noise monitors in January 2023, to improve transparency and provide more accessible data for residents living in nearby suburbs.

Following a competitive tender process, a new monitoring provider was appointed in 2025, and new advanced noise monitoring devices were installed. The new technology enhances data analysis capabilities and enables more frequent reporting. Aircraft noise monitors are now located at Keilor, Newport, St Albans and Diggers Rest, providing more comprehensive coverage. Monitoring locations are regularly reviewed in consultation with the community. Summary reports of the data collected by these monitors are published on the Melbourne Airport website alongside noise contour reports.

As part of the conditions set by the federal government for the approval of Melbourne Airport’s Third Runway, a panel of independent health experts was appointed to develop the terms of reference for a world-first, 20-year independent study into the health impacts of aircraft noise on communities surrounding the airport.

Progress continues on other approval conditions for the third runway. The Department of Infrastructure, Transport, Regional Development, Communications, Sport and the Arts endorsed the scope and selection of independent consultants for the Noise Sharing and Airspace Concept Plan. This plan will outline the distribution of aircraft traffic across different flight paths to share the impact of aircraft noise. Design of the Noise Amelioration Plan is also underway for significantly noise-impacted communities in the neighbouring Hume and Brimbank local government areas.

To further support access to noise information an Online Major Projects Hub was launched in June 2025 which includes an updated Noise and Flight Path tool.








Melbourne Airport is a member of the Airports Council International (ACI) World Environment Standing Committee, contributing to global dialogue on aircraft noise through its participation in the dedicated noise subgroup.



Melbourne Airport
World Environment Day

FY25 Connecting our communities

Highlights

<div><div></div><div>NUMBER OF EMPLOYEES</div><div>444</div></div>	
<div><div></div><div>GENDER BALANCE (% FEMALE)</div><div>39.6%</div></div>	<div><div></div><div>FEMALES IN SENIOR MANAGMENT POSITIONS</div><div>37.5%</div></div>
<div><div></div><div>COMMUNITY ENGAGEMENT ACTIVITIES</div><div>62</div></div>	<div><div></div><div>PEOPLE ENGAGED THROUGH ENGAGEMENT INITIATIVES</div><div>2.2m</div></div>
<div><div></div><div>COMMUNITY INVESTMENT</div><div>\$395.0k</div></div>	<div><div></div><div>EMPLOYEE VOLUNTEER HOURS SPENT AT COMMUNITY ENGAGEMENT</div><div>662</div></div>



Connecting Our Communities

As Victoria’s primary international and domestic gateway, Melbourne Airport’s purpose is to create connections that matter, whether they be close to home or on the other side of the world. The people who work on the precinct and the communities that surround the airport are central to its success.

Investing in the Community

Melbourne Airport has invested in a number of community projects and organisations with efforts focused on supporting improved education, employment and environmental outcomes.

Western Chances

A partnership that has evolved since 2008 to support young people in Melbourne’s west with scholarships, Dream Big Awards, annual business lunch’s and internships.

Banksia Gardens

A partnership that began in 2015, supporting scholarships, an after-school program and Northern Centre for Excellence School in school re-engagement for vulnerable students.

Juno / McAuley Car Park Sleepout

Inaugural Car Park Sleepout to raise funds for support services helping those at risk of homelessness due to family violence.

Victoria University

Three-year partnership to support student placements, internships, research, policy and advocacy projects, the Brimbank Tech school and Visitor Centre education program.

The Long Walk

Support to deliver the Ganbu Gulin program in local schools, an eight-week program that offers learning through First Nations art, dance, bush tucker and sport workshops.

Helping Hands

Partnership and employee volunteer program for food pantry services in the Hume and Brimbank local government areas.

Mountain Festival

An arts and environment festival held in Macedon, north of the airport.

Conservation Volunteers Australia

Financial support and volunteer program for the Eastern Barred Bandicoot sanctuary adjoining the airport.

Community Giving Fund

A fund that distributes \$4,000 grants to organisations surrounding Melbourne Airport to support local community, arts, sports or service groups with small-scale initiatives and projects.

Employee volunteering

Volunteering at careers expos, practice interviews for students, planting grasses and at Foodbank Victoria.



Community Grant Program Recipients for 2024/25

Melbourne Airport provided \$10,000 each to 10 community centres and neighbourhood houses located within 20 kilometres of the airport. This year’s recipients were:

- Kensington Neighbourhood House Inc
- Hillside Community Centre and Neighbourhood House
- Olympic Neighbourhood House
- Banksia Gardens Community Services
- Duke Street Community House Inc
- Farnham Street Neighbourhood Learning Centre
- Dallas Neighbourhood House
- West Footscray Neighbourhood House
- Williamstown Community and Education Centre
- Lalor Neighbourhood House

Supporting Grassroots Sport through Partnership with Keilor Sports Club

Melbourne Airport is proud to support grassroots sport through its six-year partnership with Keilor Sports Club, one of the largest volunteer-run sporting organisations in the City of Brimbank.

Signed in 2023, the partnership includes a financial contribution toward the club’s \$2.65 million redevelopment project to expand and upgrade its facilities to meet the

needs of a growing and diverse membership base, as well as a new native garden and wall mural that celebrates the history of Keilor. The rebuild was completed in June 2025.

Melbourne Airport “pops up” at a football home game each year with a fundraiser sausage sizzle and to answer questions, promote jobs and provide information about the airport and its operations to the local community.



Partnerships with Iconic Victorian Organisations

Melbourne Airport has worked with renowned Melbourne organisations to deliver a range of exciting programs. These have focused on delivering benefits to members of neighbouring communities.

Zoos Victoria:

- Upgraded the Werribee Open Range Zoo’s popular Safari Tour to make it Auslan accessible
- Sponsored “Dream Day” for children with disabilities and their families to enjoy Melbourne Zoo in a safe and controlled setting

Melbourne Symphony Orchestra:

- Sponsored “Jams in Schools” for primary school students in Melbourne’s north and west to participate in fun and interactive in-school music workshops

Royal Botanic Gardens Melbourne:

- Plants in Space program, which involved students from schools in Melbourne’s north and west in a citizen science program to support the work of NASA scientists
- Nurtured by Nature program, which engaged students in nature-based excursions to Royal Botanic Gardens Melbourne led by expert educators

Guide Dogs Victoria:

- A “pup-up” cafe appeared at Melbourne Airport during school holiday periods, encouraging a fun space for children and other travellers to learn about Guide Dogs Victoria and the work it does



Engaging Our Community

Maintaining open lines of communication between Melbourne Airport and surrounding communities is a key priority, and one of the most effective ways to do this is face-to-face. The airport team organised 14 community pop-ups at a variety of locations, mostly in the northern and western suburbs.

A key initiative was expanding the school and community group tours, with 498 people enjoying tours of Melbourne Airport throughout the year. The airport works closely with local schools to create awareness of the airport and the array of jobs and careers it offers. The program has a particular focus on options in aviation and non-traditional roles for young women and local opportunities.

Connecting with Our People

At APAC, people are at the heart of the organisation’s purpose to “create connections that matter”. The company continues to embed its core values – Be You, Work Together, Own It and Think Big – into the everyday experience of working at Melbourne and Launceston Airports.

APAC introduced Respect@Work training aimed at nurturing a safe, respectful and inclusive workplace. The small-group, face-to-face training equips employees with a deeper understanding of their roles in creating a positive

work environment, highlights the benefits of inclusion and provides practical methods to enhance individual impact while addressing potential barriers.

The workforce at both Melbourne and Launceston airports continues to expand to support rapid growth in the scale and complexity of their operations. Capital works, project management and a complex environmental landscape have contributed to much of this growth.

Diversity, Equity, Inclusion and Belonging

APAC continues its pursuit of a gender diversity target of 40 per cent male, 40 per cent female and 20 per cent of any gender by 2030. Over the past year, APAC has proactively tested the market and challenged historical recruitment trends, broadening the candidate pool to achieve more balanced and diverse shortlists for every role. APAC remains on track to achieve its target and is currently ahead of its interim target.

APAC’s Diversity, Equity, Inclusion and Belonging Strategy was formally endorsed by the APAC board and launched in July 2025. This strategy provides a long-term framework to support APAC’s commitment to a more inclusive and equitable workplace for all team members.

In parallel, employee-led networks continue to play a valuable role in shaping an inclusive culture. APAC Pride, the organisation’s LGBTQI+ advocacy group, maintained a strong presence throughout the year with participation in Melbourne’s Midsumma Festival, acknowledgement of IDAHOBIT Day and other initiatives designed to foster visibility, support and allyship within the business.

The upcoming launch of the Cultural and Linguistically Diverse (CALD) employee network will provide further representation for another key segment of the workforce.

In March 2025, Melbourne Airport once again participated in International Women’s Day, this year partnering with Air India and Airservices Australia for two all-female flights. The inbound service from Delhi and outbound flight back to India were crewed entirely by women in both the flight deck and cabin and serviced on the tarmac and in the air in Melbourne by a female ground team and female air traffic controllers. The partnership with Air India was designed to highlight the airline’s world-leading numbers of female pilots and the growing number of airport roles filled by women.



Local Employment

Melbourne Airport is one of the largest single-site employment precincts in Victoria, and the majority of the airport workforce lives in the seven surrounding local government areas.

To connect local job seekers with airport employment opportunities, Melbourne Airport participated in three job fairs throughout the year, including the Brimbank Careers Exploration Day, VET Discovery Expo and Trade & Tech Fit Career Expo. Staff also volunteered their time to support career searchers with practice interviews at council-run training sessions.

As part of a focus on enhancing access to employment opportunities across the precinct, the airport invested in a refresh of the Melbourne Airport Joblink website. The updated platform features an improved user experience and streamlined navigation, making it easier for job seekers to discover and apply for roles with a diverse range of airport-based employers including airlines, retailers, hospitality providers, freight operators and more. The site

continues to play a key role in connecting thousands of candidates with available roles across the precinct.

Some of the 20,000-strong workforce were featured on Airport 24/7, a behind-the-scenes look at life at Melbourne Airport. Filmed over three months at the end of 2024, the series aired on Channel 10 in June 2025 and will air globally on National Geographic in September.



First Nations



Since launching its first Reconciliation Action Plan (RAP) in 2024, APAC has taken several steps to strengthen its connections with First Nations peoples and communities.

The Executive Leadership Team completed cultural awareness training delivered by the Koorie Heritage Trust, supporting a deeper understanding of Aboriginal cultures, histories and perspectives. To help guide implementation of the Reconciliation Action Plan, APAC engaged Leanne

Brooke, from The Long Walk Foundation, as the Adviser to the RAP Working Group.

Employee engagement has been a key focus, with a number of initiatives across the business. These included an education session on the Victorian Treaty process and a screening of the Indigenous film Top End Wedding for staff. RAP Working Group members and other staff represented the company at The Long Lunch in Melbourne and Reconciliation Tasmania’s annual breakfast in Launceston, both events held to recognise National Reconciliation Week.

Partnerships with First Nations organisations have continued to grow, particularly with The Long Walk Foundation. APAC has also collaborated with First Nations artists on two creative projects: an artwork for the new community engagement trailer and the ongoing Naarm Way precinct project, which aims to embed culture and storytelling throughout the airport environment. A video featuring Auntie Joy also highlighted the Indigenous history of the lands on which Melbourne Airport is built.

Melbourne Airport regularly invites Wurundjeri Elders to conduct cultural heritage inductions for staff and contractors to increase awareness of First Nations history and the significance of the airport’s land. In addition, development and maintenance works are subject to cultural heritage management plans, and work continues on cultural heritage mapping of the entire airport estate.

Inductions are also completed for staff and contractors at Launceston Airport, which are presented by heritage consultants and an Aboriginal Heritage Officer.



Melbourne Airport
Experience Ambassadors

Inaugural Juneyao Airlines arrival



FY25 vs FY24 Melbourne Airport Aviation

Highlights



TOTAL PASSENGERS
(EX TRANSITS) **+2.8%**
36.2m↑

INTERNATIONAL
PASSENGERS **+8.3%**
12.0m↑

DOMESTIC
PASSENGERS **+0.4%**
24.2m↑



ON TIME PERFORMANCE
(EX TRANSITS) **+4%**
70%↑

ARRIVALS
+3%
64%↑

DEPARTURES
+5%
76%↑



AIRCRAFT MOVEMENTS
(EXCLUDES GENERAL AVIATION)
-2.8%
235.6k↓

INTERNATIONAL AIRCRAFT
MOVEMENTS **+4.9%**
55.8k↑

DOMESTIC AIRCRAFT
MOVEMENTS **-4.9%**
170.3k↓

INTERNATIONAL FREIGHTER
MOVEMENTS **-23.5%**
2.1k↓

DOMESTIC FREIGHTER
MOVEMENTS **-8.3%**
7.4k↓



AIR FREIGHT EXPORT
154.2k
tonnes



AIR FREIGHT IMPORT
113.4k
tonnes



EXPORT MARKET SHARE **+0.8%**
38.3%↑
from FY24

Aviation

As Australia's largest 24-hour gateway, Melbourne Airport welcomed new airlines, new services and new aircraft, as operators capitalised on opportunities for growth.

The surge in international capacity helped set new passenger records throughout the year with January 2025 the busiest month ever recorded at Melbourne Airport.

Building International Capacity

Melbourne Airport has worked closely with international carriers to add new routes, increase frequencies, grow new markets and restore capacity.

The result was a record numbers of seats, passengers and cargo capacity for local exporters, with international traveller numbers up 8.3 per cent on the previous financial year.

In February, North American giant Delta Air Lines announced plans to add Melbourne Airport to its extensive network, with the airline to launch flights to Los Angeles from December 2025. Delta will initially operate the service three times per week.

North America has been one of the very few markets that has not returned to pre-pandemic levels of capacity, and Melbourne Airport worked closely with the Victorian state government to facilitate the new link.

The Middle East remains an important focus for growth, with hubs in Dubai, Abu Dhabi and Doha offering passenger and freight connections from Melbourne into Europe and Africa.

In March, Emirates boosted its schedule by replacing its daily Boeing 777 service to Dubai via Singapore, with a third daily non-stop flight from its hub. The third daily service became the first in Australia to operate with the carrier's refreshed onboard product, with four service classes including an enhanced business class.

Capacity to the Middle East will increase again in December, when Virgin Australia launches flights from Melbourne to Doha, using a wet leased Qatar Airways Boeing 777. Between them, Virgin Australia and Qatar will operate three daily 777 services from Melbourne Airport.



Overseas-based airlines account for more than 70 per cent of international seat capacity into Melbourne Airport.

Ahead of the Christmas travel peak, Philippine low-cost operator Cebu Pacific increased flights to Manila from three to four per week, using a high-density 459-seat Airbus A330neo, while South Korea's Asiana resumed its popular seasonal service to Seoul.

December saw one of China's largest privately owned carriers, Juneyao Airlines, launch flights from Shanghai.

The service operates with a Boeing 787 and provides passengers and local exporters with increased choice for access to the critical mainland China market.

December also heralded the launch of seasonal flights between Melbourne and Beijing Daxing Airport, with China Southern operating an Airbus A330 service three times a week from the Chinese capital's newest hub.

The service performed well with high load factors across the ten-week season, with an extended flying program now under consideration for this year.

The new services and increased capacity culminated in new records for daily passenger numbers and baggage processing in the international terminal.

In April, Melbourne hosted one of its largest ever conferences, with 16,000 Chinese Amway delegates flying in to explore the city and surrounds. Several Chinese carriers added extra capacity across the month to help facilitate the event.

The influx of travellers from China contributed to the busiest April on record for the international terminal, with passenger numbers up 16 per cent on the previous year.

April also marked confirmation from Malaysia Airlines that it would progressively increase the frequency of its flights to Kuala Lumpur from two per day to three per day, placing the carrier in Melbourne's top five based on seat capacity. The announcement followed the company's decision to select Melbourne Airport as the launch destination for its first Airbus A330neo in December.

New Zealand remains one of Melbourne's largest international markets and benefited from a boost over summer, with Taiwan's China Airlines launching a seasonal service between Melbourne and Auckland, operating a tag to its six-times-weekly Airbus A350 service from Taipei.

In May, Qantas announced plans to increase its seasonal trans-Tasman flying from Melbourne, with a 23 per cent increase in services to Auckland, a 26 per cent increase in flights to Christchurch and an extra two services a week to Queenstown to operate across the Northern Winter season.

Qantas has been progressively growing its international footprint from Melbourne, and in May added a new destination, when it replaced Jetstar on the popular leisure route to Hawaii. The airline now offers flights three times a week to Honolulu.



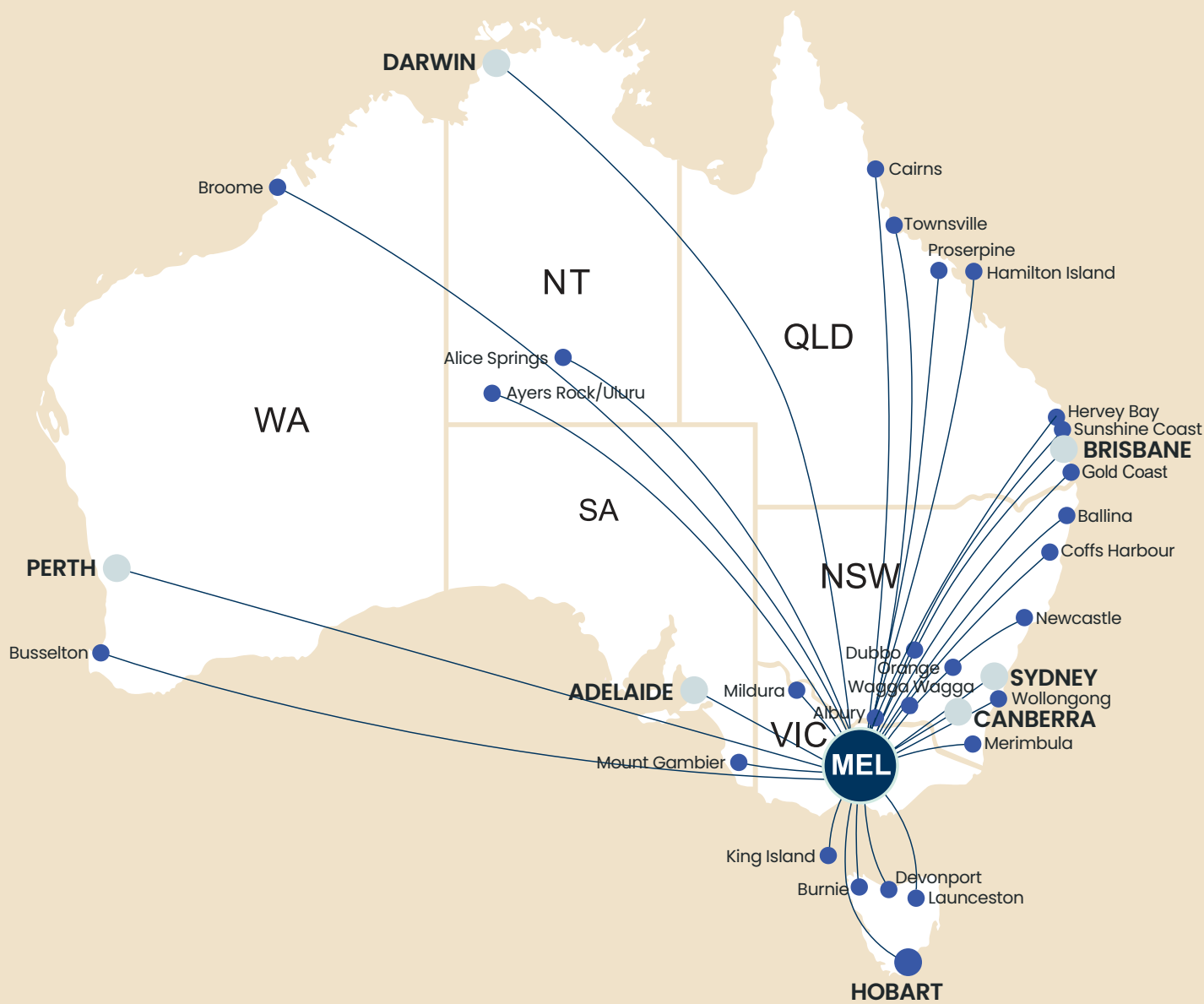
International Routes

Melbourne – Victoria's gateway to the world



Domestic Routes

All domestic carriers



Enhancing Domestic Connections

The collapse into administration of Rex at the end of July 2024 resulted in Australia's domestic aviation market returning into an effective duopoly. While the Federal Government moved to guarantee the continued operation of regional flying by Rex's Saab 340 fleet, the airline's jet operation was grounded.

Virgin Australia moved to secure some of the Rex Boeing 737 fleet, and as Virgin Australia's largest port, Melbourne Airport worked to ensure the extra capacity was used to consolidate that position.

Underscoring this, November 2024 was Virgin Australia's busiest ever month at Melbourne Airport, with more passengers travelling through its Terminal 3 hub than at any other time since the airline first started flying to Melbourne in May 2001.

Melbourne-based Jetstar Airways continued to take delivery of its Airbus A321 neo fleet, which it has used to replace A320 ceo services and increase capacity on its domestic network.

The airline has also started taking delivery of A320 neo aircraft, which are quieter and more fuel-efficient than the aircraft they are replacing.

Qantas has taken delivery of more Airbus A220 aircraft, which it has deployed on routes out of Melbourne to

Canberra, Tasmania and Queensland. Melbourne Airport is now working with Qantas to prepare for the entry into service of its Airbus A321XLR fleet, which will initially operate on capital city trunk routes.

Melbourne's major events calendar continues to drive domestic travel, with Grand Final Friday the airport's busiest day since the Covid-19 pandemic. A total of 119,740 passengers passed through the terminals ahead of the all-interstate Grand Final between Brisbane and Sydney.

The proximity of the Easter and Anzac Day long weekends helped drive an increase in travel in April, with domestic passenger numbers for the month up four per cent on the previous year.

The increase in leisure travel has helped partially offset the changes to corporate travel, which remains below pre-pandemic levels in what appears to be a permanent structural change.

Despite a year-on-year drop in domestic aircraft movements that reflects the suspension of Bonza and Rex jet services, domestic passenger numbers grew 0.4 per cent.



Cargo

Melbourne Airport is Australia's curfew-free cargo hub, accounting for roughly 38 per cent of all Australian air-freight exports.

Between July 2024 and March 2025, more than \$6.8 billion of local produce was flown out of Melbourne Airport to global markets.

Fresh meat products represent the largest export by volume, while locally made pharmaceuticals were the highest value produce.

With most export products flown in the cargo hold of passenger aircraft, the number of dedicated international freighter flights decreased this financial year in line with the increase in passenger services.

Outlook

Demand for international travel to and from Melbourne continues to grow, and as more airlines take delivery of long-range Airbus A350, Airbus A321XLR and Boeing 787 aircraft, the number of viable direct connections continues to increase.

Melbourne Airport has identified a number of under-served and un-served routes, and continues to work closely with airlines in Australia and around the world to maximise opportunities for network expansion.

The domestic market is set to change dramatically in 2026, with the opening of Western Sydney International Airport.

This new airport will complement the existing Sydney trunk route and add an important new market for Melbourne Airport.

Deliveries of new aircraft to both the Qantas and Virgin Australia groups have been impacted by manufacturer supply chain issues, but the progressive arrival of more Airbus A321XLR, Airbus A220 and Boeing 737MAX jets will allow airlines to increase capacity within their existing schedules.

Melbourne Airport's infrastructure investments will support domestic and international airlines to continue growing by providing them with more space and operational flexibility.

Infrastructure

To support Victoria’s growing population and economic development, Melbourne Airport is delivering an ambitious capital investment program over the next decade to deliver infrastructure that enhances capacity, efficiency and connectivity.

This program is designed to ensure the airport keeps pace with passenger demand, improves the experience for travellers and supports the needs of Victorian exporters and importers.

Third Runway Approved

In September 2024, the Federal Government approved Melbourne Airport’s Third Runway, marking one of the most significant milestones in the airport’s history. The approval followed a 104-day community consultation period in 2022 and a robust assessment of the project’s environmental and social impacts.

The new north-south runway will be 3,000 metres long and located 1.3 kilometres to the west of the existing north-south runway. It will create a parallel runway system capable of independent operations, allowing for simultaneous take-offs and landings. This enhanced capacity is essential to meet Australia’s long-term aviation needs, with Melbourne Airport’s annual passenger volumes forecast to reach 76 million by 2042.

The new runway will help support a more efficient, resilient and competitive aviation network. Once operational, the parallel runway system will be able to accommodate an additional 136,500 aircraft movements per year, reducing delays during peak periods and giving existing airlines and new entrants the infrastructure they need to grow.

The project is expected to support 37,000 additional jobs across the state by 2046, including thousands of jobs during construction. The development will also help safeguard Melbourne’s standing as Australia’s largest 24-hour

gateway for tourism, international education, trade and business.

Early works activities are expected to begin in the second half of 2025. This will include upgrades to Sunbury Road to allow for safe access for construction vehicles and the construction of the Arundel Creek Treatment Plant, which will treat water discharged into Arundel Creek.

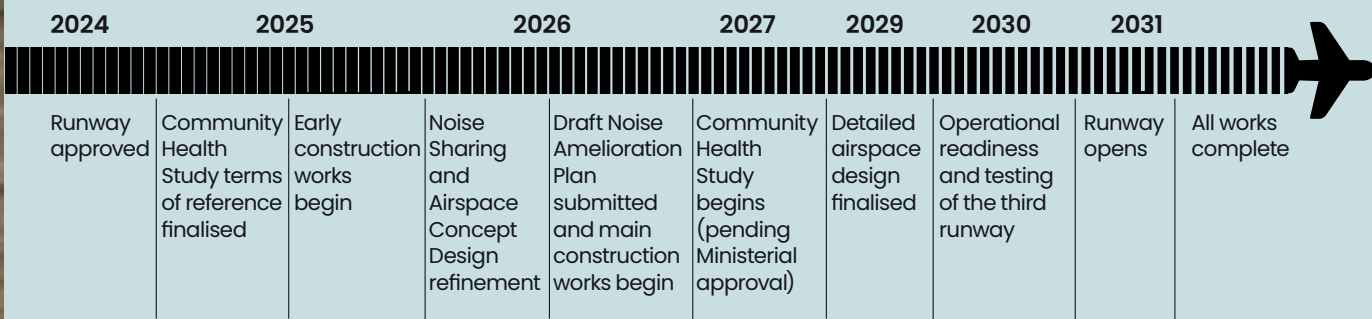
Melbourne Airport is required to implement a Noise Amelioration Plan and Program and develop a Noise Sharing Plan, as conditions of the runway approval.

The Noise Amelioration Plan must be submitted to the Federal Government for approval by September 2026 and will describe the program to ameliorate the impact of aircraft noise on residential dwellings as well as childcare, healthcare and education facilities within the standard 20 year Australian Noise Exposure Forecast 25 contour for Melbourne Airport.

The Noise Sharing Plan will outline how the airport will share and lessen noise across the communities surrounding the airport. The independent contractors that will develop the plan, including leading the consultation, have been appointed and have started engagement with stakeholders.



Third Runway timeline



A New Airport Front Door

Melbourne Airport is midway through construction of an elevated road network that will enable a major reconfiguration of the terminal precinct and ground transport system.

The road infrastructure upgrade will pave the way for an expansion of the international terminal, while also helping to reduce congestion and improve the flow of vehicles accessing terminal car parks and passenger pick-up and drop-off zones.

The first stage of this elevated road program was completed in July 2023 with the opening of Naarm Way Stage One. This new elevated road allows drivers to bypass roundabouts and traffic lights when accessing the Terminal 4 car park directly from the Tullamarine Freeway, reducing journey times and easing traffic pressure on the airport’s internal road network.

Work began on the second stage of the project in April 2024. Stage Two extends the elevated road network from Terminal 4 to Terminals 1, 2 and 3, providing all terminals with direct access from the Tullamarine Freeway. Levels 2 and 3 of the existing car park will be repurposed into dedicated pick-up and drop-off zones, providing passengers with access to the terminals via new pedestrian footbridges.

A number of significant changes have been implemented to enable this work including the relocation of the Valet parking facility (from level 2 to level 1 of the Terminal 1, 2, 3 Car Park), relocation of the Terminal 1 taxi and Uber ranks and the installation of a temporary entry to the Terminal 1, 2, 3 Car Park. Operational improvements have also been made to accommodate new entry and exit points for rental car facilities and the associated car wash bay.

Work also commenced on two new pedestrian bridges that will link the elevated drop-off and pick-up areas directly to the terminals.

The project continues to make solid progress despite the complexity of working within a live 24/7 operational environment.

The reconfigured road network is scheduled to open in late 2026 and will represent a major transformation in how passengers access Melbourne Airport. Given the scale of change, a comprehensive communications and wayfinding program is being developed to help travellers, transport operators and the wider community adapt.



International Expansion

In January, the airport announced planning is underway for an expansion of the international terminal.

This expansion is enabled by the opening of Naarm Way Stage Two, which creates the space required to extend Melbourne Airport’s international terminal footprint out into the current arrivals forecourt.

The proposed international terminal expansion will deliver additional gate capacity, more aircraft parking positions, more check-in space and a larger baggage reclaim hall. The upgrade will also increase capacity for airline lounges, retail outlets and passenger waiting areas.

Melbourne Airport has continued to engage with airlines on the scope and staging of this expansion.

One of the first steps in enabling this expansion was the opening of the new airfield Taxiway Delta. The 800-metre taxiway was constructed over 11 months and runs parallel

with the east-west runway. The new taxiway will help reduce aircraft congestion on the airfield and provide space for the addition of five extra gates to the international pier.

To support growing international passenger numbers, Melbourne Airport is also increasing the capacity and capability of the international baggage system. Work is underway to replace the existing conveyer belts with a tote-based system that processes more bags, while improving baggage tracking and reducing the likelihood of damage to luggage.

The expansion will also allow for the installation of more powerful screening equipment for baggage travelling on international flights, in line with European Civil Aviation Conference (ECAC) Standard 3, and a new bag storage facility paves the way for the introduction of anytime check-in for international travellers.

The baggage project is on track for completion by late 2026.

Domestic Terminal Improvements

Upgrades have been made across the airport’s domestic terminals, with new security screening technology introduced to Terminal 1. The screening point was rebuilt with new baggage screening and body scanning technology, requiring a complex phased approach to construction and installation.

The upgrades mean Qantas domestic passengers no longer need to remove laptops, tablets or aerosols from their carry-on luggage, in line with the technology in the airport’s other terminals. It also delivers on a federal government requirement to strengthen aviation security.

A redevelopment of Terminal 3 has further enhanced Melbourne Airport’s single-roof terminal precinct by

connecting all four terminals at both the arrival and departure levels. The project included the installation of two new baggage carousels, a new oversized baggage collection point and refurbishment and lengthening of the existing two carousels.

Melbourne Airport has continued to invest more than \$70 million in new and enhanced passenger amenities, with additional upgraded facilities now open in Terminal 1, Terminal 2 and Terminal 4. The Terminal 2 bathrooms are three times the size of the facilities they replaced to account for the significant growth in international passenger arrivals, while the Terminal 1 upgrade includes enhanced facilities for parents travelling with young children.



Melbourne Airport Naarm Way Stage Two Construction



Ground Transport

Melbourne Airport's ground transport network continues to evolve, with significant enhancements to improve convenience, capacity and connectivity for passengers.

The year was punctuated by several milestones including a reconfiguration of kerbside taxi and Uber access, relocation and enhancement of valet services, the signing of a Memorandum of Understanding to deliver the Melbourne Airport Rail Link, and critical investments in technology to modernise systems and support future growth.

Parking

Sustained strong demand for parking has continued over the past 12 months, delivering consistent revenue growth for parking despite a reduction in bays.

Construction of the Naarm Way Stage Two project required the removal of more than 1,700 parking bays within the Terminal 1, 2, 3 Car Park to make way for future drop off and pick up locations.

Consequently, parking revenue grew by a modest 0.3% for the year, reflecting the reduced capacity within the airport's main parking hub.

A strategic price review in November 2024 delivered the first increase to drive-up rates in four years while maintaining the popular \$12 a day rate online for long-term value parking.

This change was designed to incentivise online bookings, to enable the operations team to improve capacity management and planning around disruptions with greater real-time visibility of planned arrival and departure times across all car parks.

Combined with revenue management activities, this price review supported average transaction value growth of five per cent, with online transactions increasing by 3.8 per cent.

For passengers, these technology enhancements have provided the ability to extend bookings post-arrival in the event of last-minute flight cancellations or delays while maintaining the original booking rate.

Cost of living pressures continued to drive strong demand for the airport's highly competitive daily rate for long-term value parking of \$12.

The carpark was often capacity constrained during peak periods such as school holidays, leading to the extension of the Value Express service to maximise efficiency within the carpark.

The Value Express service provides Value Car Park customers with a valet service for a one-off upgrade fee.

Demand for the product has been sustained, with consideration now being given to expanding the offering and extending it to a year-round service.

Commercial Operators

Melbourne Airport made significant changes to the operations of some of its commercial partners to better align with passenger preferences and expectations.

Improving accessibility and reducing congestion were key drivers behind changes to taxi and rideshare ranks in May, with new split Taxi/Uber ranks going live at both Terminal 1 and International Terminal 2.

These changes align with the Terminal 4 ground transport model and reduce walking distances for passengers, simplifying their onward journeys while helping to ease traffic in the arrivals forecourt.

Technology enhancements have played a key role in modernising the ground transport ecosystem, with a major system upgrade saving hours of administration for bus operators and the ground transport team.

The new online payment platform for bus operators, supported by licence plate recognition cameras and real-time account management tools, allows companies to autonomously manage their accounts with the airport and removes unnecessary administration.

This transition has significantly improved efficiency and billing accuracy for more than 300 landside bus operators.

SkyBus remains a cornerstone of Melbourne Airport's transport offering, having partnered with the airport for more than 30 years.

Strengthening the partnership into the future, Skybus' license has been extended to November 2034, supporting its investment and transition to electric buses and landside operations at the airport.

SkyBus now operates airside bussing services on the tarmac, taking over operations from CarBridge and marking a significant milestone in the long-standing partnership.

The new contract also includes onboard screens displaying stop locations and live estimated arrival times at terminals.

These changes allow for the centralisation of all bussing operation at Melbourne Airport and provide new flexibility for airfield bussing operations.

Melbourne Airport also extended its existing seven-year partnership with Wilson Security in May 2025 for a further three years, which will ensure continuity for the provision of landside security and traffic management services at Melbourne Airport.

Wilson Security's strong airport and precinct knowledge will support the smooth operation of vehicle and passenger flow during the ongoing intensive construction period in the landside precinct.

Melbourne Airport Rail

In March 2025 Melbourne Airport signed a Memorandum of Understanding with the Federal and Victorian Governments to deliver the Melbourne Airport Rail Link.

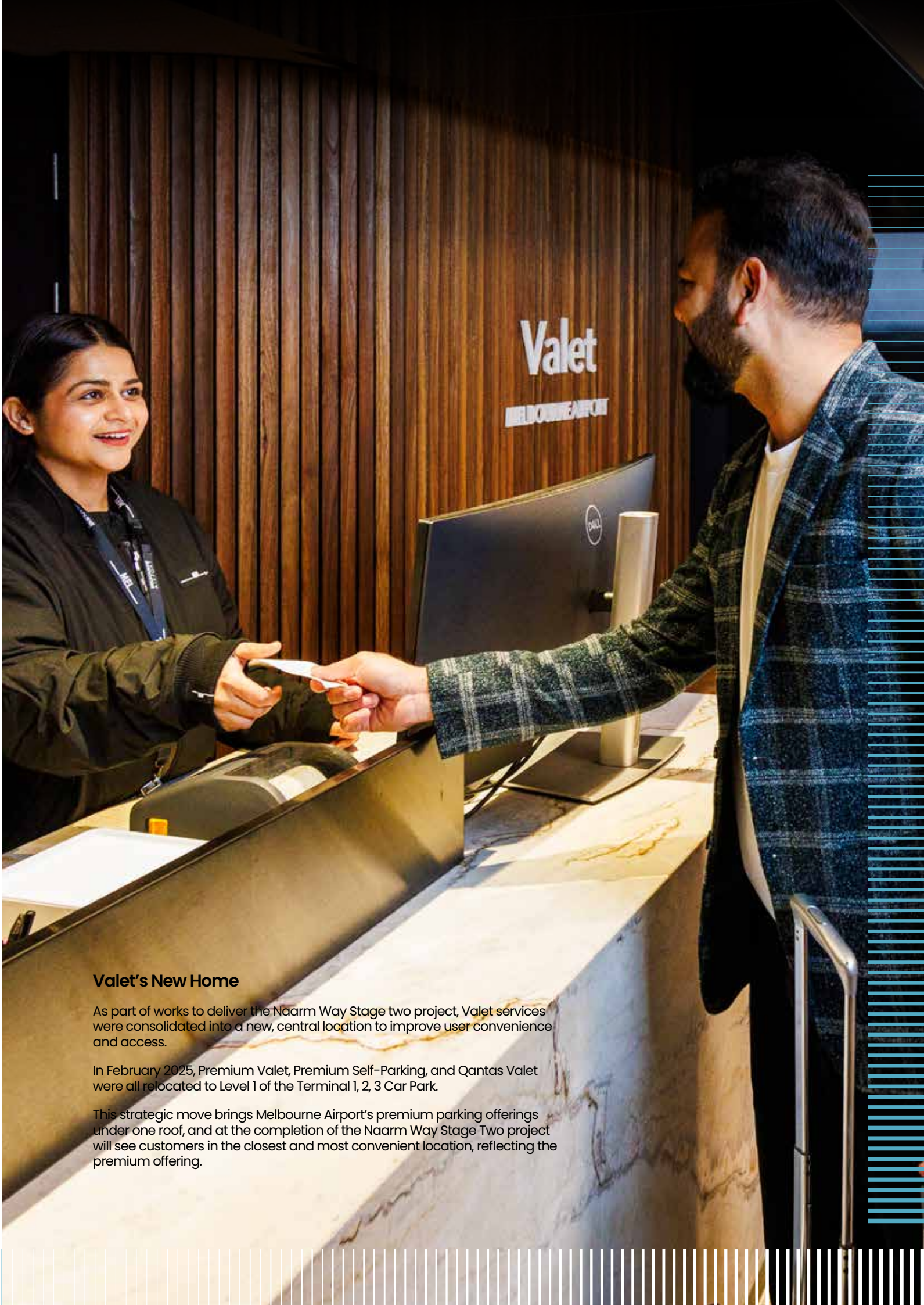
The agreement established a high-level steering committee to progress the project and finalise the path to construction and delivery.

This follows Melbourne Airport's July 2024 commitment to support an above-ground station in the terminal precinct.

The Federal Government has committed an additional two billion dollars to the project and the Victorian Government has brought forward enabling works at Sunshine station.

Work is now underway to review traffic modelling on the Tullamarine freeway which will help inform the government's final delivery timelines.

When complete, the rail link will provide Melbourne Airport passengers and staff with an important additional choice for access to the city and suburbs.



Valet's New Home

As part of works to deliver the Naarm Way Stage two project, Valet services were consolidated into a new, central location to improve user convenience and access.

In February 2025, Premium Valet, Premium Self-Parking, and Qantas Valet were all relocated to Level 1 of the Terminal 1, 2, 3 Car Park.

This strategic move brings Melbourne Airport's premium parking offerings under one roof, and at the completion of the Naarm Way Stage Two project will see customers in the closest and most convenient location, reflecting the premium offering.

Commercial Property

Melbourne Airport’s commercial property portfolio continues to grow and provides an important stream of non-aviation revenue.

The 650-hectare Melbourne Airport Business Park is the largest in Australia. Tenants include freight and logistics companies, cold storage providers, accommodation providers, advanced manufacturing facilities including vertical farming, and sport, recreation and adventure sport operators.

Speculative Warehouse Program

Melbourne’s industrial market continues to experience low vacancy rates, which prompted Melbourne Airport to embark on new speculative warehouse developments. Spec Bravo and Spec Charlie on Macedon Way were both fully leased to Wesco Anixter, Programmed and CDB Group prior to practical completion.

Spec Delta construction commenced in July 2025, offering 13,000 square metres and the ability to accommodate up to four tenants, with flexibility to adjust inter-tenancy walls for occupier efficiencies. Binding Agreements have been entered into with Hellman for one of the four tenancies, with the warehouse on track for completion in FY26.



Construction

Two large facilities, an 18,500-square-metre warehouse for Röhlig Logistics and a 23,500-square-metre warehouse for COPE Sensitive Freight, achieved practical completion and handover in early 2025. COPE and Röhlig chose to be located within Melbourne Airport Business Park because of its unrivalled location and connectivity to major arterial roads as well as the Port of Melbourne.

In FY25 construction commenced on the sensitive air freight facility for Mainfreight, the expansion of the existing warehouse for Dnata Catering as well as a state-of-the-art indoor vertical farming facility for Stacked Farm.

Work to commission the new CSL Seqirus vaccine manufacturing hub is progressing well, with the facility scheduled to be operational in 2026. The state-of-the-art

medical plant will manufacture influenza vaccines, Q fever vaccine, antivenoms and other vaccines for Australia and the world.

The Commercial Property team also completed the first stage of 320 metres of Operations Road, a key enabling infrastructure project that on completion of future stages opens up another 300,000 square metres (30 ha) of developable land within the Southern Precinct for future property opportunities.

Public amenity has been enhanced in the Melbourne Airport Business Park with the construction of a walking track around the upgraded Annandale Road stormwater retarding basin and the opening of two “pocket parks” for use by nearby tenants and their staff.

Development

Six new deals were endorsed by the APAC Board during FY25 being:

- Dnata Expansion
- Mainfreight
- Western Freight
- MECCA
- AirRoad
- Spec Shed Delta

The acquisition of CAH Portfolio was approved as well as approval for State 1 Data Centre power procurement.



Customs House achieved practical completion in FY25



Röhlig Logistics

Röhlig Logistics chose to have its 18,500 square metre warehouse located within Melbourne Airport Business Park because of its unrivalled location and connectivity.

Novotel & ibis Styles Melbourne Airport

The Novotel & ibis Styles Melbourne Airport Hotels opened on 1 July 2024 adjacent to the Terminal 4 Ground Transport Hub, adding 464 rooms into the airport precinct. Booking numbers and overall business performance tracked closely to expectations in FY25, with results reinforcing the strategic value of the dual-brand strategy.

The Novotel brand is designed to appeal to a mid-scale demographic, while ibis Styles provides a high-value, premium economy offering. The hotels' comprehensive amenities package notably surpasses offerings at other airport locations, including three distinct dining venues as well as Higher State, a world-class health and wellbeing club.

The hotels also feature the largest ballroom within Melbourne Airport – capable of hosting up to 300 guests – which presents substantial opportunities for driving revenue through conferencing, events and weddings. This offering is complemented by Aerofoil Workspace, a modern, two-story co-working space specifically designed to meet the needs of business travellers, providing flexible meeting, desk and office spaces.





The Square at T1

Retail

Melbourne Airport's commitment to showcasing the best of Victoria remains at the core of its retail strategy. From the warmth of its people, to its vibrant culture and renowned food and shopping scene, Melbourne Airport brings the best of the city to the terminals.

A focus on customer choice and value has delivered improved year-on-year retail performance, with record food and beverage spend across all terminals.

New Offerings at Melbourne Airport

Recognising the integral role of our retailers to the traveller experience, Melbourne Airport continues to evolve its product offering with operators carefully selected to enhance every journey. Nine new or rebranded retail outlets have been opened in the past year including JB Hi-Fi electronics and WHSmith convenience tenancies in Terminal 1, new Nöödles dining facilities in Terminal 2 and the Terminal 1 / 2 Link and a refurbished Prosegur currency exchange store in Terminal 2 departures.

Beloved Victorian craft brewery Bridge Road Brewers launched its only airport location in Terminal 1 in February 2025, while the airport's first dual-brand offering was opened in Terminal 4, trading as Croissant Lab in the morning and Pizza Al Taglia in the afternoon and evening.

The airport's medical centre relocated to a new, improved space in the Terminal 1/2 Link, to better serve travellers and staff.



Lotte Duty Free

Melbourne Airport's Duty-Free partner continued to evolve and expand its offerings with exclusive counters and activations to help drive engagement and sales.

This included airport-exclusive fragrance launches, such as Boss Bottled Beyond and Gucci Flora; a Melbourne-exclusive limited edition Cointreau Collection pop-up; and a cosmic Lego retail experience incorporating galaxy-inspired lights and sounds, alongside interactive gaming elements for travellers of all ages.

In Arrivals, the first stage of the Duty Free upgrade was completed ahead of schedule and in time for the April 2025 holiday period. The space has been inspired by Melbourne's laneways and architectural style and delivers a larger, enhanced shopping experience with clearer layouts, updated design, and a wider product range for arriving travellers.

Lotte also partnered with airlines on highly incentivised campaigns such as a round-trip ticket giveaway to Japan, which lifted average transaction values.

Since April 2025, travellers have been able to earn Qantas Frequent Flyer points on eligible purchases – a first for duty free stores – adding to the appeal of shopping Duty Free.

The online Duty-Free platform Laneway, also underwent a full website and e-commerce revamp to improve user experience.



Terminal Transformation

To ensure retail offerings remain fresh and appealing to travellers and the airport community, a significant number of retail sites in Terminals 3 and 4 have undergone refurbishment over the past 12 months.

In Terminal 1, infrastructure works for Stage two of the Pier C redevelopment were completed in preparation for new retailers. A full-service Brunetti Classico restaurant with a gelati bar and a pizza kitchen will open in the coming year, alongside the new Transit Lounge Bar, delivering an enhanced food and beverage offering for passengers closer to their departure gates.

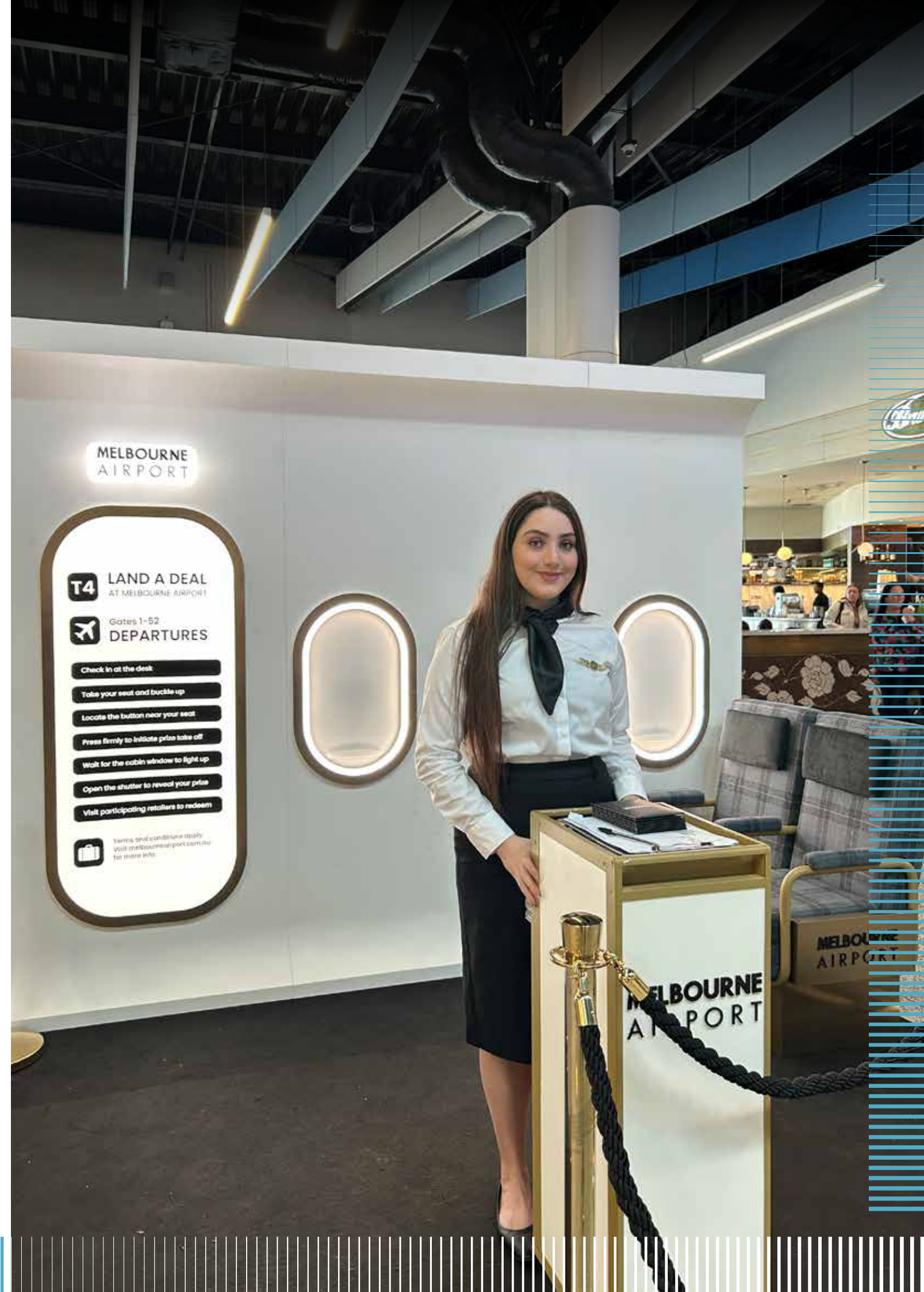
In Terminal 2, the luxury retail precinct progressively closed to make way for an expanded Duty Free Departures store that will be home to a full range of retail categories aligned to traveller preferences.

A 66-metre immersive digital screen was unveiled in the international arrivals concourse, delivering passengers a mixture of welcome messaging, arriving passenger information and high impact advertising.

Back-of-house infrastructure has also been upgraded, with all five loading docks refurbished, including the installation of new safety barriers and a dedicated pallet storage area, improving safety and efficiency of operations for Melbourne Airport retailers.

Land a Deal

Melbourne Airport actively engages with its retail partners to ensure strong value for travellers. This commitment was reflected in the introduction of our 'Land a Deal' promotion – a high-visibility three-month campaign developed in close collaboration with our food and beverage partners. More than 50 retailers across all four terminals participated, offering bundled pricing, discounts, buy-one-get-one-free and free add-ons to deliver tangible value to travellers. Its success highlights opportunity for Land a Deal campaigns to grow in future years.



Risk Management and Assurance

Rigorous risk management, governance and assurance are essential factors in ensuring safety and corporate stability as well as for sustaining long-term performance.

Risk Management

The Audit, Risk and Finance Committee has responsibility for the oversight of risk management and regularly reviews the Corporate Risk Profile as part of a continuous improvement cycle to enhance overall risk maturity.

APAC’s risk management framework provides a holistic basis for good corporate governance, supports the business in achieving its strategic objectives and fosters a positive risk culture.

APAC’s philosophy to achieving effective risk management is underpinned by three key principles:

Culture: APAC seeks to build a strong risk management and control culture through awareness, ownership and proactive management of key risks.

Structure: APAC seeks to put in place an organisational structure that promotes good corporate governance, provides for appropriate segregation of duties, defines responsibilities and authorities, and promotes awareness, ownership and accountability for risk management.

Process: APAC seeks to implement robust processes and systems for effective identification, analysis, evaluation, treatment and monitoring of risks. This is done in a holistic and consistent manner and emphasises the integrated nature of risk management within the APAC business. APAC seeks to improve risk management and internal control policies and procedures on an ongoing basis and ensure that they remain sound and robust.

Organisational risks are managed collaboratively, and APAC’s corporate risk profile is regularly reported to the Executive Leadership Team, the Audit, Risk and Finance Committee, and the Board. APAC’s Board and Executive Leadership Team have responsibility for driving and supporting risk management across the business.

Assurance

APAC maintains an internal audit function that provides a systematic and disciplined approach to evaluating and continually improving the effectiveness of risk management and internal control processes. The Audit, Risk and Finance Committee is responsible for approving the scope of the annual internal audit plan, overseeing the performance of

the internal audit team and reporting to the Board on the status of the risk management system.

The combined strength of APAC’s culture of accountability, risk management and assurance activities – the three lines of defence – provides the company with an effective risk management framework.





Our vision is to be Australia's favourite regional airport.

About Launceston Airport

Launceston Airport lies in the north of Tasmania in a place used for gathering and transit for millennia.

Centrally located in a fertile valley, surrounded by ranges and rivers, it is a natural meeting point and transport hub. Many first nations tribes travelled through the area for thousands of years, hunting and celebrating, following the seasons and their traditions.

Situated 15 kilometres south of Launceston, the airport serves as the northern gateway to Tasmania for commercial aircraft, air freight and private operators.

Most of Tasmania's key destinations are within a 2.5 hour drive from the airport, including Cradle Mountain, the Tamar Valley and The Great Lake.

Launceston is one of only two cities in Australia to be recognised as UNESCO Cities of Gastronomy.

The airport site occupies 180 hectares with a single runway and full-length

taxiway. Facilities include six domestic aircraft stands, three freight stands and 15 general aviation stands. The three-storey terminal complex includes four dedicated boarding gates. A separate terminal houses Sharp Airlines' maintenance facilities, national reservations centre and departure lounge.

The airport also provides a range of facilities and office accommodation to ancillary non-aviation businesses attracted to the benefits of operating in an environment that has excellent connectivity and logistics links.

As the main aviation hub for northern Tasmania, Launceston Airport is the second-busiest airport in the state. A key economic driver, the airport contributes \$81 million annually to the Northern Tasmania economy with tourists arriving through the airport contributing more than a billion dollars to the state's economy. The airport has a workforce of more than 450 direct and indirect employees.

Launceston Airport

FY25 Launceston Airport

Highlights



TOTAL PASSENGERS **+0.8%**
1.4m↑



AIRCRAFT MOVEMENTS
(INC FREIGHTERS) **-11.9%**
14.2k↓



NUMBER OF EMPLOYEES
48



GENDER BALANCE (% FEMALE)
29.2%



FATALITIES
0



LOST TIME INJURIES (EMPLOYEES)
1



LOST TIME INJURY FREQUENCY RATE
(EMPLOYEES)
14.62 per million hours



CUSTOMER INCIDENTS
1



Launceston Airport
Major terminal renovations

Launceston Airport Strategy

To enhance, grow, lead and enable

Customer first

Enhance the Tasmanian brand and deliver the most positive and memorable regional city airport experience in Australia

- Implement brand and customer experience strategies
- Car park technology roadmap and expansion
- Airport Coordination Centre design and implementation
- Terminal precinct development

Grow our business

Drive revenue diversification and profitability by growing the airline network, development of property precincts and commercial partner opportunities

- AFA planning
- Long term land development strategy
- Aviation network development opportunities
- Capital plan delivery
- Retail transformation
- Freight infrastructure

Lead with influence and drive sustainability

Leverage stakeholder relationships to drive social, economic, community and ESG outcomes

- ESG strategy delivery
- Community and key stakeholder engagement to enable development
- Partner with tourism and business stakeholders to initiate market development
- Advocacy to enable development and growth

Enable our people to do their best work

Embed a culture of safety, inclusion and diversity, learning and excellence to attract, develop and retain the best people

- Resource capacity and capability to support business transformation
- Ensure a safe working environment for all airport users
- Build culture to enable strategy delivery
- Advocacy to enable development and growth

Launceston Airport

Launceston Airport took significant steps towards its vision of becoming Australia’s favourite regional airport, marking its 94th year of operation with record passenger growth and a reimagining of the traveller journey all while undertaking one of the largest programs of infrastructure works in the airport’s history.

An Australian Favourite

Launceston Airport is one of the oldest passenger airfields in Australia and continues to lead in innovation and performance.

The airport celebrated its 94th anniversary by welcoming more than 1.435 million passengers for the financial year, which represents a 0.78 per cent increase on the previous 12 months and the busiest financial year on record.

January was the busiest month ever recorded at Launceston Airport with 159,032 people travelling through the terminal.

The airport also set a new daily passenger record with 6,114 travellers processed on the 2nd of January, which marked the first day in the airport’s history it had handled more than 6,000 passengers.

While airline seat capacity remained steady across the period, strong demand for services resulted in average load factors of 86.3%, a seven per cent increase on the previous financial year.

In October the airport became the first regional airport to welcome QantasLink’s next generation Airbus A220, a more fuel-efficient replacement for the Boeing 717 and a more modern offering for travellers with large windows and around 20 per cent more overhead locker space.

QantasLink also replaced the smaller Dash-8-300 with the larger Dash-8-Q400, which is capable of carrying almost 50 per cent more passengers.



In November 2024, Launceston Airport signed a five year agreement with the Qantas Group which will support the future growth of Qantas, QantasLink and Jetstar in Launceston.

Additionally, in June, an in principle agreement was reached between Launceston Airport and Virgin Australia for a two year extension to their Air Service Agreement for operations out of Launceston Airport.

The resumption of Virgin Australia’s seasonal Perth and Adelaide service drove strong growth over the summer months with the routes proving popular with both inbound and outbound travellers.

Passenger numbers grew during the traditionally quieter winter months, with new records set in both May and June, underpinned by Tourism Tasmania’s award winning Off Season and Come Down for Air campaigns.

Building for the Future

To cater for ongoing passenger growth, Launceston Airport is progressing works on the biggest terminal expansion and transformation in the airport’s history.

Following the successful opening of a new state of the art Check-in Hall and Security screening point, works have now commenced in the Departure Hall.

Designed to bring modern amenities while embracing the landscape that surrounds the airport, the reimagined departures experience will feature award winning design by Tasmanian architectural firm Cumulus.

Cumulus, who specialise in aviation architectural work, designed the Check-in Hall and security screening point and worked to ensure the airport renovations seamlessly tied together to give passengers one continuous bespoke Tasmanian experience when walking through the terminal.

The upgraded Departures Hall will include increased seating, fast Wi-Fi, charging points and modernised amenities along with showcasing local produce and goods.

After successfully winning the airport’s food and beverage tender process, SSP partnered with Cumulus to design and build two new offerings; Tasmanian owned and operated Liv Eat and Gatty’s Kitchen and Bar.

A significant milestone in the project was reached in June with the opening of Liv Eat within the Departures Hall.

In July 2025 the airport also opened Gatty’s Bar, named after the famous Australian navigator and aviation pioneer Harold Gatty. Gatty’s Bar provides travellers a place to relax and enjoy local beer, wine and spirits with views across the airfield and Evandale hills.

Designed in collaboration with SSP and Cumulus architects, Gatty’s Bar blends the past and present and is located adjacent to the iconic Miss Flinders – the aircraft responsible for pioneering commercial air service between Launceston and Flinders Island.

In an increasingly competitive aviation landscape, the airport’s ability to attract new services and airlines was strengthened in January with the state government announcing the establishment of an Aviation Attraction Fund.

The \$5 million Aviation Attraction Fund, established after significant advocacy work by the airport, will enable Tasmanian airports to be agile and swift in leveraging opportunities for new services.

Launceston Airport continues to foster strong community connections through local events and club sponsorships whilst also partnering with the Tasmanian Symphony Orchestra (TSO) to present a series of performances in northern Tasmania along with performances for passengers at the airport.

Works over the next 12 months will see the creation of an expanded Launceston Store, Kanamaluka café along with a complete refurbishment of seating within the Departures Hall.

Launceston Airport is supporting the \$22 million redevelopment of the RFDS Facility at Launceston Airport. State and Federal funding is assisting RFDS to deliver a state of the art facility for the essential aeromedical function in the north of Tasmania. RFDS will begin construction during 2025.

Launceston Airport finalised an agreement with the Tasmanian Fire Service for the development of a new dedicated high risk weather season facility. The agreement cements the long term partnership between Launceston Airport and the critical fire service. The facility will begin construction in late 2025 in preparation for the high-risk weather season in late 2026.

Proactive safety management resulted in no level one safety incidents during a record year for passengers, and one of the largest capital works programs delivered in the history of the airport.

The assets team delivered the largest maintenance program ever on the runway asset including friction testing, rubber stripping, crack sealing and line marking upgrades.

A key strategy pillar is growth, particularly through revenue diversification. Launceston Airport is working with local agents on an expression of interest process to identify land side property development opportunities.

Further strengthening the airport’s revenue base and solidifying its commercial portfolio, the airport also welcomed leading advertiser Bishopp to the team and finalised commercial agreements with all rental car operators.

A Gateway to Global Markets

As an island state, Tasmania is reliant on aviation to provide essential connection to mainland Australia and the world.

Air freight plays a critical role in moving high value, time sensitive Tasmanian produce around the globe and this year freight movements reached an all-time record. Launceston Airport supported nearly 2,000 dedicated freight movements across the year, transporting of millions of dollars’ worth of Tasmanian goods to national and global markets.

To enable the continued growth of freight through the airport, the Taxiway Foxtrot project commenced construction in April, marking the first major airfield expansion project since the airport was developed in the 1960’s.

The \$5 million project, delivered in partnership with leading civil contractor Fulton Hogan, is set to enhance freight and aircraft handling capabilities ahead of this year’s summer peak.

The works involve the excavation of more than 6,000 cubic metres of earth and the laying of 2,200 square metres of

reinforced pavement – sufficient to support aircraft such as the Airbus A321, which can carry up to 40 per cent more freight than older aircraft such as the Boeing 737.

This upgrade is designed to increase operational efficiency, resilience, and access for high-capacity aircraft.

The improved access and scale is expected to support producers across Tasmania by enabling faster turnaround times and greater export volume – particularly during peak periods in agriculture and aquaculture.

These investments align with the airport’s long-term vision to serve not only as a transport hub but also as a key economic enabler for Northern Tasmania.

Looking to the future, Launceston Airport is working on plans for the development of Tasmania’s first intermodal hub, leveraging its strategic location close to road, rail, air, and sea ports.

When fully developed, the freight hub would turbo-charge the Northern Tasmanian economy by generating \$410 million of economic activity annually and creating up to 300 new full-time jobs on average each year over 20 years.



Launceston Airport Construction

Changing of the Guard

Launceston Airport underwent a key leadership transition in 2025 with Shane O’Hare announcing his intention to step down as CEO in May.

Former Metro Tasmania CEO Katie Cooper was appointed as Mr O’Hare’s replacement, bringing with her deep experience across the aviation and transport sectors.

Prior to her role with Metro Tasmania, Ms Cooper spent five years at Melbourne Airport, where she served first as Head of Aviation Operations before being appointed Head of Transformation, where she led the integration of Qantas Terminal 1 into the broader airport operations.



FY25

Financial Statements



Directors' Report

The Directors of Australia Pacific Airports Corporation Limited (the Company) and its controlled entities (the Group or APAC) present their report for the financial year ended 30 June 2025.

Principal activities

During the financial year, the principal activity of the Group was the ownership and management of Melbourne Airport (APAM) and Launceston Airport (APAL).

Review of operations

FY25 has delivered strong results for the Group, with operating profit of \$945.4 million, up 12.4% on the year ended 30 June 2024. A total of 37.6 million passengers passed through Melbourne and Launceston airports, a 2.8% increase on the prior year.

International passengers through Melbourne Airport totalled 12.0 million for the year, up 8.3% on the year ended 30 June 2024, setting a new record. January 2025 was the busiest month ever recorded at Melbourne Airport. The increase in international passengers reflects a focus on growing capacity in both new and existing markets, with notable growth in key markets such as India, Vietnam and Indonesia.

The Group welcomed 25.6 million domestic passengers in the year ended 30 June 2025, a 0.5% increase on the prior year. Growth was impacted by both Bonza and Regional Express entering administration on 30 April 2024 and 30 July 2024 respectively.

Melbourne Airport is Victoria's gateway to the world and with Melbourne now Australia's largest city, we are working to meet the demand that growth places on us. Melbourne Airport invested \$1,179.0 million in capital projects in FY25 and the capital program across the precinct continues to progress to cater for passenger demand. Notable milestones during the year included:

- * Novotel and ibis Styles hotel opened in July 2024, consisting of 464 rooms, a state-of-the-art gym, a

wellness retreat and a number of food and beverage offerings;

- * Completion of the T3 redevelopment, further enhancing Melbourne Airport's single-roof precinct by connecting all four terminals at both the arrival and departure levels;
- * Continued construction of the T2 North Infill project, which will deliver a significant upgrade in international baggage systems, including additional capacity, and ensure compliance with regulatory requirements;
- * Stage 2 of the Elevated Road and Forecourt development continued, which will deliver further capacity and safety enhancements to the road network within the Airport precinct;
- * The T1 Security Screening and Compliance project continued, which includes new passenger screening and checked bag screening equipment and ensures compliance with regulatory requirements under the Aviation Transport Security Act; and
- * Completion of warehouses within the precinct including Spec Shed 2, Customs House, Rohlig and Cope Sensitive.

Melbourne Airport's Third Runway (M3R) received Ministerial approval on 13 September 2024, a major milestone which sets the airport up to serve Victoria's growth for decades to come. The third runway will be parallel to the existing north-south runway and support thousands of new jobs. Work also continues on the Airport Development Plan with a focus on co-creation with our airline partners to support infrastructure in response to current pinch points and future growth.

There is a significant investment pipeline at Melbourne Airport including M3R and the international terminal expansion. As a result, commercial agreement negotiations are underway with airlines to support this investment. The 2022 aeronautical services agreements between Melbourne Airport and airlines expired on 30 June 2025, while the terminal facilities agreements expired or expire on 30 June 2025 (Virgin) and 9 November 2025 (Jetstar). In the interim, Melbourne Airport and the airlines are operating under agreed interim arrangements until new agreements are finalised.

Financial results

The Group delivered a strong financial performance for the year ended 30 June 2025, with operating profit of \$945.4

million (30 June 2024: \$841.2 million) and a profit after tax of \$388.5 million (30 June 2024: \$311.9 million).

Operating Profit (\$m)	Jun-25	Jun-24
Operating Profit	945.4	841.2
Revenue (\$m)	Jun-25	Jun-24
Aeronautical	586.9	528.5
Security	155.2	99.8
Retail	194.1	175.2
Ground Transport	251.5	243.7
Property	154.7	134.7
Hotel	27.9	-
Outgoings / recharges	45.5	38.0
Other	5.6	7.4
TOTAL	1,421.4	1,227.3

Revenue increased by 15.8% to \$1,421.4 million (30 June 2024: \$1,227.3 million). Strong passenger performance delivered an uplift in revenue across aeronautical, retail and ground transport. Property revenue increased by 14.8% on the prior year, supported by annual rent escalations and new developments. Revenue also increased with the commencement of operations at the new hotel on 1 July 2024. The increase in security revenues is attributable to the transition of T1 security from Qantas to Melbourne Airport during the period, coupled with the uplift in passenger volumes. The increase in outgoings reflects the continued expansion of the embedded network including the transition of tenants to GreenPower, a premium renewable energy supplied by the Airport and accredited by the government.

Operating costs, excluding security passthrough costs, increased by \$36.1 million to \$324.3 million (30 June 2024: \$288.3 million). The uplift is a result of costs related to the new hotel, increased cleaning and operational costs aligned to the uplift in passenger volumes, and maintenance to support the Melbourne Airport Business Park.

Borrowing costs decreased by \$11.2 million in FY25 to \$275.9 million (30 June 2024: \$287.1 million). The decrease was driven by higher interest capitalised to projects and lower amounts recognised from the hedge reserve unwind, partially offset by higher interest on senior secured debt. In

addition, interest income decreased by \$11.6 million due to lower cash on deposit, offsetting the reduction in borrowing costs.

APAC’s balance sheet remains strong with \$2,214.7 million of liquidity at balance date including undrawn bank facilities of \$1,432.2 million and cash of \$782.5 million. The Group continues to be compliant with financial covenants for the year ended 30 June 2025.

Operating cashflow for FY25 was \$454.1 million (30 June 2024: \$617.6 million). Receipts from customers increased significantly on the back of strong passenger numbers and revenue performance, however this was offset by a significant increase in tax payments (\$87.3 million) and the payment of a significant lease incentive to a tenant, used to fund the construction of assets on leased land (\$126.4 million). Excluding this lease incentive payment, net cash from operating activities was \$580.5 million for the year.

Investing cash outflows of \$1,179.2 million for the period reflect the Groups ongoing capital works, with the increase in comparison to the prior year attributable to the uplift in construction activity (30 June 2024: \$801.7 million).

Net financing cash inflows of \$919.6 million reflect a \$1,500.0 million drawdown of debt, partially offset by debt repayments of \$511.1 million and a dividend of \$54.6 million.

Other matters

On 15 May 2025, APAC issued a default notice to APAC shareholder Dexus for a breach of the APAC Shareholders’ Deed. The default notice requires the commencement of a compulsory process to offer for sale the Dexus shares to remaining APAC shareholders. Dexus has disputed the validity of the default notice and a hearing to consider the dispute is scheduled for November 2025. While the dispute is being resolved, the APAC Board of Directors remains unchanged as a result of an injunction on the effect of the default notice. The Board remains committed to delivering on our key strategic priorities including the third runway and the broader capital investment program.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the Group during the financial year.

Dividends

During the financial period, a final dividend of \$54,585,000 (\$0.462 per share) for the year ended 30 June 2024 was paid.

No dividend was declared for the year ended 30 June 2025.

Events occurring after the balance sheet date

On 27 June 2025 and 4 July 2025, mediation sessions in respect of Brimbank City Council’s (BCC) application for review of the M3R Major Development Plan approval were held. The mediation was successful and BCC formally withdrew the proceedings from the Administrative Review Tribunal on 16 July 2025.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group’s operations, the results of those operations, or the Group’s state of affairs in future financial years.



Directors

Directors Name	Position	Period of directorship
Christine O'Reilly	Chair	Appointed 1 October 2024
Peter Hay	Chair	Appointed 1 June 2019, resigned 30 September 2024
Danny Elia	Director	Appointed 6 October 2015
James Fraser-Smith	Director	Appointed 15 September 2016
Samantha Lewis	Director	Appointed 24 October 2022
Michael Faulkner	Director	Appointed 13 November 2023
Stewart Brentnall	Director	Appointed 12 August 2024
Ben Samild	Director	Appointed 18 October 2024
Nik Kemp	Director	Appointed 20 December 2024
Timothy May	Alternate Director	Appointed 31 August 2023
Daniel Fitzpatrick	Alternate Director	Appointed 13 November 2023
Michael Cummings	Director	Appointed 19 March 2015, resigned 20 December 2024
Raphael Arndt	Director	Appointed 29 August 2019, resigned 12 September 2024
Talieh Williams	Director	Appointed 1 January 2022, resigned 12 August 2024

Effective 30 September 2024, Peter Hay retired from his position as the Chair of APAC and Christine O'Reilly was appointed as the Chair. Effective 12 August 2024, Talieh Williams resigned from her position as director and was replaced by Stewart Brentnall. Effective 12 September 2024, Raphael Arndt resigned from his position as director and was replaced by Ben Samild on 18 October 2024. Effective 20 December 2024, Michael Cummings resigned from his position as director and was replaced by Nik Kemp.

The above named Directors held office during and since the end of the financial year, except as stated above.

Christine O'ReillyChair



Ms O'Reilly has over 30 years' experience in the financial and infrastructure sectors, with deep financial and public policy expertise and experience in large-scale capital projects and transformational strategy. Ms O'Reilly has a deep understanding of financial drivers of the businesses and experience in capital allocation discipline across sectors that have

long-dated paybacks for shareholders and stakeholders. Her insights into cost efficiency and cash flow as well as the impact of policy on innovation, investment and project development are key inputs for the Board of APAC.

Ms O'Reilly is currently a Non-executive Director of the BHP Group Limited (since March 2021) and the Australia and New Zealand Banking Group (since November 2021) and Deputy Chair of Infrastructure Victoria (since November 2023).

Danny EliaDirector



Mr Elia is the Global Head of Asset Management at IFM Investors where he is responsible for driving IFM Infrastructure's asset management strategy across the Australian and Global Infrastructure funds.

Previous roles include CEO of South Australian Health Partnerships, Director of Public Private Partnerships for Leighton Contractors, General Manager of Transurban Victoria and Finance Director of Linfox Logistics Asia Pacific. Mr Elia is currently a Director on the Board of Committee for Melbourne.

James Fraser-SmithDirector



Mr Fraser-Smith is a senior infrastructure investment professional with over 20 years of experience. As the Executive Director, Infrastructure at Future Fund, he manages a global portfolio in excess of A\$10 billion and leads the team responsible for infrastructure

strategy, transactions and asset management. Mr Fraser-Smith represents Future Fund as a Director on the Boards of Melbourne Airport and Amplitel. Mr Fraser-Smith holds Civil Engineering and Commerce degrees from the University of Melbourne and has completed a Master of Applied Finance. He is also a graduate member of the Australian Institute of Company Directors.

Samantha LewisDirector and Chair of Audit Risk & Finance Committee



Ms Lewis is an experienced non-executive director serving on boards of ASX 100 companies since 2014. In addition to APAC, she is currently a Non-Executive Director of APA Group Limited and CSL Limited. Previously, Ms

Lewis was an Assurance & Advisory partner with Deloitte Australia and is a former non-executive director of Nine Entertainment Co Limited, Aurizon Holdings Limited and Orora Limited.

Ms Lewis's expertise includes accounting, finance, auditing, risk management, corporate governance, capital markets and due diligence.

Michael FaulknerDirector



Mr Faulkner is Head of Asset Management, Infrastructure at Dexus and leads the Dexus Infrastructure Transport team. He has over 15 years experience in infrastructure, across transport, energy and core-plus infrastructure sectors and the origination, execution and asset management lifecycle of large-scale infrastructure investments. He was previously a senior member of the investment team at

HRL Morrison & Co with prior roles at KPMG, Macquarie Capital and Wood Mackenzie. Mr Faulkner holds a Bachelor of Commerce Degree from the University of Sydney, is a Chartered Accountant, a Charterholder of the CFA Institute and a graduate of the Australian Institute of Company Directors. He is a current Non-Executive Director of Port Hedland International Airport, Mitchell Data Centres and Carillon Avenue, and a former Non-Executive Director of ElectraNet, Sydney Desalination Plant, Perth Energy and Macarthur Wind Farm.

Stewart BrentnallDirector



Joining TCorp in 2017 as the Chief Investment Officer, Mr Brentnall leads TCorp's investment management business, responsible for advice and management of \$110bn of funds across the NSW Government, including pension assets, insurance reserves and a central fund to invest long term debt retirement assets and to recycle infrastructure sales proceeds.

With over 30 years' investment management industry experience in Australia and the UK, Mr Brentnall has held senior roles at ANZ's Australasian Wealth business, BT Financial Group, Queensland Investment Corporation, Goldman Sachs, and Schroders.

Mr Brentnall holds a BSc Economics (Honours) from Bristol University, UK. He is a Chartered Accountant, a Graduate of the Australian Institute of Company Directors and Fellow of FINSIA.

Ben SamildDirector



Mr Samild was appointed Chief Investment Officer of the Future Fund in August 2023, having previously served as DCIO, Portfolio Construction.

As CIO, Mr Samild leads the Future Fund's investment team investing A\$250bn across all asset classes and geographies, with a particular focus on stewarding

the Fund's joined-up whole portfolio approach.

Mr Samild joined the Future Fund in October 2013, as Director, Alternatives, following a 10 year career in the hedge fund industry, and 4 years as Head of Investment Strategy at LUCRF Super. He is also a member of the Board of Trustees of the Standards Board for Alternative Investments.

Mr Samild completed a 6 year undergraduate degree at the University of Melbourne majoring in behavioural finance, psychology and history, and has a Masters of Applied Finance.

Nik KempDirector



Mr Kemp is Executive General Manager, Growth Markets, with accountability for sectors in which Dexus is actively building capability and scale. These include Dexus's \$10.9 billion Infrastructure business, Alternative Investments and Healthcare. He oversees the strategy, investment decisions and performance of a diverse portfolio of

investments across the real asset spectrum.

Mr Kemp has more than 25 years of experience in investing including roles for leading financing and investment banking organisations. Prior to joining Dexus, Mr Kemp held roles at AustralianSuper, Capella Capital, Babcock & Brown, ABN AMRO, Henderson Global Investors and Boston Consulting Group.

Mr Kemp holds a Bachelor of Engineering and Bachelor of Commerce from the University of Melbourne.

Meeting of Directors

The number of meetings of the company’s Board of Directors (Board) and of each Board committee held during

the year ended 30 June 2025, and the number of meetings attended by each Director were:

	Full Board		Remuneration Committee		Audit, Risk and Finance Committee	
	Held	Attended	Held	Attended	Held	Attended
Christine O'Reilly	7	7	4	4	4	3
Peter Hay	1	1	1	1	1	1
Danny Elia	8	8	5	5	-	-
James Fraser-Smith	8	8	5	5	-	-
Samantha Lewis	8	8	-	-	5	5
Michael Faulkner	8	8	-	-	5	5
Stewart Brentnall	7	7	4	3	5	4
Ben Samild	7	7	-	-	-	-
Nik Kemp	5	5	2	2	-	-
Michael Cummings	3	3	3	3	-	-
Raphael Arndt	1	1	-	-	-	-
Talieh Williams	1	1	1	1	-	-

Those attended by the Company Secretary were:

	Held	Attended	Held	Attended	Held	Attended
Aaron Gant	8	8	5	5	5	5



Future developments

The Group’s future developments and operations are included within the Master Plans of Melbourne Airport (2022) and Launceston Airport (2020), published every five years and eight years respectively. These plans set the strategic direction for each airport, providing plans for development, documenting to the public the intended uses of the sites and development proposals and ensuring compliance with environmental legislation and standards.

Environmental regulation

In relation to environmental matters, the Group is subject to the Airports Act 1996 (Cth) (“the Act”) and the Airports (Environment Protection) Regulations 1997 (“the Regulations”). The Group is satisfied that the results of environmental monitoring conducted by internal and external specialists during the year ended 30 June 2025 demonstrate compliance with the Act and the Regulations in all material respects.

Like other airports around Australia, fire-fighting foams containing per- and poly- fluoroalkyl substances (“PFAS”) have historically been used by Airservices Australia at Melbourne and Launceston Airports. Melbourne and Launceston Airports continue to investigate, manage and monitor PFAS at both airports.

Indemnity and insurance of officers and auditors

Each officer (including each Director) of the Group is indemnified, to the maximum extent permitted by law, against any liabilities incurred as an officer of the Group pursuant to agreements with the Group. Each officer is also indemnified against reasonable costs (whether legal or otherwise) incurred in relation to relevant proceedings in which the officer is involved because the officer is or was an officer.

The Group has arranged to pay a premium for a Director’s and officer’s liability insurance policy to indemnify Directors and officers in accordance with the terms and conditions of the policy.

This policy is subject to a confidentiality clause which prohibits disclosure of the nature of the liability covered, the name of the insurer, the limit of liability and the premium paid for this policy.

The auditor of the Group is in no way indemnified out of the assets of the Group.

No application has been made and no proceedings have been brought or intervened in on behalf of APAC under section 237 of the Corporations Act.



Auditor’s independence

A copy of the auditor’s independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 122.

Rounding of amounts

The Group is of a kind referred to in Australian Securities & Investments Commission (ASIC) Corporations (Rounding in Financial / Directors’ Reports) Instrument 2016/191 dated 1 April 2016, and in accordance with that instrument all financial information has been rounded to the nearest thousand dollars, unless otherwise indicated.

This report is made in accordance with a resolution of the Directors.

On behalf of the Directors

Christine O'Reilly
Chair

28 August 2025
Melbourne



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General Information

The financial statements represent Australia Pacific Airports Corporation Limited and its controlled entities as a consolidated group. The financial statements are presented in Australian dollars, which is Australia Pacific Airports Corporation Limited's functional and presentation currency.

Australia Pacific Airports Corporation Limited ACN 069 775 266 is an unlisted public company limited by shares, incorporated and domiciled in Australia.

Its registered office and principal place of business is:

**Level 2, Terminal 4,
Melbourne Airport VIC 3043
(03) 9297 1600
website: www.melbourneairport.com.au
Email: reception@melair.com.au**

A description of the nature of the Group's operations and its principal activities are included in the Directors' report.

The financial statements were authorised for issue, in accordance with a resolution of Directors, on 28 August 2025.

Consolidated statement of profit or loss and other comprehensive income			
For the year ended 30 June 2025			
	Note	2025 \$'000	2024 \$'000
Revenue			
Aeronautical		586,852	528,529
Security	5	155,196	99,796
Retail		194,121	175,191
Ground transport		251,479	243,713
Property		154,679	134,690
Hotel		27,907	-
Outgoings/recharges		45,517	37,971
Other income		5,552	7,358
Profit on sale of property, plant and equipment		72	57
Total revenue		1,421,375	1,227,305
Expenses			
Staff costs		(78,620)	(77,322)
Security	5	(151,616)	(97,825)
Services and utilities		(171,548)	(135,944)
Maintenance costs		(35,805)	(32,698)
Administration and marketing costs		(18,095)	(20,217)
Other costs		(19,250)	(14,038)
Allowance for expected credit losses		(1,007)	(8,045)
Total expenses		(475,941)	(386,089)
Operating Profit			
		945,434	841,216
Change in fair value of investment property	11	136,372	101,900
Borrowing costs	4	(275,888)	(287,082)
Interest income		13,535	25,100
Depreciation, amortisation and impairment losses	4	(263,504)	(235,340)
Profit before income tax expense			
		555,949	445,794
Income tax expense	6	(167,406)	(133,874)
Profit after income tax expense for the year			
	21	388,543	311,920
Other comprehensive profit/(loss)			
Items that may be reclassified subsequently to profit or loss			
Net change in the fair value of cash flow hedges taken to equity, net of tax		(31,446)	11,409
Other comprehensive profit/(loss) for the year, net of tax		(31,446)	11,409
Total comprehensive income for the year		357,097	323,329
The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes			

Consolidated statement of financial position			
as at 30 June 2025			
	Note	2025 \$'000	2024 \$'000
Assets			
Current assets			
Cash and cash equivalents		782,527	587,987
Trade and other receivables	7	181,494	148,967
Derivative financial instruments	15	-	55,451
Accrued revenue	8	50,786	42,515
Other assets	9	8,142	40,164
Total current assets		1,022,949	875,084
Non-current assets			
Property, plant and equipment	10	4,795,218	4,062,885
Investment properties	11	2,893,858	2,539,644
Intangible assets	12	677,025	674,101
Derivative financial instruments	15	326,606	145,418
Accrued revenue	8	272,618	279,756
Other assets	9	4,934	4,650
Total non-current assets		8,970,259	7,706,454
Total assets		9,993,208	8,581,538
Liabilities			
Current liabilities			
Payables	13	217,439	324,204
Borrowings - senior secured	14	319,571	564,634
Income tax payable		46,878	46,313
Employee benefit provisions		30,141	26,689
Lease liabilities	17	1,287	1,287
Unearned income		8,712	8,388
Total current liabilities		624,028	971,515
Non-current liabilities			
Payables	13	1,202	1,202
Borrowings - senior secured	14	5,890,993	5,427,154
Borrowings - subordinated	14	988,757	-
Deferred tax liability	6	807,475	755,380
Employee benefit provisions		2,026	1,717
Derivative financial instruments	15	64,735	109,950
Lease liabilities	17	1,285	1,835
Unearned income		17,025	19,615
Total non-current liabilities		7,773,498	6,316,853
Total liabilities		8,397,526	7,288,368
Net assets			
		1,595,682	1,293,170
Equity			
Issued capital	19	118,100	118,100
Hedging reserves	20	(43,335)	(11,889)
Retained profits	21	1,520,917	1,186,959
Total equity		1,595,682	1,293,170
The above consolidated statement of financial position should be read in conjunction with the accompanying notes			

Consolidated statement of changes in equity
For the year ended 30 June 2025

	Issued capital \$'000	Hedging reserve \$'000	Retained profits \$'000	Total equity \$'000
Balance at 1 July 2023	118,100	(23,298)	1,187,794	1,282,596
Profit after income tax expense for the year	-	-	311,920	311,920
Other comprehensive income for the year, net of tax	-	11,409	-	11,409
Total comprehensive income for the year	-	11,409	311,920	323,329
Transactions with owners in their capacity as owners:				
Dividends paid	-	-	(312,755)	(312,755)
Balance at 30 June 2024	118,100	(11,889)	1,186,959	1,293,170

	Issued capital \$'000	Hedging reserve \$'000	Retained profits \$'000	Total equity \$'000
Balance at 1 July 2024	118,100	(11,889)	1,186,959	1,293,170
Profit after income tax expense for the year	-	-	388,543	388,543
Other comprehensive income for the year, net of tax	-	(31,446)	-	(31,446)
Total comprehensive income for the year	-	(31,446)	388,543	357,097
Transactions with owners in their capacity as owners:				
Dividends paid	-	-	(54,585)	(54,585)
Balance at 30 June 2024	118,100	(43,335)	1,520,917	1,595,682

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes

Consolidated statement of cash flows
For the year ended 30 June 2025

	Note	2025 \$'000	2024 \$'000
Cash flows from operating activities			
Receipts from customers		1,553,820	1,363,045
Payments to suppliers and employees		(756,741)	(508,481)
Interest received		13,369	30,670
Interest paid		(255,046)	(253,693)
Income tax paid		(101,269)	(13,945)
Net cash from operating activities	25	454,133	617,596
Cash flows from investing activities			
Payments for investment property		(214,847)	(137,826)
Payments for property, plant and equipment		(959,320)	(663,903)
Payments for intangibles		(5,090)	(16)
Proceeds from disposal of property, plant and equipment		72	57
Net cash used in investing activities		(1,179,185)	(801,688)
Cash flows from financing activities			
Proceeds from borrowings		1,500,000	1,085,075
Repayment of borrowings		(511,051)	(975,996)
Dividends paid		(54,585)	(312,755)
Repayment of lease liabilities		(553)	(612)
Payment for debt issue costs		(14,219)	(13,256)
Net cash from/(used in) financing activities		919,592	(217,544)
Net increase/(decrease) in cash and cash equivalents		194,540	(401,636)
Cash and cash equivalents at the beginning of the financial year		587,987	989,623
Cash and cash equivalents at the end of the financial year		782,527	587,987

The Group paid a significant lease incentive of \$126.4 million to a tenant during the period, which was used to fund the construction of assets on leased land. The assets are not recognised as the Group's assets in accordance with Australian Accounting Standards. Consequently, the payment has been classified as an operating expense in the cash flow statement. This is a one-off transaction in the current period that will lead to operating cashflows in the future. Excluding this payment, net cash from operating activities was \$580.5 million for the period. Prior period receipts from customers and payments to suppliers and employees, have been revised, with no impact to net cash from operating activities, to correctly recognise the cashflow impact of the accounting for the lease incentive as at 30 June 2024.

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes

Notes to the consolidated financial statements

1. Basis of preparation

Statement of compliance

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and other authoritative pronouncements issued by the Australian Accounting Standards Board (AASB), and comply with other requirements of the law. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board (IASB).

The financial statements comprise the consolidated financial statements of Australia Pacific Airports Corporation Limited (the Company) and the entities it controls (together the Group). For the purposes of preparing the consolidated financial statements, the Company is a for-profit entity.

The presentation currency used in these financial statements is Australian dollars (\$). Amounts in these financial statements are stated in Australian dollars unless otherwise noted.

The financial statements have been prepared under the historical cost convention, except for measurement of investment properties and derivative financial instruments, which are measured at fair value through profit or loss or other comprehensive income, as described in Note 11 and Note 15.

The financial statements were authorised for issue by the Directors on 28 August 2025.

Rounding of amounts

The Group is of a kind referred to in Corporations Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Corporations Instrument to the nearest thousand dollars,

or in certain cases, the nearest dollar, unless otherwise indicated.

Going concern assessment

The Group was in a net current asset position of \$398.9 million at 30 June 2025 (30 June 2024: net current liability position of \$96.4 million). The change is primarily due to cash being held to meet current borrowings of \$319.6 million maturing within 12 months of the FY25 year-end. In June 2025, the Group executed a subordinated AMTN of \$1,000.0 million to meet the upcoming debt maturities and fund future capital expenditure.

The Group's balance sheet remains strong with available liquidity as at 30 June 2025 in the form of cash and cash equivalents of \$782.5 million (30 June 2024: \$588.0m) and undrawn bank facilities is \$1,432.2 million (30 June 2024: \$1,426.2 million). The Company continues to be compliant with financial covenants for the year ended 30 June 2025.

On 27 June 2025, Melbourne Airport refinanced the existing \$1,200.0 million syndicated bank facility, replacing the existing facility with \$1,400.0 million of syndicated bank facilities. The new syndicated facility is split across two tranches of \$700.0 million maturing in August 2028 and August 2030. Aligned to the establishment of the facilities, Melbourne Airport cancelled a \$200.0 million bilateral facility maturing in 2026.

The syndicated facility, along with the \$782.5 million of cash available, are sufficient to meet forward commitments.

The Directors continually monitor the Group's working capital position and capital commitments with reference to the Group's existing debt facilities and available liquidity and are satisfied that the Group will be able to pay its debts as and when they fall due. As a result, the financial statements have been prepared on a going concern basis.

2. Material accounting policy information

The accounting policies that are material to the Group are set out either in the respective notes or below. The accounting policies adopted are consistent with those of the previous financial year, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The Group has adopted all new or amended Accounting Standards and Interpretations issued by the AASB that are mandatory for the current reporting period. The adoption of these Accounting Standards and interpretations did not have a material impact on the financial performance or position of the Group.

Effective in financial periods beyond FY25

AASB 2023-5 Amendments to Australian Accounting Standards – Lack of Exchangeability; the Group does not expect these amendments to have a material impact on its operations or financial statements.

AASB 2024-2 Amendments to Australian Accounting Standards – Classification and Measurement of Financial Instruments (effective for annual periods beginning on or after 1 January 2026); the Group does not expect these amendments to have a material impact on its operations or financial statements.

AASB 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027):

- AASB 18 will replace AASB 101 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though AASB 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.
- Although the adoption of AASB 18 will have no impact on the Group's net profit, management is currently assessing the detailed implications of applying the new standard on the Group's consolidated financial statements. For example, management is assessing whether the grouping of items of income and expenses in the statement of profit or loss into new categories will impact how operating profit is calculated and reported.

Sustainability related standards

In September 2024, the AASB published two Australian Sustainability Reporting standards:

- AASB S1 General Requirements for Disclosure of Sustainability-related Financial Information: entities may elect to apply this voluntary Standard, which

would require an entity to disclose information about all sustainability-related risks and opportunities; and

- AASB S2 Climate-related Disclosures: this Standard is a mandatory standard, when applicable, for climate-related disclosures. AASB S2 is based on the international sustainability standard IFRS S2. Like the international standard, AASB S2 incorporates and builds on the framework of the Task Force on Climate-related Financial Disclosures but requires more detailed and quantitative disclosures of the current and anticipated financial impacts of climate change over the short, medium, and long term.

AASB S2 is not mandatory for the Group until 1 July 2025, however, the Group has acknowledged the demand for sustainability related disclosures and has considered the potential impacts of sustainability related matters. There are no current significant financial risks to the 30 June 2025 statement of financial position. Management will continue to monitor requirements and implement processes to address climate and sustainability related risks to ensure compliance from 1 July 2025.



Revenue from contracts with customers

Aeronautical revenue

Aeronautical revenue is primarily generated from contracts with airlines for the provision of access to terminals, infrastructure, apron parking, airfield and terminal facilities. Revenue is recognised as the service is provided as follows:

- Passenger charges: On a per passenger basis as they arrive or depart
- Runway charges: On a per passenger basis or on the basis of maximum take-off weight
- Aircraft parking charges: Over the duration of time the aircraft is parked and maximum take-off weight

Aeronautical revenues are billed on a monthly basis.

Incentives and discounts are recognised in line with terms of contracts with airlines and are generally based on passenger numbers, flight frequency and/or new routes. Revenues from passenger charges are therefore variable consideration and estimated monthly. Variable revenue is only recognised when it is highly probable the revenues will not reverse.

Incentives and discounts are generally paid annually based on contract commencement date and any unpaid amount is recognised as a payable.

Security recovery revenues

Revenue is a pass-through of security operating costs and a capital recovery on depreciation and is based on the recognition of actual security costs and depreciation incurred. Revenue is recognised as the expense is incurred.

Security recovery revenues are billed on a monthly basis.

3. Critical accounting judgements, estimates and assumptions

In the preparation of the financial statements, the Directors are required to make judgements, estimates and assumptions that affect the application of accounting policies and the reported carrying values of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Details of the critical judgements and key sources of estimation uncertainty are set out in the following notes:

Ground transport revenues

Parking and ground transport revenue is primarily generated from passengers and staff for the provision of car parking as well as from taxis, ride share services, busses and private vehicles for the provision of ground access services.

Revenue is recognised for car parking on exit and ground access services over the period of time the service is provided.

Retail revenues

Retail revenues comprise of the lease of commercial space to tenants whose activities include duty free, food and beverage, and financial and advertising services. These contracts contain lease components with revenue recognised on a straight-line basis over the lease term.

Property revenues

Property revenues comprise of the lease of terminal space, buildings and other space on Melbourne Airport. These contracts contain only lease components with revenue recognised on a straight-line basis over the lease term.

Hotel revenues

The Group owns and controls a hotel that is operated by a third-party manager under a hotel management agreement. Hotel revenue is recognised on a gross basis as the Group retains control over the hotel, including financial and operational oversight. Revenue comprises room bookings, food and beverage sales and other guest services and is recognised when the services are provided to the customer.

- Allowance for expected credit losses (Note 7)
- Fair value of investment properties (Note 11)
- Impairment of goodwill (Note 12)
- Fair value of derivative financial instruments (Note 15)



4. Profit for the year

The profit before tax for the year includes the following specific items:

	2025 \$'000	2024 \$'000
Employee benefits expense - superannuation contributions	7,976	6,797
Depreciation, amortisation and impairment losses		
Depreciation on property plant and equipment	261,336	233,801
Amortisation on intangible assets	2,168	934
Impairment of assets under construction	-	605
	263,504	235,340

Borrowing costs:

Interest:		
- Senior secured debt	308,105	285,836
- Subordinated debt	2,429	-
Interest capitalised during the period	(56,689)	(41,574)
Amortisation of deferred borrowing costs	8,204	11,382
Hedge reserve unwind	12,068	29,483
Interest - lease liabilities	738	676
Other finance costs	1,033	1,279
Total borrowing costs	275,888	287,082

5. Security

	2025 \$'000	2024 \$'000
Security revenue	155,196	99,796
Security costs	(151,616)	(97,825)
Security depreciation and other costs	(3,580)	(1,971)
	-	-

Security revenue is a pass-through of security operating costs and a capital recovery on depreciation and is based on the recognition of actual security costs and depreciation incurred.

6. Income tax

The income tax expense or benefit for the period is the tax payable on that period’s taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. The carrying amount of recognised and unrecognised deferred tax assets are reviewed at each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the

extent that it is probable that there are future taxable profits available to recover the asset. Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

Australia Pacific Airports Corporation Limited (the ‘head entity’) and its wholly owned Australian subsidiaries have formed an income tax consolidated group under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the ‘separate taxpayer within group’ approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group. In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.



(a) Income tax recognised in profit

	2025 \$'000	2024 \$'000
Income tax expense comprises of:		
Current tax expense	99,781	60,254
Deferred tax expense	67,499	73,584
Current tax in respect of prior years	2,053	21
Deferred tax in respect of prior years	(1,927)	15
Aggregate income tax expense	167,406	133,874

The prima facie income tax expense on pre-tax accounting profit reconciles to the income tax expense in the financial statements as follows:

Profit before income tax expense	555,949	445,794
Tax at the statutory tax rate of 30% (2024: 30%)	166,785	133,738
Tax effect amounts which are not deductible/(taxable) in calculating taxable income:	-	-
Non-deductible expenses	495	100
Deferred tax in respect of prior years	(1,927)	15
Current tax in respect of prior years	2,053	21
Income tax expense	167,406	133,874

(b) Deferred tax balances Taxable and deductible temporary differences arise from the following:

2025	Consolidated			
	Opening balance 1 July 2024 \$'000	Charged to income \$'000	Charged to equity \$'000	Closing balance 30 June 2025 \$'000
Gross deferred tax liabilities:				
Property, plant & equipment	(158,996)	(18,867)	-	(177,863)
Accrued revenue	(60,065)	1,027	-	(59,038)
Investment property	(558,549)	(50,569)	-	(609,118)
Other assets	(1,426)	(13)	-	(1,439)
	(779,036)	(68,422)	-	(847,458)
Gross deferred tax assets:				
Provisions & accruals	11,497	2,179	-	13,676
Unearned income	7,455	437	-	7,892
Hedge reserve	4,669	234	13,477	18,380
Property, plant & equipment	35	-	-	35
	23,656	2,850	13,477	39,983
Net deferred tax liability	(755,380)	(65,572)	13,477	(807,475)

2024	Consolidated			
	Opening balance 1 July 2023 \$'000	Charged to income \$'000	Charged to equity \$'000	Closing balance 30 June 2024 \$'000
Gross deferred tax liabilities:				
Property, plant & equipment	(161,696)	2,700	-	(158,996)
Accrued revenue	(50,925)	(9,140)	-	(60,065)
Investment property	(527,979)	(30,570)	-	(558,549)
Other assets	(1,340)	(86)	-	(1,426)
	(741,940)	(37,096)	-	(779,036)
Gross deferred tax assets:				
Provisions & accruals	8,172	3,325	-	11,497
Unearned income	9,542	(2,087)	-	7,455
Hedge reserve	7,143	2,416	(4,890)	4,669
Tax losses	40,156	(40,156)	-	-
Other	36	(1)	-	35
	65,049	(36,503)	(4,890)	23,656
Net deferred tax liability	(676,891)	(73,599)	(4,890)	(755,380)

7. Trade and other receivables

	2025 \$'000	2024 \$'000
Trade and other receivables	189,195	158,420
Less: Allowance for expected credit losses	(7,701)	(9,453)
Net trade and other receivables	181,494	148,967
Total trade and other receivables	181,494	148,967

Revenue is invoiced on 30 day terms, with the exception of property and rental revenue which is invoiced in advance.

Allowance for expected credit losses

The Group recognises a loss allowance for expected credit losses (ECL) on trade and other receivables. The ECL is reassessed at each reporting date to reflect changes in credit risk since initial recognition of the trade and other receivable.

The Group recognises lifetime ECL for trade and other receivables. The expected credit losses on trade and other receivables are estimated based on the Group’s historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Set out below is an overview of the ageing of trade and other receivables and an overview of the associated allowance for expected credit losses held:

	Carrying amount 2025 \$'000	Carrying amount 2024 \$'000	Allowance for expected credit losses 2025 \$'000	Allowance for expected credit losses 2024 \$'000
Not overdue	140,837	131,049	-	3,036
0–30 Days	34,130	19,719	-	2,075
31–60 Days	748	5,098	-	2,395
61–90 Days	5,615	1,128	-	530
>90 Days	7,865	1,426	7,701	1,417
	189,195	158,420	7,701	9,453

Movements in the allowance for expected credit losses are as follows:

	2025 \$'000	2024 \$'000
Opening balance	9,453	1,466
Additional provisions recognised	1,007	8,049
Receivables written off during the year as uncollectable	(2,759)	(2)
Unused amounts reversed	-	(60)

Closing balance	7,701	9,453
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8. Accrued revenue

	2025 \$'000	2024 \$'000
Current:		
Straight line leases	17,896	17,982
Other accrued revenue	32,167	22,533
Accrued rebates	723	2,000
Total current	50,786	42,515
Non-current:		
Straight line leases	272,618	279,033
Accrued rebates	-	723
Total non-current	272,618	279,756

Accrued revenue represents amounts the Group is entitled to receive but has not invoiced at reporting date. These amounts are reclassified to trade receivables once an invoice is issued.

Straight line leases represent accrued revenue arising from straight line recognition of lease income and

from the provision of lease incentives as part of lease contracts with customers. Lease incentives are typically provided at the commencement of a lease which affects the timing of cash flows at the start of the lease, whilst rental revenue is recognised on a straight-line basis over the lease term.



9. Other assets

	2025 \$'000	2024 \$'000
Current assets		
Prepayments	7,962	39,539
Term deposits	-	488
Other current assets	180	137
Total current	8,142	40,164
Non-current assets		
Other non-current assets	4,934	4,650
	13,076	44,814

10. Property, plant and equipment

2025	Leasehold land \$'000	Buildings and services \$'000	Roads, runways & infrastructure \$'000	Plant and equipment \$'000	Assets under construction \$'000	Total \$'000
Gross carrying amount						
Balance at 1 July 2024	238,843	2,329,039	1,520,705	1,438,973	1,206,362	6,733,922
Additions	-	-	-	-	993,669	993,669
Disposals	-	-	-	(261)	-	(261)
Transfers to/(from) assets under construction	-	171,649	280,401	188,206	(640,256)	-
Balance at 30 June 2025	238,843	2,500,688	1,801,106	1,626,918	1,559,775	7,727,330
Accumulated depreciation						
Balance at 1 July 2024	(27,970)	(1,007,167)	(562,472)	(1,073,428)	-	(2,671,037)
Depreciation expense	(2,313)	(106,424)	(51,149)	(101,450)	-	(261,336)
Disposals	-	-	-	261	-	261
Balance at 30 June 2025	(30,283)	(1,113,591)	(613,621)	(1,174,617)	-	(2,932,112)
Net book value at 30 June 2025	208,560	1,387,097	1,187,485	452,301	1,559,775	4,795,218

2024	Leasehold land \$'000	Buildings and services \$'000	Roads, runways & infrastructure \$'000	Plant and equipment \$'000	Assets under construction \$'000	Total \$'000
Gross carrying amount						
Balance at 1 July 2023	238,843	2,302,219	1,437,069	1,390,112	680,081	6,048,324
Additions	-	-	-	-	686,366	686,366
Disposals	-	-	-	(163)	-	(163)
Impairment	-	-	-	-	(605)	(605)
Transfers to/(from) assets under construction	-	26,820	83,636	49,024	(159,480)	-
Balance at 30 June 2024	238,843	2,329,039	1,520,705	1,438,973	1,206,362	6,733,922
Accumulated depreciation						
Balance at 1 July 2023	(25,657)	(906,194)	(515,226)	(990,322)	-	(2,437,399)
Depreciation expense	(2,313)	(100,973)	(47,246)	(83,269)	-	(233,801)
Disposals	-	-	-	163	-	163
Balance at 30 June 2024	(27,970)	(1,007,167)	(562,472)	(1,073,428)	-	(2,671,037)
Net book value at 30 June 2024	210,873	1,321,872	958,233	365,545	1,206,362	4,062,885

Depreciation is calculated on a straight line basis so as to write off the net cost of each asset over its expected useful life. The following estimated useful lives are used in the calculation of depreciation:

Buildings	10–40 years
Roads, runways and other infrastructure	13–18 years
Plant and equipment	3–40 years
Assets under construction	Not depreciated

Land leased as part of the airport acquisition (leasehold land) has been valued at acquisition at fair value. Leasehold land is amortised on a straight-line basis over the lease term of 99 years.



11. Investment properties

The Group classifies certain areas of the Airport precinct as investment property as they are held for rental income. These areas include Melbourne Airport Business Park, Hotels, Industrial Buildings and Vacant Land. The Group provide investment properties (along with land and buildings in

Note 10) as security for loans as disclosed in Note 14.

The profit for the year includes a gain on revaluation of investment properties of \$136.4 million, driven by development profits and market rent increases in the period.

	2025 \$'000	2024 \$'000
Balance at beginning of the period	2,539,644	2,299,918
Additions for the period (at cost)	217,842	137,826
Net gain from fair value adjustments for the year	136,372	101,900

Balance at end of the period	2,893,858	2,539,644
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The Group's investment properties represent interests in land and buildings held to derive rental income. They are initially measured at cost, including transaction costs. Subsequently, at each year end reporting date, they are carried at their fair values based on the market value determined by independent (external) valuers. Gains or losses arising from a change in the fair value of investment properties are recognised in the profit or loss for the period in which they arise.

Valuation of investment properties

Each year the Board of Directors appoint an independent professionally qualified valuer to determine the fair value of the Group's investment properties as at balance date (30 June). The external valuer appointed in the current year was Jones Lang LaSalle.

The investment properties held by the Group are held on a leasehold basis (99 year lease, with 71 years remaining as at 30 June 2025). Taking this into consideration, each investment property has been valued by the external valuer as follows:

Valuation method	Description
Capitalisation of net income	<p>The fully leased net income for each precinct has been discounted on a leasehold basis (present value of the net income for the remaining term) from the valuation date at an appropriate capitalisation rate which reflects the nature, location, land value content condition and tenancy profile of each property when compared with current market investment criteria. The valuation does not capitalise into perpetuity as the asset is not freehold.</p> <p>Various adjustments are then made to the calculated result, including estimated future incentives, capital expenditure, vacancy allowances and reversions to market rent.</p>
Discounted cash flow (DCF)	<p>The discounted cash flow analysis allows the assessment of the long-term return that is likely to be derived from a property with a combination of both rental and capital growth over an assumed investment horizon. A wide range of assumptions are made including a target internal rate of return, rental growth, occupancy, sale price of the property at the end of the investment horizon, potential capital expenditure and costs associated with its disposal at the end of the investment period.</p>
Direct comparison approach	<p>Development land (vacant land allotments) has been assessed on a direct comparison approach, where the value is analysed on dollar per square metre (\$psm) of site area basis, as this is deemed most appropriate. The scale of available land and duration it will take to develop, and therefore the holding cost, and profit and risk expected, is also acknowledged under this approach.</p>

The external valuer has used the midpoint of the capitalisation of net income approach and discounted cash flow approach as the basis for determining the fair value of each investment property.

Development land has been assessed on a direct comparison basis, on a rate per square metre of site area basis.

Key inputs and sensitivities

Measuring the fair value of the Group's investment properties requires estimates and assumptions which are based on historical experience and expectations of future events that are believed to be reasonable at the date of valuation. Key assumptions include market rents, market rental growth, capitalisation rates, discount rates and terminal yields. Recent and relevant sales evidence and other market data are also considered.

Inputs to investment property valuations are considered Level 3 of the fair value hierarchy as the capitalisation of income and DCF methods require assumptions to be made to determine certain inputs that are not based on observable market data. At reporting date, the key unobservable inputs used by the Group in determining fair value of its investment properties are summarised below:

- Capitalisation rates ranging from 5.25% to 7.05%
- Discount rates ranging from 7.25% to 8.00%
- Terminal yields ranging from 5.64% to 7.55% and
- Market rental growth rates ranging from 2.46% to 3.55%

All of the above assumptions have been taken from the latest external valuation report.

12. Intangible assets

2025	Goodwill \$'000	Masterplan \$'000	Software \$'000	Total \$'000
Net book value				
Balance at 1 July 2024	671,866	1,730	505	674,101
Additions	-	-	5,092	5,092
Amortisation charge	-	(498)	(1,670)	(2,168)
	671,866	1,232	3,927	677,025

Cost	671,866	2,504	38,435	712,805
Accumulated amortisation and impairment	-	(1,272)	(34,508)	(35,780)

Net book value at 30 June 2025	671,866	1,232	3,927	677,025
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2024	Goodwill \$'000	Masterplan \$'000	Software \$'000	Total \$'000
Net book value				
Balance at 1 July 2023	671,866	2,228	923	675,017
Additions	-	-	18	18
Amortisation charge	-	(498)	(436)	(934)

	671,866	1,730	505	674,101
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Cost	671,866	2,504	33,343	707,713
Accumulated amortisation and impairment	-	(774)	(32,838)	(33,612)

Net book value at 30 June 2024	671,866	1,730	505	674,101
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Critical accounting estimates and judgements – impairment of goodwill

Determining whether goodwill is impaired requires an annual estimation of the recoverable amount of the cash generating units to which goodwill has been allocated. The Group uses the fair value less cost to sell methodology to estimate the future cash flows expected to arise from the cash generating unit and applies a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating units, in order to calculate present value. These calculations require the use of assumptions and the application of sensitivity analysis where appropriate. The company considers Melbourne and Launceston Airports to be separate cash generating units.

The methodology adopted to value the Melbourne and Launceston Airports is a discounted cash flow based on the forecast dividends to equity holders (including franking credits) at a cost of equity. The valuation derived from this discounted cash flow analysis has been cross checked to a valuation based on the capitalised earnings approach by calculating the implied multiples of the valuation and comparing these with those of comparable companies and transactions to ensure the valuation is providing a reliable measure.

The cash flows used in the discounted cash flow analysis were projected based on management’s 20 year financial model. Cash flows are driven by aeronautical, retail, property and hotel revenues which are heavily dependent on passenger numbers and pricing which is determined based on known contracted terms and forecast inflation. Growth in passenger numbers over the forecast period is based on internal forecasting and information provided by an independent firm.

Terminal value was calculated for the period beyond the 20-year forecast based on a sustainable level of forecast distributions and a capitalisation amount based on a constant terminal growth rate of 3.5%.

Post-tax cash flows are discounted to their present value using a post-tax discount rate of 10%. The discount rate used reflects current market assessment of the time value of money and the risks specific to the cash generating unit.

Both Melbourne and Launceston Airports have significant headroom between their recoverable amount and the carrying value of their cash generating unit. In the current year the valuation has seen an uplift in this headroom, which remains significantly in excess of the carrying value.

There are no reasonably possible changes in assumptions that would result in impairment.

Accounting policy for Master Plan intangible asset

Under the Airports Act 1996, Melbourne Airport is required every 5 years and Launceston Airports every 8 years to prepare Master Plans to guide the development of the airports for the next 20 years. The costs associated with the Melbourne Airport Master Plan is recognised as an intangible asset amortised over the 5 year period and Launceston Airport over an 8 year period.

Software

Software controlled by the Group is capitalised and amortised over the useful life of the software on a straight-line basis.

Software-as-a-Service (SaaS) arrangements

SaaS arrangements are service contracts providing the Group with the right to access the cloud provider’s application software over the contract period. Costs incurred to configure or customise, and the ongoing fees to obtain access to the cloud provider’s application software, are recognised as operating expenses when the services are received. Some of these costs incurred are for the development of software code that enhances or modifies, or creates additional capability to existing on-premise systems and meets the definition of and recognition criteria for an intangible asset. These costs are recognised as intangible software assets and amortised over the useful life of the software on a straight-line basis.



13. Payables

	2025 \$'000	2024 \$'000
Current liabilities		
Trade and other payables (i)	116,461	219,324
GST payable	6	4,214
Accrual for assets under construction	72,009	71,240
	188,476	294,778
Interest payable to:		
- Senior secured debt:	26,534	29,426
- Subordinated debt:	2,429	-
	28,963	29,426
	217,439	324,204
Non-current liabilities		
Undistributed capital note liability (ii)	1,202	1,202
	1,202	1,202

- (i) The average credit period for purchases and services is 30 days.
- (ii) Capital notes are entitled to 1/9th of net profit of APAL with distribution equal to 1/9th of declared dividends. Capital notes are redeemable at the end of the Launceston Airport lease.

14. Borrowings

At the reporting date the Group’s debt comprises: bank facilities (Syndicated and Bilateral); term bank debt; domestic bonds (AMTN); Euro bonds (EMTN); and USD private placement notes (USPP).

The balances and other details related to the Group’s interest bearing liabilities are presented in the tables below.

Face value				
	Drawn (\$'000) 2025	Undrawn (\$'000) 2025	Drawn (\$'000) 2024	Undrawn (\$'000) 2024
Drawn and undrawn				
Unsecured bank overdraft	-	22,214	-	22,077
Senior Secured term bank debt	1,300,000	-	1,300,000	-
Senior Secured bank facilities	32,800	1,432,200	38,800	1,426,200
Bank guarantee facilities	-	2,278	-	-
	1,332,800	1,456,692	1,338,800	1,448,277
Secured capital markets debt	4,601,633	-	4,606,684	-
Secured capital markets debt	1,000,000	-	-	-
Total Borrowings	6,934,433	1,456,692	5,945,484	1,448,277



Carrying amount

Borrowings are recorded at an amount equal to the net proceeds received (including costs attributable to transaction costs) and recorded at amortised cost using the effective interest rate method.

Foreign currency borrowings are reported at spot exchange rates. Movements in the spot rate are reflected in the Statement of Profit or Loss and Other Comprehensive Income. At 30 June 2025 and 30 June 2024, these borrowings were 100% hedged through cross currency interest rate swaps until maturity. As a result, a strengthening or weakening of the AUD will have no impact on profit or loss or equity.

Fair value

The fair value of all financial instruments is derived from quoted market interest rates which are subsequently incorporated within generally applied discounted cash flow models (Level 2). There were no transfers between levels during the year and there has been no change in valuation techniques applied.

The amounts disclosed in the Statement of Financial Position approximate the fair value, except for certain interest-bearing liabilities. The fair values of these liabilities are presented in the table below under the heading 'Fair Value'. The fair values of fixed interest debt are valued using market observable inputs and available comparative market data as inputs and differ to the carrying amount.



				Principal Drawn	Carrying Amount (ii)		Fair Value	
Type	Maturity	Currency	Original Currency \$'000	Face Value (AUD) (i) \$'000	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Capital Market Debt								
EMTN	15-Oct-24	EUR	350,000	-	-	564,881	-	570,427
AMTN	11-Nov-25	AUD	120,000	120,000	120,000	120,000	120,095	118,796
USPP	15-Sep-26	USD	200,000	191,077	305,344	301,932	306,219	296,052
AMTN	4-Nov-26	AUD	200,000	200,000	200,000	200,000	198,649	192,500
USPP (\$A)	15-Jan-28	AUD	50,000	50,000	50,000	50,000	51,825	50,569
AMTN (iii)	16-Sep-30	AUD	450,000	450,000	450,000	-	444,727	-
EMTN	27-Sep-30	NOK	1,500,000	242,994	226,235	211,099	203,048	191,879
AMTN	25-Nov31	AUD	700,000	700,000	700,000	700,000	648,236	613,746
USPP (iv)	4-Dec-31	USD	105,000	151,844	160,305	158,514	144,690	133,704
AMTN (iii)	16-Sep-32	AUD	550,000	550,000	550,000	-	540,102	-
AMTN (iv)	1-Nov-32	AUD	500,000	500,000	500,000	-	509,741	-
EMTN (iv)	24-May-33	EUR	500,000	812,799	895,095	806,972	946,019	849,719
EMTN (iv)	07-Jun-34	EUR	650,000	1,081,075	1,163,623	1,049,064	1,193,572	1,073,353
USPP	4-Dec-34	USD	105,000	151,844	160,305	158,514	136,215	125,756
USPP (\$A)	4-Dec-39	AUD	150,000	150,000	150,000	150,000	119,886	117,359
USPP (\$A)	4-Dec-44	AUD	250,000	250,000	250,000	250,000	193,095	189,801
Total Capital Market Debt				5,601,633	5,880,907	4,720,976	5,756,119	4,523,661
Bank Debt								
Cash Advance Facility (v)	28-Jul-28	AUD		32,800	32,800	38,800	32,800	38,800
Term Bank Debt	16-Jun-26	AUD		200,000	200,000	200,000	201,167	200,616
Term Bank Debt	13-Sep-27	AUD		292,000	292,000	292,000	294,874	302,392
Term Bank Debt	16-Jun-29	AUD		300,000	300,000	300,000	305,165	292,335
Term Bank Debt	13-Sep-29	AUD		508,000	508,000	508,000	516,334	511,836
Total Bank Debt				1,332,800	1,332,800	1,338,800	1,350,340	1,345,979
Total Borrowings				6,934,433	7,213,707	6,059,776	7,106,459	5,869,640
Fair value hedge accounting adjustments (iii)					38,446	(24,845)	-	-
Deferred upfront borrowing costs (vi)					(52,832)	(43,143)	-	-
Total Net Borrowings				6,934,433	7,199,321	5,991,788	7,106,459	5,869,640
						2025 \$'000		2024 \$'000
Current - senior secured						319,571		564,634
Non-current - senior secured						5,890,993		5,427,154
Non-current - subordinated						988,757		-
Total Net Borrowings						7,199,321		5,991,788

All the above borrowings, other than the AMTN maturing in September 2030 and September 2032 and the cash advance facility, are secured by fixed and floating charges over the Group’s assets.

(i) Face values of foreign debt shown reflects the AUD value of the hedged principal amount at inception of the debt.

(ii) Carrying amounts of foreign debt reflect revalued debt in AUD at spot rates as at 30 June 2025 and 30 June 2024, as applicable.

(iii) Subordinated AMTN were issued with face values of \$450.0 million and \$550.0 million on 16 June 2025. Although both issuances have a final maturity date of 16 June 2055, maturity is presented based on the initial call dates of 16 September 2030 and 16 September 2032, respectively.

(iv) Individual borrowing carrying amounts exclude fair value hedge accounting adjustments. Debt hedged with a floating pay leg are subject to fair value hedge accounting being the EMTN maturing in 2033 and 2034, USPP maturing in 2031 are and AMTN maturing in 2032 (refer additional detail regarding fair value hedges at Note 15). The cumulative amount of fair value hedge adjustments at 30

June 2025 was \$38,445,887 attributable to each borrowing as follows: EMTN maturing 2033 – \$15,535,501, EMTN maturing 2034 – \$22,204,353, USPP maturing 2031 – (\$16,507,307) and AMTN maturing 2032 – \$17,213,340.

(v) Cash Advance Facility refers to the bank facility for Australia Pacific Airports (Launceston) Pty Ltd. The facility is for \$65 million of which \$32.2 million was undrawn at 30 June 2025. The facility’s maturity date was extended from 30 July 2025 to 28 July 2028 in May 2025.

(vi) At 30 June 2025, deferred upfront borrowing costs attributable to subordinated debt (AMTN maturing September 2030 and September 2032) was \$11,242,792. All other deferred upfront borrowing costs relates to senior secured debt.

On 27 June 2025, Melbourne Airport refinanced the existing \$1,200.0 million syndicated bank facility, replacing the existing facility with \$1,400.0 million of syndicated bank facilities. The new syndicated facility is split across two tranches of \$700.0 million maturing in August 2028 and August 2030. Aligned to the establishment of the facilities, Melbourne Airport cancelled a \$200.0 million bilateral facility maturing in 2026.

15. Derivative financial instruments

The Group enters into a variety of derivative financial instruments to manage its exposure to foreign currency and interest rates, including interest rate swaps, swaptions and cross currency hedges. Net derivative assets increased by \$171.0 million over FY25, from \$90.9 million to \$261.9 million. This movement was driven by a \$226.5 million increase

due to a hedging debt outstanding at 30 June 2025, offset by a \$55.5 million decrease due to derivatives hedging an October 2024 EMTN debt maturity.

The net derivative position (before application of hedge accounting) at reporting date is presented below:

	Current 2025 \$’000	Non-current 2025 \$’000	Total 2025 \$’000	Current 2024 \$’000	Non-current 2024 \$’000	Total 2024 \$’000
Assets						
Cross currency swaps	-	305,197	305,197	55,451	116,156	171,607
Interest rate swaps	-	21,409	21,409	-	29,262	29,262
	-	326,606	326,606	55,451	145,418	200,869
Liabilities						
Cross currency swaps	-	(37,929)	(37,929)	-	(109,950)	(109,950)
Interest rate swaps	-	(26,806)	(26,806)	-	-	-
	-	(64,735)	(64,735)	-	(109,950)	(109,950)
Net derivative position assets/(liabilities)	-	261,871	261,871	55,451	35,468	90,919

Accounting policy for derivative financial instruments

Derivative financial instruments are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at each reporting date. Any gains or losses arising from changes in fair value of derivatives, except those that qualify as effective hedges, are immediately recognised in profit or loss. When the Group designates certain derivatives to be part of a hedging relationship, and they meet the criteria for hedge accounting, the hedges are classified as either fair value or cash flow hedges.

Hedge accounting

The Group enters into derivatives to offset the risks arising from its long-term borrowings. To the extent permitted by AASB 9, the Group formally designates and documents these financial instruments as fair value and cash flow hedges for accounting purposes. In order to qualify for hedge accounting, the following has been assessed:

- an economic relationship exists between the hedged item and hedging instrument;
- the effect of credit risk does not dominate the value changes resulting from the economic relationship; and
- the hedge ratio is the same as that resulting from amounts of hedged items and hedging instruments for risk management.

As a result of borrowing in foreign currency, the Group is exposed to foreign exchange and foreign interest rate risk. Cross-currency swaps are used to hedge both the foreign exchange risk and foreign interest rate risk over

the full term of the foreign currency borrowing. The swaps are designated as cash flow hedges of foreign currency/ AUD forward foreign exchange risk of the foreign currency borrowing, fair value hedge of the foreign currency benchmark interest rate risk of the foreign currency benchmark component and cash flow hedge of foreign currency/ AUD spot foreign exchange risk of the foreign currency borrowing principal.

Fair Value hedges

The objective of the Group’s fair value hedging is to convert fixed interest rate borrowings to floating interest rate borrowings through the use of derivatives. Initial recognition of the derivative is at fair value and subsequent changes, being hedging gains/losses, are recognised in profit or loss. The hedge adjustment is included in the carrying value of the hedged items and in the profit or loss. The derivatives are considered to be highly effective hedges as they are matched against underlying foreign currency exposures.

Cash flow hedges

The objective of the Group’s cash flow hedging is to convert foreign currency debt to AUD and floating rate debt to fixed through the use of derivatives. Initial recognition of the derivative is at fair value. Subsequently, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the cash flow hedge reserve under equity. Any ineffective portion of the derivative is recognised immediately in profit or loss. The amount accumulated in the cash flow hedge reserve is reclassified to profit or loss in the same period that the hedged cash flow affects profit or loss.

Reconciliation of movement of carrying value of borrowings and derivatives to cash flows arising from financing activities:

	Borrowings 2025 \$’000	Derivative assets 2025 \$’000	Borrowings 2024 \$’000	Derivative assets 2024 \$’000
Carrying value as at 1 July 2024	5,991,788	(90,919)	6,159,518	(379,994)
Proceeds from borrowings	1,500,000	-	1,085,075	-
Repayments of borrowings	(511,051)	-	(975,996)	-
Cash inflow / outflow for swaptions	-	-	-	1,351
Debt issuance costs (cash)	(13,116)	-	(14,607)	-
	975,833	-	94,472	1,351
Non-cash movements				
Foreign exchange movement	164,981	(164,981)	(279,039)	279,039
Debt issuance costs (accrual movement)	(4,446)	-	958	-
Amortisation of deferred borrowing costs	7,874	-	7,672	-
Fair value changes (other than foreign exchange movement)	63,291	(5,971)	8,207	8,685
	231,700	(170,952)	(262,202)	287,724
Carrying value as at 30 June 2025	7,199,321	(261,871)	5,991,788	(90,919)

16. Financial risk management

(a) Capital risk management

The Group manages its capital to ensure the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of debt and maintaining a strong investment grade credit rating.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in Note 14, cash and cash equivalents and equity attributable to equity holders of the Group, comprising issued capital, reserves and retained earnings. In addition, the Group has implemented risk management strategies to mitigate against adverse increases to interest rates on future borrowings.

(b) Financial risk management objectives

The Group’s corporate treasury function provides financing, investing and financial risk management services to the business. The strategic objectives of the corporate treasury function are to manage all material financial risks related to the Group’s treasury activities including funding, liquidity, interest rate, foreign exchange, counterparty credit,

operational and compliance risks. Corporate Treasury also provides support to the Group by ensuring financial metrics are maintained at levels that support a strong and stable standalone investment grade corporate credit rating.

The Group does not enter into or trade derivative financial instruments for speculative purposes.

The Group’s exposures to interest rates on the financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

(c) Interest rate risk management

Under interest rate derivative contracts, the Group agrees to exchange the difference between fixed and floating rate interest amounts calculated on agreed notional principal amounts. Such contracts enable the Group to mitigate the risk of rising interest rates.

The following table details the notional amounts and remaining terms of interest rate derivative contracts outstanding as at the reporting date.

	Average contracted fixed interest rate		Notional principal amount		Fair value of interest rate derivatives	
	2025 %	2024 %	2025 \$'000	2024 \$'000	2025 \$'000	2024 \$'000
Less than 1 year	-	-	-	-	-	-
1 to 2 years	2.9%	-	346,000	-	2,763	-
2 to 5 years	3.6%	3.4%	1,101,000	1,099,000	(11,746)	29,262
5 years +	3.8%	-	1,101,844	-	(12,984)	-
5 years +	BBSW + 1.4%	-	500,000	-	16,570	-
			3,048,844	1,099,000	(5,397)	29,262

As at 30 June 2025, of the total face value debt of \$6,934.4 million, \$5,554.8 million is fixed rate (including post hedging) and \$1,379.6 million is floating rate. The \$5,554.8 million of fixed rate debt comprises \$2,020.0 million of Australian dollar fixed rate debt (AMTN and AUD denominated USPP), \$2,548.8 million floating rate debt subject to fixed interest rate derivatives per the above table, and \$986.0 million of foreign currency denominated debt converted to fixed rates through cross currency derivatives per the table below under “foreign currency risk management”.

The sensitivity analyses below have been determined based on the Group’s exposure to interest rates for both derivative and non-derivative instruments at the reporting date.

At reporting date, if interest rates had been 50 basis points higher or lower and all other variables were held constant, the Group’s:

- Net profit would increase / decrease by \$6.9 million (2024: increase / decrease \$9.4 million) as a result of the

Group’s exposure to variable interest rates on certain borrowings.

- Other equity reserves would increase / decrease by \$99.0 million (2024: increase / decrease \$16.4 million) mainly as a result of changes in fair value through other comprehensive income for derivative instruments designated as cash flow hedges.

(d) Foreign currency risk management

Cross currency exposures for the Group predominantly arise from foreign denominated interest bearing liabilities, creating exposure to exchange rate fluctuations. These exposures are managed within approved policy parameters utilising cross currency derivatives. The Group’s policy is to hedge 100% of currency risk for both capital and interest for the life of the exposure. In both the current and prior year, these cross currency exposures were 100% hedged through cross currency swaps until maturity resulting in no other material currency risk exposure.

	Average Contracted Interest Rate	Average Exchange Rate	Notional Principal Amount		Fair Value of Cross Currency Interest Rate Derivatives	
			1 to 5 years \$'000	> 5 years \$'000	1 to 5 years \$'000	> 5 years \$'000
2025						
USPP (USD305m)	5.7%	0.8894	191,077	151,844	107,984	10,964
USPP (USD105m)	BBSW + 1.5%	0.6915	-	151,844	-	(7,933)
EMTN (EUR246m)	5.9%	0.6152	-	400,000	-	45,406
EMTN (EUR904m)	BBSW + 1.8%	0.6051	-	1,493,874	-	140,843
EMTN (NOK1,500m)	4.2%	6.1730	-	242,994	-	(29,996)
			191,077	2,440,556	107,984	159,284

	Average Contracted Interest Rate	Average Exchange Rate	Notional Principal Amount		Fair Value of Cross Currency Interest Rate Derivatives	
			1 to 5 years \$'000	> 5 years \$'000	1 to 5 years \$'000	> 5 years \$'000
2024						
USPP (USD305m)	5.7%	0.8894	191,077	151,844	98,645	12,040
USPP (USD105m)	BBSW + 1.5%	0.6915	-	151,844	-	(15,507)
EMTN (EUR596m)	5.4%	0.6586	505,051	400,000	55,451	5,472
EMTN (EUR904m)	BBSW + 1.8%	0.6051	-	1,493,874	-	(58,092)
EMTN (NOK1,500m)	4.2%	6.1730	-	242,994	-	(36,351)
			696,128	2,440,556	154,096	(92,438)

(e) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the Directors, who have built an appropriate liquidity risk management framework for the management of the Group’s short, medium and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

As at 30 June 2025, the Group had \$2,214.7 million of available liquidity in the form of \$1,432.2 million of undrawn bank facilities and \$782.5 million of cash and cash equivalents. This provides sufficient liquidity to cover all financial liabilities due in the next 12 months.

The following table details the Group’s exposure to liquidity risk as at 30 June 2025.



2025	1 to 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000	Total \$'000
Financial liabilities					
Trade and other payables	188,476	-	-	-	188,476
Interest payable	28,963	-	-	-	28,963
Lease liability	322	965	6,437	1,287	9,011
Non-current payables	-	-	-	1,202	1,202
	217,761	965	6,437	2,489	227,652

Borrowings (principal and interest):

Term bank debt	16,778	244,271	1,239,791	-	1,500,840
Bank facilities	418	1,075	35,968	-	37,461
AMTN - senior secured	-	184,561	421,074	1,309,487	1,915,122
AMTN - subordinated	14,719	33,800	230,096	1,088,627	1,367,242
USPP	7,202	35,765	469,413	944,689	1,457,069
EMTN	6,142	85,471	366,858	2,594,722	3,053,193
	45,259	584,943	2,763,200	5,937,525	9,330,927

Cross currency interest rate swaps

- Outflow	7,192	10,325	71,035	413,055	501,607
- Inflow	(6,142)	(5,034)	(44,534)	(400,199)	(455,909)
Interest rate swaps	60	8,723	25,216	(5,449)	28,550
	1,110	14,014	51,717	7,407	74,248

	264,130	599,922	2,821,354	5,947,421	9,632,827
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2024	1 to 3 months \$'000	3 months to 1 year \$'000	1 to 5 years \$'000	More than 5 years \$'000	Total \$'000
Financial liabilities					
Trade and other payables	294,779	-	-	-	294,779
Interest payable	29,426	-	-	-	29,426
Lease liability	322	966	6,437	2,575	10,300
Non-current payables	-	-	-	1,202	1,202
	324,527	966	6,437	3,777	335,707

Borrowings:

Term bank debt	18,889	57,760	1,022,854	515,556	1,615,059
Bank facilities	543	1,632	39,171	-	41,346
AMTN	9,814	29,359	439,278	765,908	1,244,359
USPP	8,729	34,082	483,794	966,115	1,492,720
EMTN	5,700	652,420	331,331	2,429,567	3,419,018
	43,675	775,253	2,316,428	4,677,146	7,812,502

Cross currency interest rate swaps

- Outflow	24,335	90,378	435,361	2,385,039	2,935,113
- Inflow	(5,700)	(65,218)	(281,837)	(2,133,894)	(2,486,649)
	18,635	25,160	153,524	251,145	448,464

	386,837	801,379	2,476,389	4,932,068	8,596,673
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**(f) Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Significant classes of financial assets of the Group may include trade and other receivables and derivative financial instruments.

The carrying amount of each class of financial assets recorded in the financial statements, net of any allowances for losses, represents the Group's maximum exposure to credit risk without taking account of the value of any collateral or other security. As the Group does not have enforceable offsetting arrangements for its financial instruments, gross amounts have been recognised in the Statement of Financial Position.

For derivative financial instruments, treasury counterparties may include banks and other financial institutions with

which the Group may engage for banking, lending, derivatives and other treasury activities. The Group require these counterparties to meet minimum ratings thresholds and concentration limits in line with policies, as a means of mitigating the risk of financial loss from defaults. The Group measures credit risk on a fair value basis.

For trade receivables, the Group adopts a policy of dealing with customers with appropriate credit quality and obtaining collateral support where appropriate for risk mitigation. The Group continues to monitor its trade receivables ageing and engages in follow up activity, which may include enforcement where receivables are overdue. A write off is recognised when there is no reasonable expectation of recovery. Refer to Note 7 for details on Expected Credit Losses.

Hedge Accounting Relationship	Fair Value Hedge			Cash Flow Hedge				Total A\$'000's
Hedging Instrument								
Hedged Item	USD – CCIRS	EUR – CCIRS	AUD – IRS	USD – CCIRS	EUR – CCIRS	NOK – CCIRS	AUD – IRS	
Notional Amount	USD Fixed Debt	EUR Fixed Debt	AUD Fixed Debt	USD Fixed Debt	EUR Fixed Debt	NOK Fixed Debt	AUD Floating Debt	
	USD 105,000,000	EUR 903,936,718	AUD 500,000,000	USD 410,000,000	EUR 1,500,000,000	NOK 1,500,000,000	AUD 2,548,843,818	
Hedge Ratio	1:1	1:1	1:1	1:1	1:1	1:1	1:1	
	A\$'000's	A\$'000's	A\$'000's	A\$'000's	A\$'000's	A\$'000's	A\$'000's	
Denomination								

At 30 June 2025								
Carrying amount of hedging instruments								
Assets	-	101,750	16,569	127,268	84,499	-	4,840	334,926
Liabilities	(16,253)	-	-	-	-	(29,996)	(26,806)	(73,055)
Total	(16,253)	101,750	16,569	127,268	84,499	(29,996)	(21,996)	261,871

Cumulative fair value adjustment on hedged item ¹	16,507	(37,740)	(17,213)	-	-	-	-	(38,446)
Carrying amount of the hedged item recognised in the statement of financial position	(142,894)	(1,642,885)	(515,717)	-	-	-	-	(2,301,496)
Balance in cash flow hedge reserve for continuing hedges ²	-	12,861	-	3,009	(622)	13,237	16,519	45,004
Balance in cash flow hedge reserve from discontinued hedges	-	-	-	6,208	(1,580)	-	12,275	16,903

During the Year								
Change in fair value of hedging instrument								
used for calculating hedge effectiveness	5,566	143,177	16,570	9,340	76,367	6,355	(53,841)	203,534
due to cash payment on restructure of hedges	-	-	-	-	-	-	-	-

Change in fair value of hedged item								
used for calculating hedge effectiveness	(5,687)	(144,653)	(17,213)	(5,003)	(77,589)	(7,027)	45,048	(212,124)

Change in hedge reserves								
for continuing hedge relationships	-	10,298	-	(2,190)	(9,752)	8,781	53,080	60,217
for discontinued hedge relationships	-	-	-	(5,126)	(2,557)	-	(7,602)	(15,295)

Change in profit or loss								
Ineffectiveness recognised in profit and loss	(119)	(1,476)	(644)	157	1,903	-	(762)	(941)
Reclassified from CFHR to profit and loss on continued hedge relationships	-	-	-	(9,475)	230	(20,092)	6,943	(22,394)
Reclassified from CFHR to profit and loss on discontinued hedge relationships	-	-	-	(5,127)	(2,557)	-	(7,612)	(15,296)

¹excluding impact of changes in foreign exchange rates on notional amount

Hedge Accounting Relationship	Fair Value Hedge		Cash Flow Hedge				Total A\$'000's
Hedging Instrument							
Hedged Item	USD – CCIRS	EUR – CCIRS	USD – CCIRS	EUR – CCIRS	NOK – CCIRS	AUD – IRS + Swap- tions	
Notional Amount	USD Fixed Debt	EUR Fixed Debt	USD Fixed Debt	EUR Fixed Debt	NOK Fixed Debt	AUD Floating Debt	
Hedge Ratio	USD 105,000,000	EUR 903,936,718	USD 410,000,000	EUR 1,500,000,000	NOK 1,500,000,000	AUD 1,099,000,000	
Denomination	1:1	1:1	1:1	1:1	1:1	1:1	
	A\$'000's	A\$'000's	A\$'000's	A\$'000's	A\$'000's	A\$'000's	

At 30 June 2024							
Carrying amount of hedging instruments							
Assets	-	3,531	116,998	60,923	-	29,262	210,714
Liabilities	(21,819)	(44,958)	-	(16,666)	(36,351)	-	(119,794)
Total	(21,819)	(41,427)	116,998	44,257	(36,351)	29,262	90,920

Cumulative fair value adjustment on hedged item ¹	22,194	2,652	-	-	-	-	24,845
Carrying amount of the hedged item recognised in the statement of financial position	(135,501)	(1,441,626)	-	-	-	-	(1,577,127)
Balance in cash flow hedge reserve for continuing hedges ²	-	2,563	5,199	9,130	4,456	(36,561)	(15,213)
Balance in cash flow hedge reserve from discontinued hedges	-	-	11,334	977	-	19,887	32,198

During the Year							
Change in fair value of hedging instrument							
used for calculating hedge effectiveness	(5)	(32,498)	(23,663)	(94,007)	210	(9,525)	(159,487)
due to cash payment on restructure of hedges	-	-	-	-	-	(1,351)	(1,351)

Change in fair value of hedged item							
used for calculating hedge effectiveness	650	25,717	29,093	103,453	(625)	13,933	172,221

Change in cash flow hedge reserve							
for continuing hedge relationships	-	(2,563)	(853)	1,982	(1,471)	(9,562)	(12,466)
for discontinued hedge relationships	-	-	6,972	(25,048)	-	46,841	28,765

Change in profit or loss							
Ineffectiveness recognised in profit and loss	644	(6,780)	49	(1,839)	-	37	(7,889)
Reclassified from CFHR to profit and loss on continued hedge relationships	-	-	108,994	161,397	(6,748)	9,356	272,998
Reclassified from CFHR to profit and loss on discontinued hedge relationships	-	-	(6,973)	25,048	-	(49,061)	(30,986)

¹excluding impact of changes in foreign exchange rates on notional amount

17. Lease liabilities

	2025 \$'000	2024 \$'000
Lease liabilities		
Current	1,287	1,287
Non-current	1,285	1,835
	2,572	3,122

The maturity profile of the Group’s lease liabilities based on contractual undiscounted payments is set out in Note 16(e).

18. Lease arrangements – lessor

Some properties are leased to tenants under long-term operating leases with rentals payable monthly. Minimum lease payments receivable on leases of properties are as follows:

	2025 \$'000	2024 \$'000
Within one year	186,233	173,934
Later than one year but not later than 5 years	554,611	517,844
Later than 5 years	1,023,387	1,012,966
	1,764,231	1,704,744

19. Issued capital

	2025 \$'000	2024 \$'000
118,100,000 Ordinary Shares – fully paid (30 June 2024: 118,100,000)	118,100	118,100

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

20. Hedging reserves

	2025 \$'000	2024 \$'000
Opening balance	11,889	23,298
(Gain) / loss on amortisation / unwind of deferred restructuring impact	(11,127)	(21,591)
(Gain) / loss on hedge ineffectiveness	(941)	(7,889)
(Gain) / loss on amortisation of swaption premium	(330)	(3,710)
(Gain) / loss on interest rate swap and swaption fair value movement	34,659	6,620
(Gain) / loss on cross currency interest rate swap movements	(40,629)	2,064
(Gain) / loss on fair value adjustment to debt	63,291	8,207
(Gain) / loss on income tax effects related to amounts above	(13,477)	4,890
Closing balance	43,335	11,889

The hedging reserve represents hedging gains and losses recognised on the effective portion of cash flow hedges. The cumulative deferred gain or loss on the hedge is recognised in profit or loss at expiry or termination of the hedge transaction.

21. Retained profits

	2025 \$'000	2024 \$'000
Retained profits at the beginning of the financial year	1,186,959	1,187,794
Profit after income tax expense for the year	388,543	311,920
Dividends paid	(54,585)	(312,755)
Retained profits at the end of the financial year	1,520,917	1,186,959

22. Commitments

	2025 \$'000	2024 \$'000
Capital expenditure commitments:		
No longer than 1 year	697,772	786,655
Longer than 1 year but no longer than 5 years	59,549	477,999
Total capital expenditure commitments	757,321	1,264,654

Other commitments

The Group entered into a long-term power purchase agreement in FY24 to support its sustainability objectives. Under the agreement, the Group is required to purchase a fixed volume of renewable energy at predetermined prices.

23. Subsidiaries

Name of entity	Country of incorporation	Ownership interest	
		2025 %	2024 %
Parent entity			
Australia Pacific Airports Corporation Limited	Australia	-	-
Subsidiaries			
APAC (Holdings No.2) Pty. Limited	Australia	100	100
Australia Pacific Airports (Melbourne) Pty. Limited	Australia	100	100
Australia Pacific Airports (Property) Pty. Limited (i) (ii)	Australia	100	100
APAC (Holdings) Pty. Limited (i)	Australia	100	100
Australia Pacific Airports (Launceston) Pty. Limited (i)	Australia	100	100

(i) These subsidiaries are classified as small proprietary companies in accordance with the Corporations Act 2001 and are relieved from the requirement to prepare, audit and lodge financial statements.

(ii) This subsidiary was dormant during the financial year.

24. Related party transactions

(a) Equity interests in related parties

Details of the percentage of ordinary shares held in controlled entities are disclosed in Note 23 to the financial statements.

(b) Key management personnel compensation

The aggregate compensation of the key management personnel of the Group is set out below. The key management personnel during the year were: P. Hay, C. O'Reilly, L. Argus, R. Martin, J Parashos and J. McDermott. P. Hay retired from his position as Chair of the APAC Board effective 1 October 2024, with C. O'Reilly taking on the role of the Chair from this time.

	2025 \$	2024 \$
Short-term employee benefits	6,051,625	6,706,109
Long-term incentives	1,495,000	672,335
Resignations	-	384,000
	7,546,625	7,762,444

(c) Transactions within the wholly-owned group

Australia Pacific Airports Corporation Limited (APAC) is the ultimate parent entity of the wholly owned group, and the parent entity of the tax consolidated group.

In accordance with tax sharing arrangements (refer to Note 6) tax payments have been received or accrued to reflect the wholly owned Controlled Entity's share of the tax expense of the tax consolidated group.

(d) Transactions with Shareholders

IFM Investors Pty Ltd, being shareholders, are considered related parties of the Group. During FY25, IFM Investors Pty Ltd provided resourcing support to the amount of \$30,000.

There were no other transactions in the period with Shareholders.



25. Notes to the Statement of Cash Flows

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks and investments, net of outstanding bank overdrafts. Cash at the end of the financial period as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position.

Reconciliation of profit after related income tax to net cash flows from operating activities

	2025 \$'000	2024 \$'000
Profit after income tax expense for the year	388,543	311,920
Adjustments for:		
Impairment of property, plant and equipment	-	605
Amortisation of deferred borrowing costs	8,204	11,382
Hedge reserve unwind	12,068	29,483
Depreciation and amortisation of non-current assets	263,498	234,735
Gain on sale of non-current assets	(72)	(57)
Gain on fair value of investment property	(136,372)	(101,900)
Borrowing fees classified as financing costs	1,033	-
Change in operating assets and liabilities:		
Increase in trade and other receivables	(36,735)	(7,253)
Increase in other current assets	(630)	(1,748)
(Increase)/decrease in other non-current assets	439	(602)
(Increase)/decrease in accrued revenue	(6,129)	6,350
Increase/(decrease) in trade payables	(106,887)	21,221
Decrease in interest payables	(463)	(7,476)
Increase in employee provisions	3,761	3,047
Decrease in unearned income	(2,266)	(2,037)
Increase in tax payable	565	46,330
Decrease in hedge reserve liability	-	(4,888)
Increase in deferred tax liability	65,576	78,484
Net cash from operating activities	454,133	617,596

26. Remuneration of auditors

	2025 \$'000	2024 \$'000
Audit or review of the Group financial report and subsidiary financial reports	449,000	394,528
Non-audit services and agreed-upon procedures under other legislation or contractual arrangements	550,409	174,826
	999,409	569,354

The auditor of Australia Pacific Airports Corporation Limited is Deloitte Touche Tohmatsu.

27. Company disclosures

The financial information below relates to APAC as a standalone entity:

	2025 \$'000	2024 \$'000
(a) Financial position:		
Assets:		
Current assets	19,289	19,289
Non-current assets	128,032	128,032
Total assets	147,321	147,321
Liabilities:		
Current liabilities	(14)	(14)
Non-current liabilities	-	-
Total liabilities	(14)	(14)
Net assets	147,307	147,307
Equity:		
Issued capital	118,100	118,100
Retained earnings	29,207	29,207
Net equity	147,307	147,307
(b) Financial performance		
Other comprehensive income	54,585	312,755
Total other comprehensive income	54,585	312,755

28. Contingent liabilities

In the ordinary course of business the Group receives legal claims, but the Directors do not consider there to be any specific matters to disclose.

29. Events after the reporting period

On 27 June 2025 and 4 July 2025, mediation sessions in respect of BCC’s application for review of the M3R Major Development Plan approval were held. The mediation was successful and BCC formally withdrew the proceedings from the Administrative Review Tribunal on 16 July 2025.

No other matter or circumstance has arisen since 30 June 2025 that has significantly affected, or may significantly affect the Group’s operations, the results of those operations, or the Group’s state of affairs in future financial years.



Consolidated entity disclosure statement

Australia Pacific Airports Corporation Limited
Consolidated entity disclosure statement
As at 30 June 2025

Entity name	Entity type	Place formed / Country of incorporation	Ownership interest%	Tax residency
APAC (Holdings No.2) Pty. Limited	Body corporate	Australia	100.00%	Australian resident
Australia Pacific Airports (Melbourne) Pty. Limited	Body corporate	Australia	100.00%	Australian resident
Australia Pacific Airports (Launceston) Pty. Limited	Body corporate	Australia	100.00%	Australian resident
Australia Pacific Airports (Property) Pty. Limited	Body corporate	Australia	100.00%	Australian resident
APAC (Holdings) Pty. Limited	Body corporate	Australia	100.00%	Australian resident



Directors' declaration

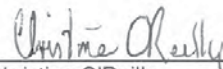
Australia Pacific Airports Corporation Limited
Directors' declaration
30 June 2025

The Directors declare that:

- (a) The attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity;
- (b) The attached financial statements and notes thereto are in compliance with International Financial Reporting Standards as stated in Note 1 to the financial statements;
- (c) There are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable; and
- (d) The information disclosed in the attached consolidated entity disclosure statement is true and correct.

Signed in accordance with a resolution of Directors

On behalf of the Directors


Christine O'Reilly
Chair

28 August 2025
Melbourne

Auditors’ independence declaration



Deloitte Touche Tohmatsu
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Quay Quarter Tower
Sydney, NSW, 2000
Australia

Phone: +61 2 9322 7000
www.deloitte.com.au

28 August 2025

The Board of Directors
Australia Pacific Airports Corporation Limited
Level 2, Terminal 2
Melbourne Airport VIC 3043

Dear Board Members,

Auditor’s Independence Declaration to Australia Pacific Airports Corporation Limited

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Australia Pacific Airports Corporation Limited.

As lead audit partner for the audit of the financial report of Australia Pacific Airports Corporation Limited for the year ended 30 June 2025, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and
- any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Jason Thorne
Partner
Chartered Accountants



Independent auditor’s report to the members of Australia Pacific Airports Corporation Limited



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Independent Auditor’s Report to the Members of
Australia Pacific Airports Corporation Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Australia Pacific Airports Corporation Limited (the “Company”) and its subsidiaries (the “Group”) which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information, the consolidated entity disclosure statement and the directors’ declaration.

In our opinion, the accompanying financial report of the Group is 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 of its financial performance for the year then ended; and
- Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the 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 & 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 financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor’s report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The directors are responsible for the other information. The other information comprises the information included in the Group’s annual report for the year ended 30 June 2025, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent auditor’s report to the members of Australia Pacific Airports Corporation Limited



Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible:

- For the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group in accordance with Australian Accounting Standards; and
- For such internal control as the directors determine is necessary to enable the preparation of the financial report in accordance with the *Corporations Act 2001*, including giving a true and fair view of the financial position and performance of the Group, and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor’s Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.



Independent auditor’s report to the members of Australia Pacific Airports Corporation Limited



We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Jason Thorne
Partner
Chartered Accountants
Sydney, 28 August 2025

FY25 APAC Environment, Social & Governance Data Report

ENVIRONMENT	APAM	APAL	APAC Total	Unit
GHG Emissions and Energy Management				
Scope 1 GHG emissions	5,231	181	5,412	tCO2-e
Natural gas (trigen and boilers)	4,605	Nil	4,605	tCO2-e
Stationary fuels (LPG, diesel, petrol)	26	108	134	tCO2-e
Transport fuels (LPG, diesel, petrol)	579	73	652	tCO2-e
Hydrofluorocarbon emissions	21	Nil	21	tCO2-e
Scope 2 GHG emissions	0	330	330	tCO2-e
Electricity from purchased electricity (Market based)	0	NA	0	tCO2-e
Electricity from purchased electricity (Location based)	28,874	330	29,204	tCO2-e

* Scope 2 GHG emissions for APAM are calculated using "Market-Based" approach to reflect the PPA arrangement and onsite solar electricity generation; "Location-based" approach remained for APAL

Scope 3 GHG emissions	5,438,000	52,161	5,490,161	tCO2-e
Business partners / consultants	72,297	1,918	74,215	tCO2-e
De-icing	Nil	1.0	1.0	tCO2-e
Construction	439,192	2,361	441,553	tCO2-e
Water, waste water, energy transmission and waste	23,726	3874	27,600	tCO2-e
Business travel	823	49	872	tCO2-e
Employee commute (APAC employees)	875	128	1,003	tCO2-e
Employee commute (Non-APAC employees)	148	7	155	tCO2-e
Aircraft flight (one way - includes landing and take-off)	4,526,362	29,498	4,555,860	tCO2-e
Auxiliary power unit	41,664	1,222	42,886	tCO2-e
Ground support equipment	5,771	232	6,003	tCO2-e
Engine run-ups / Ground running	2,183	8	2,191	tCO2-e
Tenant energy	94,193	163	94,356	tCO2-e
Precinct (non-APAC) workforce commute to/from airport	41,027	1,217	42,244	tCO2-e
Ground transport (passengers)	189,738	11,483	201,221	tCO2-e

Energy				
Total energy sources used to calculate Scope 1 emissions (energy source breakdown)	"Gas (88%); Stationary fuels (0.5%); Transport fuels (11.1%); HFC emissions (0.4%)	"LPG (56%); Diesel (44%)"	Not applicable	Not applicable
Total energy sources used to calculate Scope 2 emissions (energy source breakdown)	Electricity from PPA	Electricity from grid (100%)	Not applicable	Not applicable
Approach to sustainable design or construction principles for large capital works	APAM integrates 'Sustainability in Design' principles into capital projects, embedding sustainability initiatives throughout the design and construction phases		Not applicable	Not applicable

Total purchased energy input to site (purchased electricity + gas)				
Total in GJ	224,358	7,918	232,276	GJ
Total in kWh	62,321,667	2,199,444	64,521,112	kWh

Total energy input to site (including onsite renewables)				
Natural gas (trigen and boilers)	89,363	Nil	89,363	GJ
Stationary fuels (LPG, diesel, petrol)	365	1,764	2,129	GJ
Transport fuels (LPG, diesel, petrol)	8,490	1,036	9,526	GJ
Electricity (grid)	37,498,494	2,199,366	39,697,860	kWh
Electricity (onsite renewable sources)	19,139,934	Nil	19,139,934	kWh
Electricity (onsite non-renewable sources)	1,266,883	Nil	1,266,883	kWh

Total onsite energy generation				
Electricity (onsite renewable sources)	19,139,934	Nil	19,139,934	kWh
Electricity (onsite non-renewable sources)	1,266,883	Nil	1,266,883	kWh

Renewable energy purchased off site (PPA)	37,498,494	Nil	37,498,494	kWh
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Total significant air emissions				
Carbon monoxide (CO)	10,581	Not available	10,581	kg
Oxides of nitrogen (NOx)	30,120	Not available	30,120	kg
Oxides of sulphur (SOx)	58	Not available	58	kg
Volatile Organic Compounds (VOC)	1,327	Not available	1,327	kg
Suspended Particulate Matter (PM10)	561	Not available	561	kg
Suspended Particulate Matter (PM2.5)	548	Not available	548	kg

Biodiversity				
Biodiversity conservation efforts	7	1	8	#
Total area managed for biodiversity conservation	1,484	Nil	1,484	ha
On-site (hectares)	513	Nil	513	ha
On-site (percentage)	19%	Nil	19%	%
Off-site (hectares)	971	Nil	971	ha
Trees, shrubs and ground cover planted in biodiversity conservation areas	5,410	Nil	5,410	#
Number of wildlife strikes	82	16	98	#

Water Management				
Total Water Consumption	1,261,279	46,815	1,241,632	kl
Potable water (estate total)	1,022,647	46,815	1,069,462	kl
Ground water	Nil	Nil	Nil	kl
Recycled water	172,170	Nil	172,170	kl

Total Treated Water	54,498	Nil	54,498	kl
Arundel Creek water treatment plant	43,743	Nil	43,743	kl
Soil storage facility water treatment plant (Gate 11)	10,755	Nil	10,755	kl

Total Waste Water (sewer disposal)	738,134	42,134	780,268	kl
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Environmental Incidents				
Total environmental incidents (spill to drains and large spills)	14	Nil	14	#
Number of spills to drains (any size)	10	Nil	10	#
Number of large spills (>100L)	4	Nil	4	#

Waste Management				
Total waste to landfill (Terminal)	4,197	158	4,355	tonnes
Quarantine / biosecurity waste	844	24	869	tonnes
General / hard / confiscated / industrial waste	3,353	134	3,486	tonnes

Total waste diversion from landfill (Terminal)	523	74	597	tonnes
E-waste	Nil	Nil	Nil	tonnes
Paper and cardboard	298	57	355	tonnes
Garden / green	68	Nil	68	tonnes
Terminal organic - onsite processing	96	Nil	98	tonnes
Terminal organic - offsite processing	2	1	3	tonnes
Metal	34	Nil	34	tonnes
Co-mingled	12	16	29	tonnes
Glass	Nil	Nil	Nil	tonnes
Demolition waste (incl. bricks, aerosol, timber, plaster, pvc)	3	Nil	3	tonnes
Plastics	9	Nil	9	tonnes

Total waste to landfill (Construction)				
General / hard / confiscated / industrial waste	6952	3580	10532	tonnes
Waste water / NDD/ Slurry	183	Nil	183	kl

Total waste diversion from landfill (Construction)				
Co-mingled	9	Nil	9	tonnes
Glass	Nil	Nil	0	tonnes
E-waste	0	Nil	0	tonnes
Paper and cardboard	3443	Nil	3443	tonnes
Metal	9444	4	9448	tonnes
Spoil - clean/ re-use / stockpiled	72350	Nil	72350	tonnes
Garden / green	61	Nil	61	tonnes
Demolition waste	15433	2	15435	tonnes
Timber	16810	2	16812	tonnes
Plastics	4,851	Nil	4,851	tonnes
Concrete	12744	Nil	12744	tonnes
Rock	8557	Nil	8557	tonnes
Waste water / NDD / Slurry	56258	Nil	56258	kl

* Materials taken to the Gate 11 PFAS Facility and Water Treatment Plant are considered Reuse

SOCIETY	APAM	APAL	APAC Total	Unit
Stakeholder Engagement				
Number of community complaints received	72	Not available	72	#
Proportion of community complaints closed out / cancelled	72	Not available	72	#
Community investment	395,000	Not available	395,000	\$ AUD
Customer satisfaction rating (external eg. Net Promoter Score)	18	Not available	18	#
Number of employee volunteer hours spent at community engagements	662	Not available	662	hr
Labour Relations				
Number of employees	444	48	492	#
Number of employees covered by collective bargaining agreements	86	19	105	#
Number of employees leaving during reporting period	33	5	38	#
Total workforce engaged as contractors	72	8	80	#
Customer Privacy				
Number of cyber security breaches	Nil	Nil	Nil	#
Number of privacy breaches	Nil	Nil	Nil	#
Diversity				
Breakdown of workforce by gender (total workforce)	"Female 39.6% Male 59.7% Other 0.7%"	Female 29.2%, Male 70.8%, Other 0.0%	"Female 38.6%, Male 60.8%, Other 0.6%"	# (%)
Breakdown of workforce by gender (senior management)	Female 37.5%, Male 62.5%, Other 0.0%			# (%)
Breakdown of workforce by gender (Board)	Female 25.0%, Male 75.0%, Other 0.0%			# (%)
First Nations Employees	Not available			#
Number of employees born in a country other than Australia	Not available			#
Employee satisfaction for the last three years (have they been completed; if so, internally or externally)	Yes (externally)			Yes / No
No. of hours by social enterprise#	6,079	Nil	6,079	#
Dollar impact by social enterprise#	\$194,420.00	Nil	\$194,420.00	\$ AUD
#via subcontract				
SAFETY	APAM	APAL	APAC Total	Unit
Number of work-related employee and contractor fatalities	Nil	Nil	Nil	#
Number of aircraft / ship / customer incidents	1; Nil; 70	2; Nil; 1	3; Nil; 71	#
Total Lost Time Injuries**				
Lost time injuries (employees)	4	1	5	#
Lost time injuries (contractors)	7	1	8	#
** Lost time injury severity measure (number of days lost due to LTIs or average per LTI) no longer used as a metric				
Total Recordable Injury Frequency Rate (TRIFR)				
Total Recordable Injury Frequency Rate (employees)	6.04	Nil	6.04	#
Total Recordable Injury Frequency Rate (construction)	13.25	Nil	13.25	#
Total Recordable Injury Frequency Rate (service providers/facilities management)	6.28	Nil	6.28	#
Lost Time Injury Frequency Rate (LTIFR)				
Lost Time Injury Frequency Rate (employees)	6.04	Nil	6.04	#
Lost Time Injury Frequency Rate (construction)	4.03	Nil	4.03	#
Lost Time Injury Frequency Rate (service providers/facilities management)	2.79	Nil	2.79	#
Employee hours worked/exposure hours	664547	68392	732939	#
GOVERNANCE	APAC			Unit
Is there a Code of Conduct in place?	Yes			Yes / No
Staff trained in Code of Conduct	100			%
Number of Code of Conduct related breaches	5			#
Staff training / inductions / professional development	14,000			hr





AUSTRALIA
PACIFIC
AIRPORTS
CORPORATION

LAUNCESTON
AIRPORT

MELBOURNE AIRPORT