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ASX & Media Release

Macquarie Australia Conference Presentation and updated FY26 Guidance

6 May 2026

AGL Energy Limited's Managing Director & Chief Executive Officer, Damien Nicks, will present at the Macquarie Australia conference today. A copy of the presentation is attached.

The presentation includes an update on AGL's FY26 guidance (refer to slide 7).

Authorised for release by AGL's Market Disclosure Committee.

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About AGL Energy

At AGL, we believe energy makes life better and are passionate about powering the way Australians live, move and work. Proudly Australian for more than 185 years, AGL supplies around 4.7 million[1] energy, telecommunications and Netflix customer services. AGL operates Australia's largest private electricity generation portfolio within the National Electricity Market, comprising coal and gas-fired generation, renewable energy sources such as wind, hydro and solar, and batteries and other firming and storage technology. We are building on our history as one of Australia's leading private investors in renewable energy to be a leader in the transition to a lower emissions and smart energy future in line with the goals of our Climate Transition Action Plan. We'll continue to innovate in energy and other services to enhance the way Australians live, work and move.

For more information visit agl.com.au

[1] Services to customers number is as at 31 December 2025.

Thank you, Ian, and good afternoon, everyone – thank you for joining me today.

Thank you also to Macquarie for hosting a great conference as always.

At AGL, we have a clear and ambitious plan supported by well-defined business strategies – and we continue to execute and deliver against them.

A key part of this execution is the growth of our flexible asset fleet, which is delivering real value and earnings resilience for AGL in a transitioning energy market.

To put this in context we have 2 billion dollars of high-quality projects underway - We've commenced commissioning on the first 250-megawatt tranche of the Liddell Battery in New South Wales, and the full 500 megawatts is expected to be operational by the end of this financial year. Construction of the 500-megawatt Tomago Battery is progressing well, and we've also taken a final investment decision on the K2 project – further expanding the breadth and capacity of our flexible asset portfolio through a 220-megawatt, fast start gas peaker in Western Australia.

The approximately 750 million dollars proceeds from the sale of our 19.9 percent interest in Tilt Renewables are also expected to be received by 31 May.

Operationally, our generation fleet continues to perform at a very high level with a year-to-date Fleet Equivalent Availably Factor of 83.2 percent for the nine months to 31 March, 3.1 percentage points higher than the first half.

This has reflected the sustained strong performance of our thermal generation assets, particularly Bayswater, which delivered an EAF of 98.6 percent for the third quarter – a great result.

What I want to focus on today, however, are market dynamics and how we are well positioned to lead in the energy transition, delivering strong returns to our shareholders.

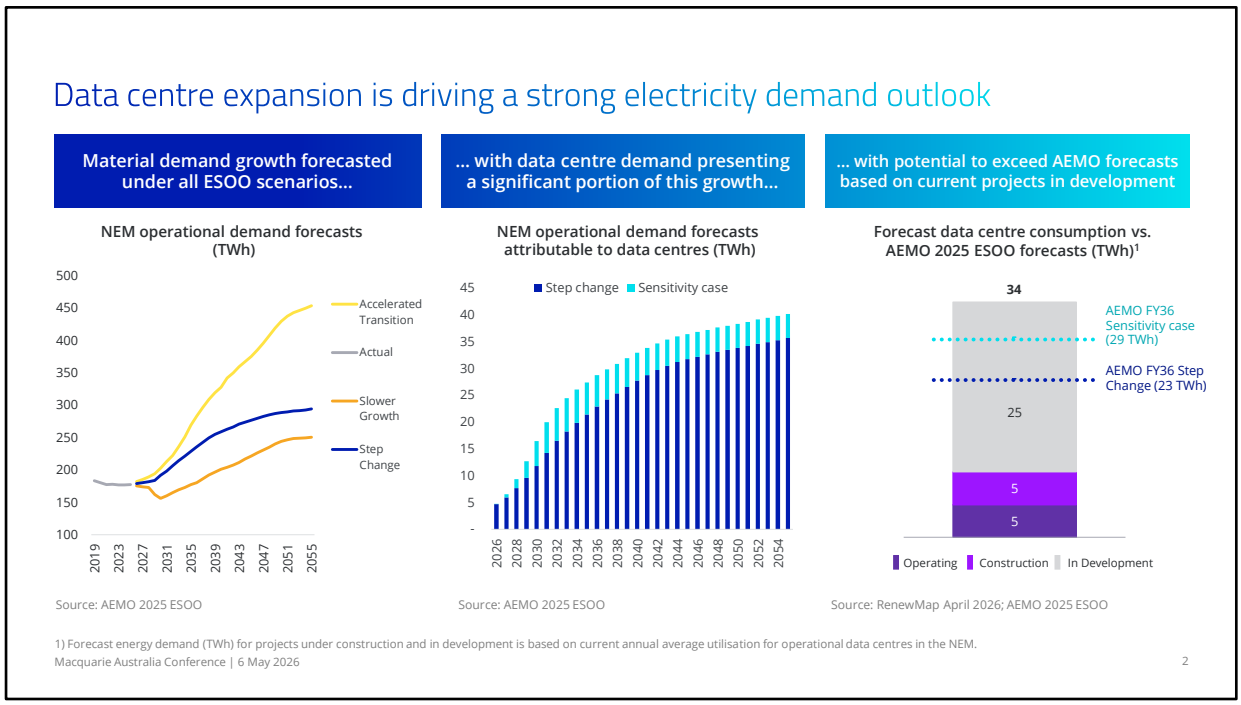
I'll start with the longer-term market outlook which continues to see positive and durable electricity demand tailwinds, underpinned by electrification and material data centre expansion, and how our high-quality energy portfolio is strongly positioned to capture value.

I'll then turn to near-term market conditions – the market is currently experiencing lower volatility and lower average spot pricing which has been reflected in forwards curves, however, the market is finely balanced and susceptible to market events which can drive significant volatility.

Crucially, our flexible asset fleet is strategically placed to capture and monetise peak pricing events, and deliver value and earnings resilience even in periods of unusually low volatility, as reflected in our strong half year results.

I'll also talk to how Western Australia provides a compelling backdrop for scaling AGL's Perth Energy market presence, as we look to grow quality earnings within this business, diversify our earnings and grow our customer base beyond the East Coast.

We've also narrowed our FY26 guidance ranges.



Kicking off with market dynamics, where the market continues to see strong and durable longer-term tailwinds for electricity demand, with growing data centre, electrification and EV load being a key driver of this.

On the left-hand side, you can see that AEMO forecasts significant growth in operational electricity demand over the next 30 years under all ESOO scenarios, underpinned by population growth, the continued electrification of homes, transportation and broader industry, as well as a material uplift in data centre load.

In addition, the expected continuity of smelter operations in New South Wales will help support demand in this State, and we continue to see increasing uptake in electrification products across our Consumer and Large Business customers.

Delving further into this demand thematic – the chart in the middle shows the forecast exponential rise in data-centre driven demand in the coming decade, driven by rapid growth in domestic AI-led data centre development pipelines, particularly in New South Wales, Victoria and ACT.

Encouragingly, the graph on the right shows that based on projects currently in development, data centre demand could exceed AEMO's forecasts.

Today, operational data centres account for approximately five terawatt hours of energy demand in the NEM – this is expected to double once projects under construction are operational and ramp up to full capacity, with a further 25 terawatt hours of forecast demand should all projects currently in development in the NEM come to fruition – a combined forecast of 34 terawatt hours which is enormous.

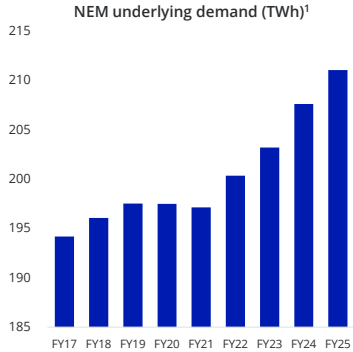
While not all projects in development may not make it to final construction, the outlook and opportunity is significant - and our transitioning energy portfolio is well positioned to leverage the upside of overall demand growth in the NEM.

I'd also like to add that our Retail Transformation Program will position us to have a future ready business - with the agility to rapidly respond to market dynamics, optimise customer experience and support our broadening product suite, as our customers continue to electrify.

Current NEM market conditions remain finely balanced, particularly during periods of peak demand

Four consecutive years of strong underlying demand growth

NEM underlying demand (TWh)[1]

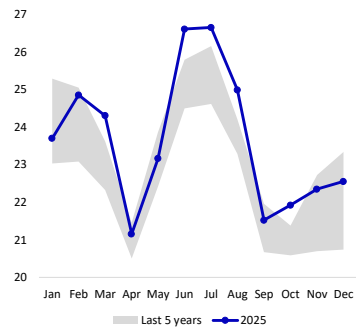


Source: AEMO

1) Underlying demand = AEMO operational demand plus rooftop PV and small non-scheduled generation.

Evening winter peaks continue to rise

Super peak[2] mainland operational average demand (GW)

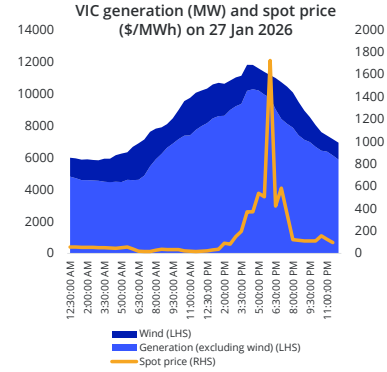


Source: AEMO

2) Super peak is 6:00 am to 9:00 am and 4:00pm to 9:00 pm.

Finely balanced markets are highly susceptible to market events which create volatility

VIC generation (MW) and spot price ($/MWh) on 27 Jan 2026



Source: AEMO

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Turning now to current market dynamics which remain finely balanced, especially during periods of increasingly elevated peak demand, which can lead to system instability.

Starting on the left, where encouragingly, you can see four consecutive years of strong underlying demand growth. This has been driven by residential and large business customer electrification, higher EV penetration, population growth, as well as new data centres coming online.

Just to be clear – Underlying demand equates to operational demand, the demand serviced by the grid, with demand met through rooftop solar and other small non-scheduled generation added back. It's a good picture of the underlying fundamentals of the system.

Not only is demand increasing, the graph in the middle shows that peak demand profiles are more pronounced and elevated compared to five years ago during those crucial winter months, which experience lower levels of solar.

The graph on the right shows just how finely balanced markets are during peak demand, particularly in a system progressively shifting away from baseload generation to variable renewable energy.

This example is from 27 January in Victoria and shows generation, largely thermal baseload, ramping up to meet the evening summer peak, supported by wind generation.

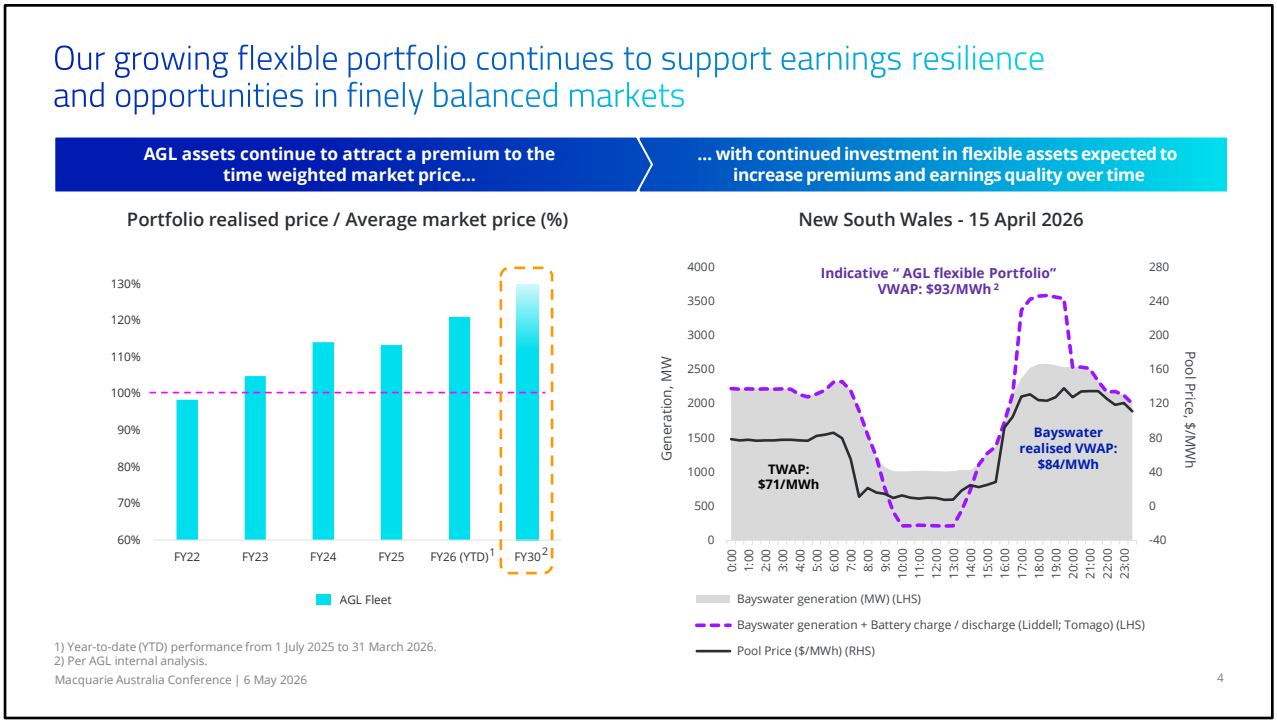
On this day, Victorian operational demand set a new record of 10,784 megawatts at 7pm Melbourne time, but the market appears to be balanced, with the spot price only hitting approximately 1,800 dollars. What is clear is that without the wind generation on that day, or if it had occurred a day earlier and coincided with South Australian extreme prices, Victorian prices would have very likely hit its 20 thousand price cap for a sustained period.

The key point here is that alignment can easily break in instances of extreme weather, low solar irradiation, thermal generator outages, interconnector issues and lack of wind generation.

Winter is also becoming the key risk period with elevated demand peaks and the season where solar typically contributes the least. Added to this – East coast wind generation has historically been at its weakest during cold-high pressure systems.

Overall, the current picture is one of a system that is functioning, but with limited margin for error during peak periods. Demand is growing, peaks are rising, and volatility remains a feature under stressed conditions.

These dynamics underline the importance of adequate firming capacity and operational resilience, both key focus areas for AGL, as the NEM continues to navigate the energy transition.



Our growing flexible portfolio is very well positioned to monetise rising peak demand in these finely balance markets.

Importantly, however, our half year results demonstrated that we can still deliver value and earnings resilience through strong realised supply side pricing premiums in period of unusually low volatility.

On the left-hand side, you can see these premiums have steadily increased since FY22, with a good uptick for FY26 year to date.

We expect our continued investment in flexible assets to further increase these premiums and earnings by FY30 and beyond.

The chart on the right illustrates how our flexible fleet achieves this premium on a typical day in the NEM, in this example, 15 April 2026.

You can see the drop off in spot pool pricing to almost zero in the middle of the day, or the “duck curve”, with Bayswater generation flexing down by almost 70 percent, and recording a strong realised volume weighted average price or “VWAP” of 84 dollars per megawatt hour over the 24 hour period, materially higher than the trade weighted average price of 71.

The key point I’d like to highlight however is the purple dotted line – which indicatively shows the combined impact of the Liddell and Tomago batteries if these projects were fully operational. They would be charging during the middle of the day at near-zero pool pricing and discharging during the evening peak.

The result, per our calculations, would be a realised VWAP of 93 dollars per megawatt hour - a 10 percent improvement on Bayswater’s realised VWAP. More broadly, this demonstrates how incremental firming capacity materially enhances realised returns, even in periods of subdued average pool prices.

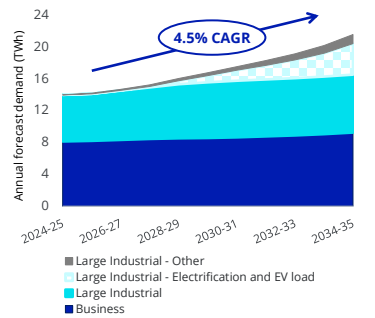
Stepping back, our progressive shift away from thermal generation to a lower carbon energy supply portfolio is expected to lead to a significant reduction in operating and asset risk over time.

Operationally intensive thermal assets - with higher fuel costs, labour intensity and sustaining capital requirements, will be replaced with our growing fleet of firming assets, as well as renewables.

In effect we are shifting away from a high COGS, capital intensive thermal portfolio, to a less capital-intensive energy portfolio with lower operating costs and lower risk - This supports strong risk-adjusted returns, high cash conversion and improved earnings quality as we reshape the portfolio over the next decade.

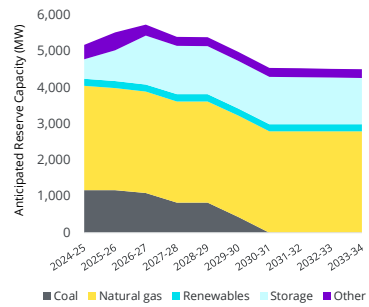
Western Australia provides a compelling backdrop for scaling Perth Energy's market presence and diversifying our earnings beyond the East Coast

Material growth in large industrial demand forecasted, primarily driven by electrification



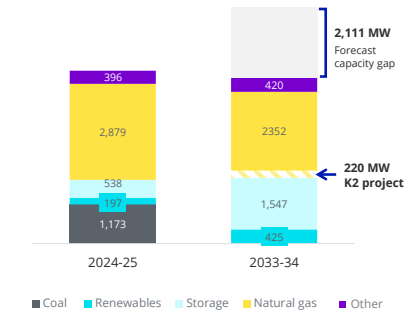
Source: AEMO 2025 WEM ESOO; Expected Scenario – Forecast underlying business consumption by segment

~1.2 GW of coal generation committed to exit the WEM by 2031 …



Source: AEMO 2025 WEM ESOO

… with 2.1 GW of additional capacity required to fill the expected supply gap



Source: AEMO 2025 WEM ESOO

WA capacity market presents strong financial certainty for generators through predictable, capacity backed cash flows

Turning now beyond the NEM to the Western Australian market, which provides a compelling backdrop to scale Perth Energy's market presence and diversify AGL's earnings beyond the East Coast.

Starting on the left, you can see that AEMO is forecasting material growth in large industrial electricity demand in the WEM. This growth is primarily driven by electrification and increasing EV load, layered on top of a stable underlying business demand profile, creating a larger and more resilient load base over time.

Our Perth Energy business combines large strategic customers with a stable base of smaller accounts to manage risk and ensure resilience against market fluctuations. Maintaining a flexible portfolio comprising long term wind, firming generation and short-term supply agreements as well as offering differentiated services such as spot products and Energy Management, which will position us to leverage the increasing industrial demand.

On the supply side, the WEM is entering a clear period of transition. Around 1.1 gigawatts of coal-fired generation is committed to exit by 2031. As that capacity rolls off, the market faces a meaningful shortfall, with a forecast capacity gap of 2.1 gigawatts in 2033.

This tightening balance reinforces the value of firm, dispatchable capacity in the WEM. Coal exits are only partially offset by new renewables and storage, leaving gas and other firming technologies to play a critical role, underlining the requirement for new investment to maintain system stability.

Importantly, the WA capacity market provides strong financial certainty for generators, supported by predictable, capacity-backed cash flows, with the assignment of peak capacity credits to our K2 Project being a prime example of this.

For us, overall, this combination of rising structural demand, committed thermal exits and a transparent and supportive capacity mechanism creates an attractive environment to scale our presence through Perth Energy and grow our earnings base beyond the East Coast.

Our Perth Energy business is continuing to grow market share and build a customer-backed generation portfolio

AGL Perth Energy today[1]

120 MW Generation Portfolio

~1.1 TWh Customer Elec Portfolio

~12 PJ Gas Portfolio

105 MW Contracted Renewables

900 MW Development Pipeline

We are further expanding the breadth and capacity of our flexible asset portfolio with the K2 Project...

- Targeted post-tax, ungeared project level returns of above 8%
  - Expected EBITDA generation of $50 - $70m per annum (nominal) for the first 10 years
- Significant capacity backed cash flows underscores and strengthens expected project returns
- Supports AGL's aim to own and operate a gas peaker in each mainland state

...and continuing to deliver on our broader Perth Energy growth strategy

- Growth in Energy Management Service (EMS) customer base through contracted renewables and behind the meter assets
- Continued progress on Twin Hills Wind Farm Project - proposed large-scale wind farm and associated BESS
- Leveraging flexible gas portfolio to increase wholesale gas customer base
- Overall diversification and growth of quality earnings outside the East Coast

1) As at 31 December 2025.

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Our Perth Energy business today is a growing and increasingly scaled business, with clear momentum across customers as well as operated and contracted generation.

Today, our 120-megawatt Kwinana Swift Power Station supports a Large Business customer load of approximately 1.1 terawatt hours, alongside a gas customer portfolio of roughly 12 petajoules.

This is complemented by a 15-year, 105-megawatt power purchase agreement to offtake electricity generation from the Waddi Wind Farm that we signed in late-2025, with commercial operations targeted to commence in the second half of 2028. Beyond this, the 900-megawatt development pipeline is largely comprised of the Twin Hills Wind Farm project, which I'll touch on in a moment.

Importantly, we are continuing to expand the breadth and capacity of flexible asset fleet through the 220-megawatt K2 project, to be co-located with the existing Kwinana Swift Facility.

Operations are expected to commence in the fourth quarter of 2027 and the project is targeting post-tax, ungeared project-level returns above eight per cent, with an expected EBITDA generation of 50 to 70 million dollars per annum, nominal, for the first 10 years.

These project returns are underpinned by capacity-backed cash flows, and crucially, K2 supports our broader objective to own and operate a gas peaker in each mainland state, providing vital firming capacity in a system transitioning away from baseload thermal generation to variable renewable energy.

In addition to the K2 development, we are executing on our broader Perth Energy growth strategy to diversify and grow quality earnings. This includes growth in our customer base through strategic flexible product offerings and transitioning our supply portfolio through contracted renewables, development projects and behind-the-meter assets. We continue to make good progress on the Twin Hills Wind Farm project, which includes a proposed large-scale wind farm and associated battery energy storage system.

FY26 guidance update

FY26 guidance ranges narrowed:

- **Underlying EBITDA** between **$2,060 million** and **$2,180 million** (previously between $2,020 million and $2,180 million)
- **Underlying NPAT** between **$610 million** and **$680 million** (previously between $580 million and $680 million)

The update to guidance reflects the continued strong operational and financial performance of the business since the half year results, with improved plant availability, stabilisation of consumer margins and disciplined cost management. AGL is well placed for at least the next three months during the global fuel crisis, with current diesel storage near capacity for the generation assets, and expects ongoing supply as an essential services provider.

FY27 outlook:
AGL will provide FY27 earnings guidance at the FY26 Results announcement in August, which is expected to reflect the full year contribution from the Liddell battery, ongoing cost optimisation, lower wholesale prices in some locations, and potential softer local and global market conditions for FY27.

All guidance is subject to any impacts arising from regulatory and government intervention, variability in market and trading conditions, and plant availability.

AGL intends to continue paying fully franked dividends in FY26. Future franking levels and the dividend payout ratio remain subject to Board approval.

I'll now conclude the presentation by talking to our updated FY26 guidance.

We now expect Underlying Net Profit After Tax to be between 610 million dollars and 680 million dollars, previously 580 to 680 million dollars.

Pleasingly, our updated guidance ranges reflect the continued strong operational and financial performance of the business since the half year results, driven by improved plant availability and flexibility, particularly the great performance of our thermal generation fleet, improved Customer Markets performance and disciplined cost management.

AGL is also well placed for at least the next three months during the global fuel crisis, with current diesel storage near capacity for the generation assets, and we expect ongoing supply as an essential services provider.

Given it is early May and our teams are still working through the planning processes, as we would ordinarily do, we plan to provide FY27 guidance as part of our full year results in August.

This guidance is expected to reflect the full year contribution from the Liddell battery, ongoing cost optimisation and potential headwinds including lower wholesale prices in some locations, as well as softer local and global market conditions for FY27.

Thank you again for your time, and I'll now hand back to Ian.

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