



Aurizon Holdings Limited
ABN 14 146 335 622

ASX Market Announcements
ASX Limited
20 Bridge Street
Sydney NSW 2000

BY ELECTRONIC LODGEMENT

20 December 2022

Update on QCA matters

Please find attached an ASX Announcement for release to the market.

Yours faithfully,

David Wenck
Company Secretary

Authorised for lodgement by David Wenck, Company Secretary.

ASX Announcement

Date: 20 December 2022

Update on QCA matters

On 4 November 2022, Aurizon Network submitted to the Queensland Competition Authority (QCA), as part of the standard regulatory process, its proposed 2021-22 revenue adjustment amount, seeking to recover \$44.6 million from Access Holders. The amount was mainly driven by the difference in forecast and actual volumes carried in FY2022.

On 20 December 2022, the QCA published its decision that it was satisfied that the adjustment amount had been calculated in accordance with the Access Undertaking, with the exception of the proposed Weighted Average Cost of Capital (WACC) adjustment. The QCA decided that the WACC adjustment should be calculated on the basis that the approved WACC increased (from 5.9% to 6.3%) on 14 March 2022, the date on which Aurizon Network provided its detailed report on the Initial Capacity Assessment Report (ICAR). Aurizon Network's position is that the WACC increase applied from 12 November 2021 (refer ASX announcements on 28 October 2021 and 12 November 2021).

The QCA decision reduces the amount Aurizon Network is able to recover by approximately \$8 million. Aurizon Network will review the decision and next steps. The 2021-22 revenue adjustment amount will be recovered from Access Holders in FY2024 and has no financial impact in the current FY2023 reporting period.

For more information:

Investors:

Chris Vagg
+61 409 406 128

Media:

Mark Hairsine
+61 418 877 574