ASX Announcement
30 March 2023

2022 Annual Report

Dalrymple Bay infrastructure Limited (ASX:DBI) ("**DBI**" or "**The Company**") releases today the attached Annual Report for the financial year ended 31 December 2022 in accordance with ASX Listing Rule 4.7.

-ENDS-

This announcement was authorised to be given to the ASX by the Board of Dalrymple Bay Infrastructure Limited.

More information

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About Dalrymple Bay Infrastructure

Dalrymple Bay Infrastructure (DBI) through its foundation asset, the Dalrymple Bay Terminal (DBT), aims to provide safe and efficient terminal infrastructure and services for producers and consumers of high quality Australian coal exports. DBT, as the world's largest metallurgical coal export facility, serves as a global gateway from the Bowen Basin and is a critical link in the global steelmaking supply chain. By providing operational excellence and options for capacity expansions to meet expected strong export demand, DBI intends to deliver value to security holders through distributions, ongoing investment and capital growth. dbinfrastructure.com.au

Forward Looking Statements

This announcement contains certain forward-looking statements with respect to the financial condition, operations and business of the Company and certain plans and objectives of the management of DBI. Forward-looking statements can be identified by the use of forward-looking terminology, including, without limitation, the terms "believes", "estimates", "anticipates", "expects, "predicts", "intends", "plans", "goals", "targets", "aims", "outlook", "guidance", "forecasts", "may", "will", "would", "could" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. Such forward looking statements involve known and unknown risks, uncertainties and other factors which because of their nature may cause the actual results or performance of the Company to be materially different from the results or performance expressed or implied by such forward looking statements. Actual results may materially vary from any forecasts in this announcement. No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this announcement. To the maximum extent permitted by law, none of DBI, its directors, employees or agents, nor any other person accepts any liability, including, without limitation, any liability arising out of fault or negligence, for any loss arising from the use of the information contained in this announcement. In particular, no representation or warranty, express or implied is given as to the accuracy, completeness or correctness, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in this announcement nor is any obligation assumed to update such information. Such forecasts, prospects or returns are by their nature subject to significant uncertainties and contingencies. Before making an investment decision, you should consider, with or without the assistance of a financial adviser, whether an investment is appropriate in light of your particular investment needs, objectives and financial circumstances.

ANNUAL REPORT 2022

ESSENTIAL INFRASTRUCTURE FOR A WORLD IN TRANSITION

About Us

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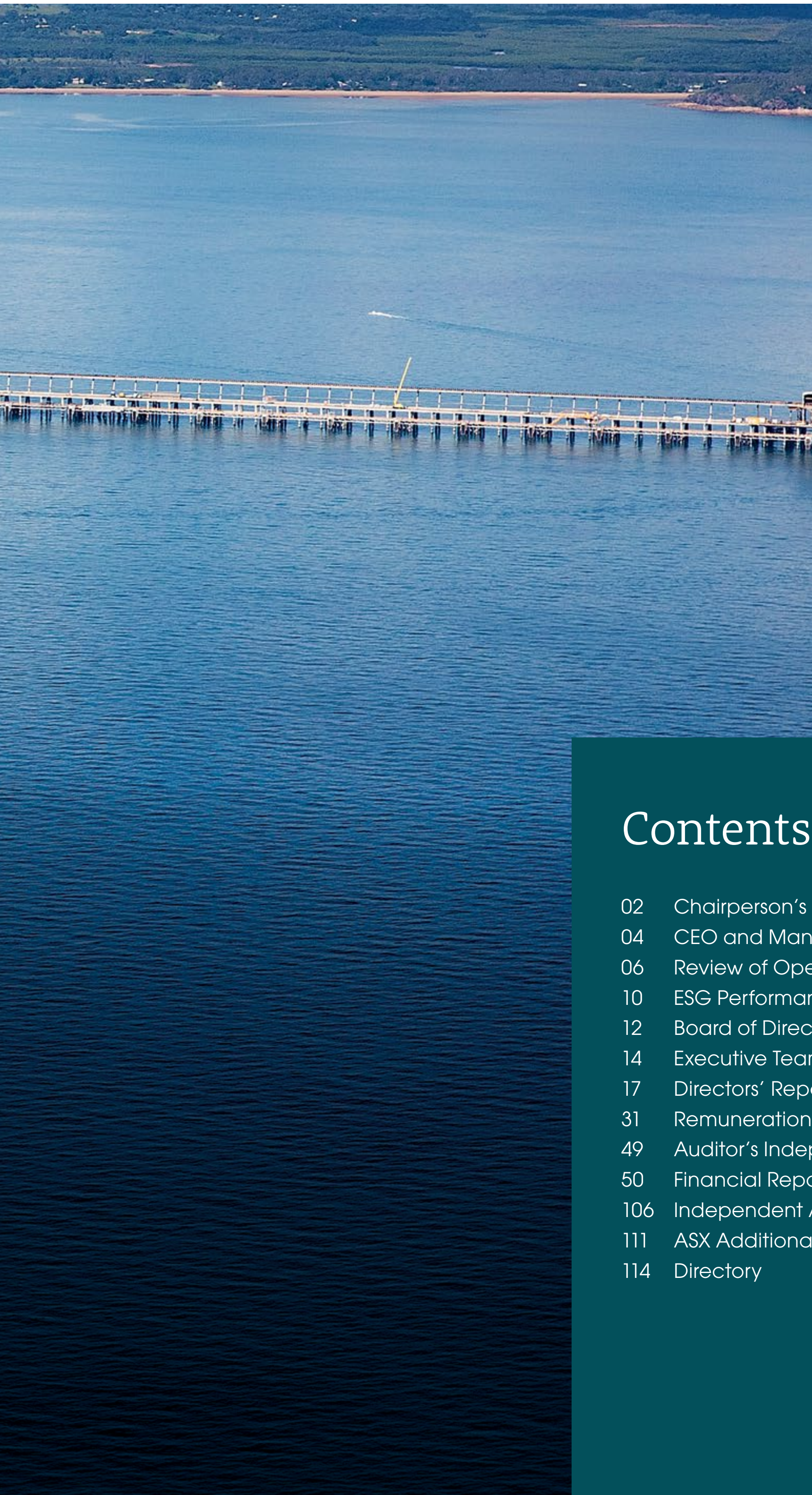
dbinfrastructure.com.au



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Chairperson's Letter

Our 2022 financial results were driven by a significant increase in our access charges following the conclusion of negotiations under the light-handed regulatory framework, which will underpin the resilience and cash flows of our business and allow DBI to continue to deliver value for its stakeholders.

Dear Securityholder,

I am delighted to present Dalrymple Bay Infrastructure's (DBI) annual report for the financial year ended 31 December 2022 (FY-22).

Our 2022 annual report reflects our key initiatives during the year being the delivery of a 10-year revised User Agreements with new Terminal Infrastructure Charges (TIC) negotiated with all customers at Dalrymple Bay Terminal (DBT) under the light-handed regulatory framework,[1] and the development of our Transition Strategy as outlined in our Sustainability Report released in October 2022.[2]

With revised User Agreements now in place, DBI is focussing on long-term organic growth opportunities, including its non-expansionary capital expenditure program, the 8X Project and the potential development of a green hydrogen facility at DBT. These projects are designed to diversify and complement our strategy for DBT which for nearly 40 years has served as a vital part of the global seaborne metallurgical coal trade, critical to meet the world's ongoing demand for steel.

1. *The pricing agreed under the revised User Agreements will apply until 30 June 2031 or contract expiry (whichever is earlier).*
2. *https://dbinfrastructure.com.au/sustainability/reports-documents/*

Sustainability and Transition

DBI's vision is to be a provider of essential infrastructure for a world in transition. During 2022, the Company developed a Transition Strategy to guide its response to the climate-related risks and opportunities arising from the expected transition of the global economy to a low carbon future.

To remain resilient in an evolving global operating environment, DBI's Transition Strategy prepares the Company for a future amidst a changing climate and for emerging opportunities to diversify its business. Diversification options being analysed include expansion of the existing infrastructure at DBT for non-coal purposes, such as the potential for hydrogen export, as well as the diversification of DBI's business through potential mergers and acquisitions. DBI remains committed to its target of achieving net zero[3] Scope 1 and Scope 2 greenhouse gas emissions from DBT operations by 2050.

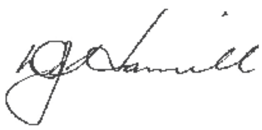
Distributions

A total of 19.185 cents per security in distributions was paid for the FY-22 year. Following the successful completion of the TIC negotiations, DBI announced guidance for distributions for the TIC Year commencing 1 July 2022 (TY-22/23) totalling 20.1 cps.[4] As the TIC will be adjusted on 1 July each year, the Board intends to provide annual distribution guidance around the timing of DBI's Annual General Meeting each year for the 12 months commencing 1 July of that year.

On behalf of the Board, I would like to thank our talented team at DBI for their tremendous contribution during the year. I would further like to acknowledge the DBI Executive Team, led by CEO and Managing Director Anthony Timbrell, for their efforts, highlighted by the successful outcome on access pricing negotiations.

Finally, I would like to thank our securityholders for your continued support of DBI. With the access negotiations concluded and our TIC pricing secured to 30 June 2031, we have significant cashflow certainty for our business which allows DBI to plan with confidence and continue to deliver sustainable returns over the medium and long-term.

Yours sincerely



Hon. Dr David Hamill AM
Chairperson, Dalrymple Bay Infrastructure

3. IPCC definition: Net zero emissions are achieved when anthropogenic emissions of greenhouse gases to the atmosphere are balanced by anthropogenic removals over a specified period.
4. TIC Year (TY) is the 'TIC year' commencing on 1 July and ending on 30 June (i.e. TY-22/23 is 1 July 2022 to 30 June 2023).

CEO and Managing Director's Letter

With the successful completion of commercial pricing negotiations with our customers, Dalrymple Bay Infrastructure's focus is now firmly on creating value for securityholders by progressing our growth opportunities at DBT via our NECAP program, progressing the 8X Project as well as diversification opportunities beyond DBT.

Dear Securityholder,

Celebrating 40 years of operation in 2023, DBT remains a key asset in the Queensland and Australian economies, having handled 53.3Mt[5] of coal volume in 2022, of which 76% was metallurgical coal. Importantly, the safety performance at DBT continued to improve with a whole of site AIFR of 4.8,[6] almost half that of the prior period. Our Operator, Dalrymple Bay Coal Terminal Pty Ltd (the Operator) is to be congratulated for their continued focus on developing a positive safety culture at the terminal.

I would like to echo the Chairperson's comments in acknowledging the hard work and dedication of our team. It was another busy year for our high performing team and their efforts and valuable contributions are greatly appreciated.

Financial

Total Income for the year was $626.4 million, which flowed through to statutory net profit after tax of $69.0 million. Reported borrowings as at 31 December 2022 were $1,966.3 million[7] (non-statutory drawn debt of $1,928.2 million). The Company remained highly cash generative which, in combination with TIC revenue certainty, has enabled distributions totalling 19.185 cps to be paid for FY-22, representing a yield of 8.2%.[8] Our investment grade balance sheet was maintained which provides significant flexibility for our future growth options.

Regulation

The successful completion of the commercial negotiations with our customers under the light-handed regulatory framework was a significant milestone for DBI during FY-22.

A TIC of $3.18 applies for TY-22/23, representing a 29% increase to the TIC that applied under the previous heavy-handed regulatory regime. The TIC will be adjusted annually for inflation and will also increase each year through organic investment in Non-Expansionary Capital Expenditure (NECAP).[9]

Importantly, other key commercial terms remain substantially the same as under the previous heavy-handed regime, including 100% long-term take-or-pay contracts and socialisation of charges in the event of customer default or contract expiries.[10] DBT remains fully contracted to June 2028 with evergreen renewal options for customers.

Expansion opportunities

DBT retains significant expansion optionality to accommodate metallurgical coal exports from the Bowen Basin via the 8X Project. The 8X Project presents a well-defined technical and commercial pathway to expand capacity to 99.1Mtpa, from current contracted capacity of 84.2 Mtpa, and is currently expected to be well supported by access seekers with an access queue of 33Mtpa. The technical aspects of the 8X Project FEL3 Study (feasibility), which is fully underwritten by access seekers, were completed in Q1-23 with the total estimated cost expected to be approximately $1,369 million,[11] updating the FEL2 Study (pre-feasibility) prior estimate

5. *Mt means million tonnes and Mtpa means million tonnes per annum.*
6. *For the 12-month period to 31 December 2022 and includes the Operator's employees and contractors.*
7. *Excluding the loan notes attributable to securityholders and adding back capitalised borrowing costs of $7.3 million.*
8. *At the current quarterly distribution rate and based on the closing security price on 24 February 2023.*
9. *Refer note 17.*
10. *Refer note 18.*
11. *FEL3 Capital cost estimate is the estimate at completion with a P95 Confidence level and is inclusive of escalation and based on an assumed commencement date of 1 April 2024. Excludes feasibility study costs and interest during construction.*

of $1,276 million (in 2020 dollars).[12] Associated economic assessments are ongoing and expected to continue in to the second half of H2-23.

Hydrogen Project

In 2022, DBI and its three consortium parties jointly funded a market study which highlighted the rapid growth in demand expected for green hydrogen and its derivatives over the period to 2050, and funded further analysis of possible green energy carriers for use at DBT.[13] The output of this work suggests that DBT's infrastructure may be suitable for the export of a number of new energy products, with the shipment of ammonia (as a carrier of liquid hydrogen) currently considered the most suited to the existing terminal infrastructure. Further engineering and assessments are planned in 2023.

Outlook

DBT is well positioned as the world's largest metallurgical coal export facility with demand expected to remain resilient over the longer term under a range of climate scenarios. Following the successful completion of commercial access pricing, DBI is expected to deliver organic growth in revenue going forward through the TIC which is adjusted annually for inflation and through investment in NECAP opportunities, with optionality to come from the 8X Project and execution of our Transition Strategy.

With the resilience of DBI's business underpinned by the strategic nature of the DBT asset and our long-term take or pay arrangements with customers, securityholders can continue to take comfort in the predictability of DBI's cashflows which underpin both distributions and growth.

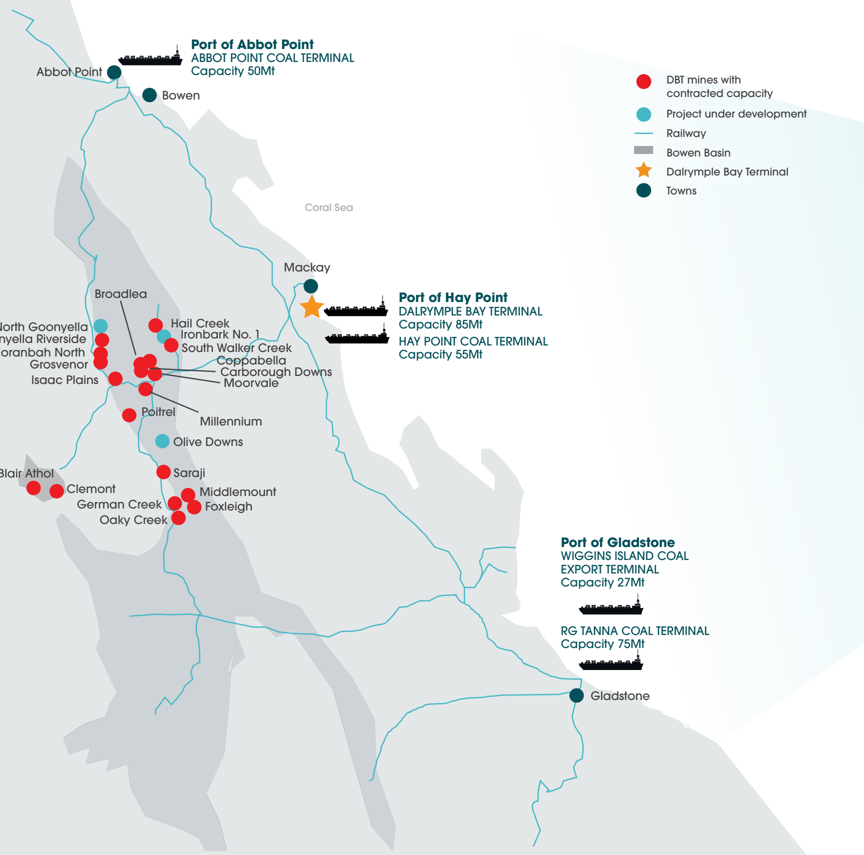
12. The Pre-feasibility FEL2 Estimate was P50 Confidence level without escalation.
13. Refer Previous ASX Release: "Funding agreement for feasibility studies for potential green hydrogen project at Hay Point" dated 24 February 2022.

Yours sincerely

Anthony Timbrell
CEO and Managing Director

Outlook

01	Commence approved NECAP Projects.
02	Commence negotiations with access seekers with regard to access pricing terms for 8X.
03	Identify opportunities for diversification that align with DBI's transition strategy.
04	Progressive alignment of DBI's climate-related risk assessments and disclosures to the TCFD framework over time. Deliver our whole-of-terminal ESG and sustainability initiatives.
05	Protect investment grade credit rating through optimisation of the debt capital structure – tenor, pricing and diversity of source.
06	Complete initial scoping studies of green hydrogen export and work with partners to promote DBT as a potential third-party service provider.



Review of Operations

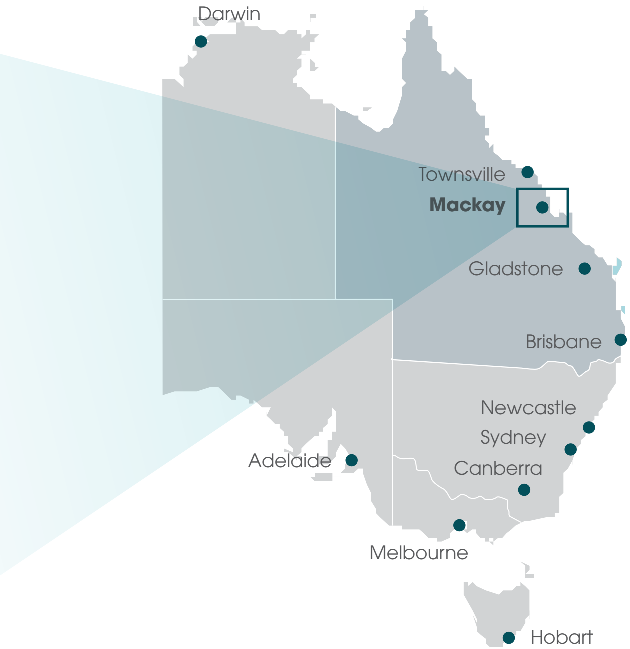
DBT is a regulated multi-user export terminal with a nameplate capacity of 85Mtpa located within the Port of Hay Point, approximately 38km south of Mackay and 900km north of Brisbane. DBT was constructed by the Queensland Government and commenced operations in 1983, and has operated continuously since that time. In 2023, we are pleased to celebrate 40 years of operation at DBT.

Operational Performance

During 2022, DBT exported 53.3Mt of coal with metallurgical coal exports representing 76% of DBT's exports during the year.

The terminal is fully contracted at a capacity of 84.2mt per annum until June 2028 on a 100% take-or-pay basis with evergreen renewal options. DBT's User portfolio includes some of the world's largest mining companies and highly experienced coal producers who export coal from 18 mines in the Bowen Basin through DBT.

Coal handled by DBT is exported to 23 countries, with key markets comprising large demand centres for export metallurgical coal, including Japan, South Korea, India and Europe. While the contract capacity utilisation rate in 2022 was lower than historical levels, the lower utilisation rate had no impact on revenue generated by DBI given the nature of the take-or-pay Access Agreements. There are early signs the informal ban on Australian coal imports to China may be in the process of being lifted, with multiple China-destined vessels arriving at DBT in February 2023.



Map Sourced from DRNME 2016 and DBI data.

Competitive advantage

01 Ability to navigate complex regulatory situations.

02 Strong project management and capital deployment expertise.

03 Solid understanding of the energy transition.

04 Expertise through key partner relationships.

05 Expected long-term resilience of DBT provides ample time to strategically execute our Transition Plan.

06 Long standing asset management expertise.

Pricing Agreement with Customers

Services at DBT are declared under the Queensland Competition Act 1997 and subject to a third-party access regime administered by the Queensland Competition Authority (QCA) which provides a framework, set out in the 2021 Access Undertaking, for the terms and conditions upon which access to DBT is provided.

DBI[14] submitted a draft access undertaking to the QCA for assessment on 1 July 2019 proposing a transition to a lighter-handed regulatory framework in the form of a 'negotiate-arbitrate' pricing regime. On 1 July 2021, the QCA approved the 2021 Access Undertaking, which endorsed the application of a lighter-handed regulatory framework from that date.[15]

In October 2022, DBI reached agreements on pricing and commercial terms for a ten-year period to June 2031 with all existing customers (Users) at DBT under the light-handed regulatory framework.

The TIC for July 2021 to June 2022 (TY-21/22)[16] was set at $3.02 per tonne with a charge of $3.18 per tonne for TY-22/23 representing a 23% and 29% increase respectively to the TIC that applied under the previous heavy-handed regime. The TIC comprises a number of components including a Base TIC which is adjusted annually for inflation and a NECAP Charge component for commissioned NECAP which earns a 10-year Commonwealth Government bond rate (reset) annually plus a margin.[17]

Other key commercial terms remain substantially the same including 100% take-or-pay terms, 100% pass through of operating costs and 100% of DBT's capacity remaining fully contracted to June 2028 with evergreen renewal options for Users. Socialisation of charges on User defaults or contract expiries was retained on largely similar terms for the Pricing Period.[18]

14. *DBI means Dalrymple Bay Infrastructure Limited (ACN 643 302 032) and where appropriate, members of the DBI group of companies.*
15. *Refer previous ASX announcements: Queensland Competition Authority confirms move to Light Handed Regulatory Framework dated 31 March 2021 and Queensland Competition Authority approves Access Undertaking for Light-handed Regulatory Framework dated 1 July 2021.*
16. *TY is the 'TIC Year' commencing on 1 July and ending on 30 June (i.e. TY-21/22 is 1 July 2021 to 30 June 2022).*
17. *The Base TIC Component of TIC for TY-21/22 was $3.00 per tonne. Inflation applied to TY22/23 of 5.1%.*
18. *The Pricing Period commenced on 1 January 2021 and ends on 30 June 2031. Revenue for uncontracted capacity will not be socialised through increased charges for remaining Users in three limited circumstances: (1) if DBIM elects to voluntarily resume capacity not being utilised by a User without a reasonable expectation of recontracting to another access seeker, (2) in respect of uncontracted capacity created by an expansion until such capacity is unconditionally contracted for a term of at least 10 years, as required by the 2021 Access Undertaking, with appropriate credit security and for a mine that has achieved first coal at DBT, or (3) if DBIM fails to maintain DBT to be available to operate to its rated design capacity, or enters any agreements with non-coal customers in the future, either of which reduces available capacity, to the extent that available capacity is reduced. DBIM currently has no agreements with non-coal customers at DBT.*

Review of Operations

Non-Expansionary Capital Expenditure

Over the next 10 years, DBI expects that the NECAP program will require over $500 million (in 2022 dollars) of continued organic investment. DBI's current planning includes at least one yard machine replacement and two shiploader replacements as existing machines reach the end of their economic lives. The new stacker machine, Stacker 1A, was successfully commissioned in May 2022.

The NECAP program also includes smaller sustaining capital projects to ensure compliance with evolving safety and environmental standards. DBI earns a return on and a return of NECAP expenditure with the TIC adjusted each 1 July to account for NECAP projects commissioned during the previous 12 months.

8X Project

DBT retains significant expansion optionality to accommodate metallurgical coal exports from the Bowen Basin. The 8X Project presents a well-defined technical and commercial pathway to expand capacity to 99.1Mtpa. The 8X Project is focused on terminal optimisation by maximising storage volume as well as increasing inloading and outloading capabilities within the existing footprint of DBT and its marine facilities.

In August 2022, DBI secured all principal environmental approvals to increase the capacity of DBT to 99.1Mtpa, including the Operator's Environmental Authority for DBT. The technical aspects of the 8X FEL3 Study (feasibility), which is fully underwritten by access seekers, were completed in Q1-23 with the total estimated cost expected to be approximately $1,369 million,[19] updating the Pre-feasibility FEL2 prior estimate of $1,276 million (in 2020 dollars).[20] Associated economic assessments are ongoing and expected to continue into H2-23.

19. FEL3 Capital cost estimate is the estimate at completion with a P95 Confidence level and is inclusive of escalation and based on an assumed commencement date of 1 April 2024. Excludes feasibility study costs and interest during construction.
20. The Pre-feasibility FEL2 Estimate was P50 Confidence level without escalation.

The DBT master plan, available on DBI's website, sets out the technical pathway for delivering the 8X Project. In November 2021, the QCA delivered a Final Determination allowing pricing for the 8X Project to be socialised, meaning that the expansion is expected to be effectively treated as part of the existing terminal with costs able to be allocated to existing as well as new users of DBT.

DBI also retains significant flexibility over the timing and phasing to deliver capacity to meet customer needs and optimise the delivery program. A final investment decision will be linked to underlying demand and the technical and economic feasibility of the proposed expansion.

Transition Strategy

DBI developed its Transition Strategy to guide its strategic response to the climate-related risks and opportunities arising from the expected transition of the global economy to a low carbon future. The Transition Strategy and DBI's approach to its development were detailed in the Company's 2022 Sustainability Report.

The transition strategy recognises the long-term need for metallurgical coal in the global steel production process which provides significant time for DBI to create value and build resilience through:

- growing our business organically through NECAP, the potential 8X Project and other diversified uses of DBT such as hydrogen; and
- investigating opportunities for external growth by developing or acquiring third party infrastructure.

DBT retains significant expansion optionality to accommodate metallurgical coal exports from the Bowen Basin

DBI remains comfortable that there will be strong demand for DBT's services through the period to 2050 and beyond

01

Forecast long-term demand for Australian metallurgical coal indicates that there will still be material demand for DBT's services beyond 2050.

02

The transition to a low carbon economy may lead to a reduction in demand for DBT's coal handling services over the long-term.

03

DBT retains attractive opportunities for organic growth via NECAP, and potentially 8X, where contract structures account for the impacts of the energy transition.

04

DBI will monitor the progress of the energy transition and ensure that its regulatory and commercial structures remain appropriate at each stage of the process.

05

To remain resilient in the face of the energy transition, DBI will actively consider opportunities to diversify both DBT and the broader business of DBI.

ESG Performance

98.5%

of water utilised was captured on site and recycled

33%

DBI female Executive Leadership

68%

of waste was recycled or recovered in other operations

100%

renewable benefits (LGCs)[21] secured by DBT in Electricity Sale Agreement

34%

DBI female employees

Zero

environmental non-compliances

Transition Strategy

Developed and released with 2022 Sustainability report

21. *Refer ASX announcement: Dalrymple Bay Terminal Secures Electricity Sale Agreement with 100% Renewable Benefits from 2023 dated 17 November 2021. The Electricity Sale Agreement is in place for the period 1 January 2023 to 31 December 2030.*

DBT continues to report zero reportable environmental incidents and exceedances, zero fatalities and an All Injury Frequency Rate (AIFR) of 4.8.[22]

In 2022, DBI conducted a sustainability materiality assessment which considers the key issues raised by stakeholders regarding DBI's impacts on the economy, environment and people. DBI received more than 300 survey responses and will incorporate feedback into its Sustainability Strategy over the next year.

DBT's new electricity arrangements, which provide for 100% of its requirements with 100% renewable benefits in the form of renewable energy large scale generation certificates (LGCs), commenced on 1 January 2023. This is a major step toward DBI's commitment to target net zero Scope 1 and Scope 2 emissions at DBT by 2050, with DBT's Scope 2 electricity emissions representing approximately 98% of DBT's greenhouse gas emissions each year.

In an effort to continue to reduce emissions at DBT, DBI and the Operator have established a decarbonisation roadmap for its Scope 1 and Scope 2 emissions and will work to implement the initiatives over time. Climate-related risk management is a key focus for DBI and, through its transition strategy and ongoing physical risk work, the Company has identified its short and long-term risks and is developing strategies to address them. In DBI's 2022 Sustainability Report, DBI is continuing to align its climate change reporting with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and will work to improve on its disclosures in future Sustainability Reports.

Further information on DBI's sustainability performance along with our Corporate Governance Statement and policies can be found on the Company's website and in the Company's 2022 Sustainability Report.[23]

22. For the 12 month period to 31 December 2022 and includes the Operator's employees and contractors.
23. Refer https://dbinfrastructure.com.au/ and https://dbinfrastructure.com.au/sustainability/reports-documents/.

Board of Directors

Hon Dr David Hamill AM

Chair and Independent Non-Executive Director

Member of the following Board Committees: Governance, Remuneration and Nomination Committee (Chair), Finance and Audit Committee, Compliance, Risk and Sustainability Committee.

David was appointed as an Independent Non-Executive Director on 7 August 2020 and as Chair of the Board on 20 October 2020. He has served as a director on the boards of public and private companies, statutory authorities and not for profit and charitable organisations and his experience spans various sectors including transport, health, utilities and education. David was Treasurer of Queensland (1998-2001), Minister for Education (1995-1996), Minister for Transport and Minister Assisting the Premier on Economic and Trade Development (1989-1995) and served as the Member for Ipswich in the Queensland Parliament (1983-2001). David is an independent director of both Brookfield Business Partners LP and Brookfield Business Corporation, chairperson of the Queensland Bulk Water Supply Authority and chairperson of Act for Kids. He has a Bachelor of Arts degree with Honours from the University of Queensland and attended the University of Oxford as a Rhodes Scholar for his Master of Arts degree. David was awarded his Doctor of Philosophy from the University of Queensland.

Directorships of listed companies during the last three years: Brookfield Business Partners LP (NYSE and TSE listed) (June 2016 to date), Brookfield Business Corporation (NYSE and TSE listed) (June 2021 to date)

Mr Anthony Timbrell

CEO and Managing Director

Anthony was appointed as an Executive Director in August 2020. Anthony joined DBIM in 2008 and was appointed CEO in 2010. Anthony has 25 years of experience in the coal industry working in major Australian mining houses as well as private companies in marketing and logistics roles. Anthony is the chairperson and a director of Integrated Logistics Company Pty Ltd. Anthony has a Bachelor of Business from the University of Newcastle.

Directorships of listed companies during the last three years: None.

Dr Eileen Doyle

Independent Non-Executive Director

Member of the following Board Committees: Governance, Remuneration and Nomination Committee, Compliance, Risk and Sustainability Committee (Chair).

Eileen was appointed as an Independent Non-Executive Director on 30 October 2020. Eileen has more than 30 years of experience in innovation in large companies, small to medium sized enterprises and start ups. Eileen was previously a director of Boral Ltd, GPT Ltd, OneSteel Ltd, Oil Search Ltd and Bradken Ltd. She is the past Chairman of Port Waratah Coal Services and Deputy Chairman of CSIRO. She is presently a director of Santos Limited, SWOOP Analytics Pty Ltd, Air Services Australia and NextDC Ltd. Eileen holds a PhD in Applied Statistics from the University of Newcastle. She was Australia's first Fulbright Scholar in Business Management for which she attended Columbia University. She is a Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Academy of Technology and Engineering.

Directorships of listed companies held during the last three years: Boral Limited (March 2010 to October 2020), NextDC Limited (August 2020 to date), Oil Search Limited (February 2016 to December 2021), Santos Limited (December 2021 to date).

Mr Ray Neill

Non-Executive Director

Ray Neill is a Managing Director in Brookfield's Infrastructure Group, responsible for leading business development and transaction execution in Australia. Mr Neill serves as a board member on several of Brookfield's operating companies. Mr Neill joined Brookfield in 2010, following Brookfield's acquisition of the Australian-listed company, Prime Infrastructure, where he worked as an investment analyst. Prior to that, Mr Neill worked for the strategy consulting firm Booz and Co. Mr Neill holds a bachelor's degree in engineering from the University of Queensland and a Graduate Diploma in Applied Finance from the Securities Institute of Australia.

Directorships of listed companies held during the last three years: None.

Mr Bahir Manios

Non-Executive Director

Member of the following Board Committees: Governance, Remuneration and Nomination Committee, Finance and Audit Committee, Compliance, Risk and Sustainability Committee.

Bahir Manios is the Chief Financial Officer of Brookfield Asset Management. In his role, Bahir is responsible for overseeing the company's finance, capital markets, corporate development, treasury, tax, and investor relations functions. Mr Manios joined Brookfield in 2004 and was formerly the Chief Strategy Officer in Brookfield's Infrastructure Group and Chief Investment Officer of Brookfield Reinsurance. Prior to that, Mr Manios was the Chief Financial Officer of Brookfield Infrastructure Partners. Mr Manios is a graduate of Wilfrid Laurier University and is a member of the Canadian Institute of Chartered Accountants.

Directorships of listed companies held during the last three years: None.

Ms Bronwyn Morris AM

Independent Non-Executive Director

Member of the following Board Committees: Governance, Remuneration and Nomination Committee, Finance and Audit Committee (Chair).

Bronwyn was appointed as an Independent Non-Executive Director on 30 October 2020. Bronwyn is a chartered accountant and a former partner of KPMG. She has over 25 years' experience on the boards of entities in the publicly listed, unlisted, government and not for profit sectors. She has considerable experience with regulated organisations across numerous industry sectors including infrastructure, utilities and financial services. Bronwyn is currently chair of Urban Utilities and RACQ Foundation and a director of National Intermodal Company and Menzies Health Institute Queensland. Bronwyn has a Bachelor of Commerce majoring in Accounting from the University of Queensland and is a Fellow of both the Australian Institute of Company Directors and Chartered Accountants Australia and New Zealand.

Directorships of listed companies held during the last three years: Collins Foods Limited (June 2011 to 2 September 2022).

Executive Team

Anthony Timbrell

CEO and Managing Director

Anthony was appointed as an Executive Director in August 2020. Anthony joined DBIM in 2008 and was appointed CEO in 2010. Anthony has 25 years of experience in the coal industry working in major Australian mining houses as well as private companies in marketing and logistics roles. Anthony is the chairperson and a director of Integrated Logistics Company Pty Ltd. Anthony has a Bachelor of Business from the University of Newcastle.

Directorships of listed companies during the last three years: None.

Stephanie Commons

Chief Financial Officer

Stephanie Commons commenced her career in accounting at Ernst & Young and spent over eight years working in Corporate Finance and Corporate Restructuring in Ernst & Young's Brisbane and London offices. During this time, Ms Commons managed numerous due diligence, restructuring and advisory assignments for both listed and private equity clients in the UK, Europe and US.

Prior to joining DBT in 2006, Ms Commons managed forensic assignments for the ATO and AFP and held consulting and management roles for both international corporates and advisory firms. Ms Commons holds a Bachelor of Science (Computing) from the University of Queensland and a Bachelor of Business – Accountancy (with Distinction) from the Queensland University of Technology. She has been a member of the Institute of Chartered Accountants since 1994.

Jesse Knight

Chief Operating Officer

Having joined DBI Management in 2002, Jesse has a deep understanding of the terminal, the DBT supply chain and the DBT Access regime. Jesse is the face of DBI Management for our customers; responsible for negotiating access agreements, delivering operational performance initiatives and driving DBT supply chain improvements.

Jesse holds a Bachelor of Information Technology and a Masters of Business Administration (Maritime and Logistics Management).

Peter Wotherspoon

Group Projects Director

Peter Wotherspoon joined DBI Management in 2001.

Peter has more than 30 years experience managing heavy industrial/materials handling construction projects in "brownfields" environments. He has been involved with expansions of DBT since the Stage 3 Expansion in 1997 and his extensive operational knowledge has guided the future planning and optimisation of the terminal over the last 20 years.

During a downturn in the coal industry from 2015 to 2017, Peter focussed on a diverse range of infrastructure due diligence projects in India and Australia with Brookfield, combining project management discipline with operational and asset management skills.

Peter holds a Bachelor of Engineering (Mechanical) and a Graduate Diploma in Administration, both from the University of Technology, Sydney.

Jonathan Blakey

Chief Commercial and Sustainability Officer

Jonathan is an experienced financial executive, responsible for the commercial, regulatory and sustainability matters for DBI. Mr Blakey joined DBI in 2010, and during this time has supported strategic planning processes, overseen the regulatory regime governing DBT, and led customer negotiations for the company.

Prior to joining DBI, Jonathan led the Treasury Accounting team at Suncorp Bank. During his time at the bank, he gained significant exposure to complex financial and reporting issues during the GFC. Jonathan holds a Bachelor of Commerce (Accountancy) and a Bachelor of Business Management (Management & Organisations) from the University of Queensland. He has been a member of CPA Australia since 2005.

Liesl Burman

Chief Legal and Risk Officer

Liesl is an experienced senior executive, lawyer and company secretary with over 20 years' experience with a broad background across the commercial, infrastructure and resources legal sectors. Prior to joining DBI in May 2021, Liesl was General Counsel, Australia and Assistant Company Secretary for a listed US/Australian metallurgical coal producer. Prior to that Liesl worked as a Senior Corporate Counsel for a major Australian mining house for 13 years. Liesl first practised as a Solicitor and Senior Associate for Allens Arthur Robinson (now Allens) in the commercial litigation and insolvency law areas.

Liesl holds a Bachelor of Business (International Business)/Bachelor of Laws from the Queensland University of Technology and a Graduate Diploma in Applied Corporate Governance from Chartered Secretaries Australia (now Governance Institute). Liesl is a graduate of the Australian Institute of Company Directors and is admitted to legal practice in Queensland, Australia.

Liesl is the Chief Legal and Risk Officer for Dalrymple Bay Infrastructure Limited and was appointed as Company Secretary on 28 February 2022.

FINANCIAL REPORT

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Directors' Report

The Directors of Dalrymple Bay Infrastructure Limited (the Company or DBI) present their financial statements for the year ended 31 December 2022.

The Dalrymple Bay Infrastructure Consolidated Group (the Group) comprises the Company:

- Dalrymple Bay Infrastructure Holdings Pty Ltd
- Dalrymple Bay Infrastructure Management Pty Ltd (DBIM)
- Dalrymple Bay Finance Pty Ltd (DB Finance)
- Dalrymple Bay Investor Services Pty Ltd (Trustee for the DBT Trust)
- DBT Trust
- BPIRE Pty Ltd (Trustee for the BPI Trust, Brookfield DP Trust and Brookfield Infrastructure Australia Trust)
- BPI Trust
- Brookfield DP Trust
- Brookfield Infrastructure Australia Trust
- Dudgeon Point Project Management Pty Ltd

(together the 'DBT Entities');

- DBH2 Holdings Pty Ltd (formerly DBHex Holdings Pty Ltd)
- DBH2 Management Pty Ltd (formerly DBHex Management Pty Ltd).

The Directors of the Group during whole of the reporting year and since the end of the reporting year were:

Directors	Position
Hon Dr David Hamill AM	Chairman, Independent Non-Executive Director
Mr Anthony Timbrell	Chief Executive Officer (CEO) and Executive Director
Mr Bahir Manios	Non-Executive Director
Ms Bronwyn Morris AM	Independent Non-Executive Director
Dr Eileen Doyle	Independent Non-Executive Director
Mr Jonathon Sellar	Alternate Director for Bahir Manios

Mr Bahir Manios has resigned as a non-executive director of the Company and Mr Ray Neill has been appointed by DBI as a non-executive director, following his nomination by Brookfield pursuant to the Relationship Agreement[1]. Mr Manios' resignation and Mr Neill's appointment are with effect from 5.00pm AEST on 27 February 2023. Mr Jonathon Sellar will also cease to be appointed as alternate director for Mr Manios and has been appointed by DBI as alternate director for Ray Neill effective on and from his appointment.

1. *Under the Relationship Agreement between DBI and BIP Bermuda Holdings IV Limited, a subsidiary of Brookfield Infrastructure Partners L.P., which holds 49% of DBI's issued capital, Brookfield is entitled to request the appointment of one replacement director and alternate director, following Mr Manios' resignation. For further information refer to Section 11.7.12 of the DBI Prospectus released to the ASX on 8 December 2020.*

Directors' Report continued

Chair and Independent Non-Executive Director

Hon Dr David Hamill AM

Member of the following Board Committees:

- Governance, Remuneration and Nomination Committee (Chair)
- Finance and Audit Committee
- Compliance, Risk and Sustainability Committee

David was appointed as an Independent Non-Executive Director on 7 August 2020 and as Chair of the Board on 20 October 2020. He has served as a director on the boards of public and private companies, statutory authorities and not for profit and charitable organisations and his experience spans various sectors including transport, health, utilities and education. David was Treasurer of Queensland (1998-2001), Minister for Education (1995-1996), Minister for Transport and Minister Assisting the Premier on Economic and Trade Development (1989-1995) and served as the Member for Ipswich in the Queensland Parliament (1983-2001). David is an independent director of both Brookfield Business Partners LP and Brookfield Business Corporation, chairperson of the Queensland Bulk Water Supply Authority and chairperson of Act for Kids. He has a Bachelor of Arts degree with Honours from the University of Queensland and attended the University of Oxford as a Rhodes Scholar for his Master of Arts degree. David was awarded his Doctor of Philosophy from the University of Queensland.

Directorships of listed companies during the last three years:

Brookfield Business Partners LP (NYSE and TSE listed) (June 2016 to date)
Brookfield Business Corporation (NYSE and TSE listed) (June 2021 to date)

Chief Executive Officer (CEO) and Executive Director

Mr Anthony Timbrell

Anthony was appointed as an Executive Director in August 2020. Anthony joined DBIM in 2008 and was appointed CEO in 2010. Anthony has 25 years of experience in the coal industry working in major Australian mining houses as well as private companies in marketing and logistics roles. Anthony is the chairperson and a director of Integrated Logistics Company Pty Ltd. Anthony has a Bachelor of Business from the University of Newcastle.

Directorships of listed companies during the last three years:

None

Non-Executive Directors

Mr Bahir Manios

Member of the following Board Committees:

- Governance, Remuneration and Nomination Committee
- Finance and Audit Committee
- Compliance, Risk and Sustainability Committee

Bahir Manios is the Chief Financial Officer of Brookfield Asset Management. In his role, Bahir is responsible for overseeing the company's finance, capital markets, corporate development, treasury, tax, and investor relations functions. Mr Manios joined Brookfield in 2004 and was formerly the Chief Strategy Officer in Brookfield's Infrastructure Group and Chief Investment Officer of Brookfield Reinsurance. Prior to that, Mr Manios was the Chief Financial Officer of Brookfield Infrastructure Partners. Mr Manios is a graduate of Wilfrid Laurier University and is a member of the Canadian Institute of Chartered Accountants.

Directorships of listed companies held during the last three years:

None

Independent Non-Executive Directors

Ms Bronwyn Morris AM

Member of the following Board Committees:

- Governance, Remuneration and Nomination Committee
- Finance and Audit Committee (Chair)

Bronwyn was appointed as an Independent Non-Executive Director on 30 October 2020. Bronwyn is a chartered accountant and a former partner of KPMG. She has over 25 years' experience on the boards of entities in the publicly listed, unlisted, government and not for profit sectors. She has considerable experience with regulated organisations across numerous industry sectors including infrastructure, utilities and financial services. Bronwyn is currently chair of Urban Utilities and RACQ Foundation and a director of National Intermodal Company and Menzies Health Institute Queensland. Bronwyn has a Bachelor of Commerce majoring in Accounting from the University of Queensland and is a Fellow of both the Australian Institute of Company Directors and Chartered Accountants Australia and New Zealand.

Directorships of listed companies held during the last three years:

- Collins Foods Limited (June 2011 to 2 September 2022)

Directors' Report continued

Dr Eileen Doyle

Member of the following Board Committees:

- Governance, Remuneration and Nomination Committee
- Compliance, Risk and Sustainability Committee (Chair)

Eileen was appointed as an Independent Non-Executive Director on 30 October 2020. Eileen has more than 30 years of experience in innovation in large companies, small to medium sized enterprises and start ups. Eileen was previously a director of Boral Ltd, GPT Ltd, OneSteel Ltd, Oil Search Ltd and Bradken Ltd. She is the past Chairman of Port Waratah Coal Services and Deputy Chairman of CSIRO. She is presently a director of Santos Limited, SWOOP Analytics Pty Ltd, Air Services Australia and NextDC Ltd. Eileen holds a PhD in Applied Statistics from the University of Newcastle. She was Australia's first Fulbright Scholar in Business Management for which she attended Columbia University. She is a Fellow of the Australian Institute of Company Directors and a Fellow of the Australian Academy of Technology and Engineering.

Directorships of listed companies held during the last three years:

- Boral Limited (March 2010 to October 2020)
- NEXTDC Limited (August 2020 to date)
- Oil Search Limited (February 2016 to December 2021)
- Santos Limited (December 2021 to date)

Alternate Non-Executive Director

Mr Jonathon Sellar

Jonathon was appointed as an Alternate Non-Executive Director for Mr Bahir Manios on 17 December 2020. Jonathon is a Managing Director in Brookfield's Infrastructure Group and Operating Partner for Australia, responsible for the asset management function in the region. Jonathon joined Brookfield in 2010, following Brookfield's acquisition of the Australian listed company, Prime Infrastructure, where he had served as the Chief Financial Officer since 2002. Previously, he held senior roles at InterGen Australia and at PricewaterhouseCoopers. Jonathon holds a Bachelor of Business (Accountancy) from the Queensland University of Technology and has been a member of Chartered Accountants Australia and New Zealand since 1996.

Directorships of listed companies held during the last three years:

None

Incoming Non-Executive Director

Mr Ray Neill

Ray Neill is a Managing Director in Brookfield's Infrastructure Group, responsible for leading business development and transaction execution in Australia. Mr Neill serves as a board member on several of Brookfield's operating companies. Mr Neill joined Brookfield in 2010, following Brookfield's acquisition of the Australian-listed company, Prime Infrastructure, where he worked as an investment analyst. Prior to that, Mr Neill worked for the strategy consulting firm Booz and Co. Mr Neill holds a bachelor's degree in engineering from the University of Queensland and a Graduate Diploma in Applied Finance from the Securities Institute of Australia.

Directorships of listed companies held during the last three years:

None

Company Secretary

Ms Liesl Burman

Liesl is an experienced senior executive, lawyer and company secretary with over 20 years' experience with a broad background across the commercial, infrastructure and resources legal sectors. Prior to joining DBI in May 2021, Liesl was General Counsel, Australia and Assistant Company Secretary for a listed US/Australian metallurgical coal producer. Prior to that Liesl worked as a Senior Corporate Counsel for a major Australian mining house for 13 years. Liesl first practised as a Solicitor and Senior Associate for Allens Arthur Robinson (now Allens) in the commercial litigation and insolvency law areas.

Liesl holds a Bachelor of Business (International Business)/Bachelor of Laws from the Queensland University of Technology and a Graduate Diploma in Applied Corporate Governance from Chartered Secretaries Australia (now Governance Institute). Liesl is a graduate of the Australian Institute of Company Directors and is admitted to legal practice in Queensland, Australia.

Liesl is the Chief Legal and Risk Officer for Dalrymple Bay Infrastructure Limited and was appointed as Company Secretary on 28 February 2022.

Directorships of listed companies held during the last three years:

None

Principal Activities

The Group's principal activity during the course of the reporting year was the provision of capacity to independent customers to ship coal through the Dalrymple Bay Terminal (DBT), which is located at the Port of Hay Point, south of Mackay in Queensland.

Distributions

The Company has announced a 4Q-22 distribution of 5.025 cents per security, taking the total announced distributions for FY-22 to 19.185 cents per security. The 4Q-22 distribution will have a record date of 3 March 2023 and a payment date of 21 March 2023.

Operating and Financial Review

Operational Review

DBT is a predominantly metallurgical coal terminal that operates 24 hours a day. DBT exports more than 60 different grades of metallurgical coal to 23 countries. Key FY-22 operating highlights for DBT include:

- total coal exports for FY-22 totalled 53.3mt of coal (54.3mt in FY-21);
- coal exports during FY-22 were approximately 76% metallurgical coal and 24% thermal coal (81% metallurgical coal and 19 % thermal coal in FY-21);
- key export destinations were Japan, South Korea, India, and Europe, accounting for approximately 75% of total exports (75% in FY-21);
- there are early signs that the informal ban on Australian coal imports to China may be in the process of being removed, with China-destined vessels arriving at DBT in February; and
- the replacement stacker machine was successfully commissioned in May 2022.

Directors' Report continued

Financial Review

During the reporting year, the Group made a net operating profit after income tax of $69.0 million (31 December 2021: profit of $129.1 million).

$ million	2022 Statutory Results (1 January to 31 December 2022)	2021 Statutory Results (1 January to 31 December 2021)
TIC revenue	281.7	202.9
Handling revenue	297.4	251.0
Revenue from capital works performed	44.7	51.1
Total revenue	**623.8**	**505.0**
Terminal operator's handling costs	(297.4)	(251.0)
G&A expenses (excluding IPO Transaction Costs)[1]	(17.5)	(15.8)
Capital work costs	(44.7)	(51.1)
G&A expenses (IPO Transaction Costs)[1]	3.6	94.0
EBITDA (non-statutory)[2]	**267.8**	**281.1**
Net finance costs[3]	(116.3)	(92.7)
Depreciation and amortisation	(39.5)	(39.4)
Profit before tax	112.0	149.0
Income tax (expense)	(43.0)	(19.9)
Net profit after tax	**69.0**	**129.1**

1. "G&A Expenses" means general and administrative expenses and IPO Transaction Costs are detailed in note 30 to DBI's Financial Report for the year ended 31 December 2020 released to the ASX on 26 February 2021 and described in the Prospectus (as released to the ASX on 8 December 2020) as "Transaction Costs".
2. Earnings Before Interest, Tax, Depreciation and Amortisation.
3. Includes Interest expense and fair value adjustments on Stapled Loan Notes. This is net of interest received shown in the financial statements as other income.

When comparing statutory results for the year to 31 December 2022 to the comparative year to 31 December 2021:

- The negotiation of access charges applicable for the period from 1 July 2021 to 30 June 2031 under the light handed regulatory framework was completed on 10 October 2022. The TIC revenue for 2022 includes an adjustment payment of $22.9 million attributable to the period 1 July 2021 to 31 December 2021. Increased TIC revenue has also contributed to an increase in income tax expense for 2022 of circa $21.1 million compared to 2021.
- A reversal of IPO Transaction Costs of $94 million was recorded during the year ended 31 December 2021 (impact on income tax expense of $3.9 million after excluding non-taxable amounts of $81 million) and a further reversal of $3.6 million was recorded during the year ended 31 December 2022 (impact on income tax expense of $1.1 million) following the finalisation of various items in respect of which preliminary estimates were provided for in the Prospectus at the time of listing.
- Net finance costs included interest on DBI's external borrowings, net of interest revenue (classified as other income in the Statement of P&L and OCI) plus non-cash items which include, interest on stapled loan notes, amortisation of fair value adjustments to debt, and unrealised gains or losses on hedging (refer to note 6). The interest on external borrowings increased by $9.3 million and the non-cash finance costs increased by $14.3 million. This is as a result of movements in hedge valuations and early repayment of debt which had been recorded at fair value at IPO and resulted in an early non-cash finance cost to derecognise the remaining fair value adjustment upon repayment.

Balance Sheet

Liquidity in the Group as at 31 December 2022 comprised $480.0 million in undrawn bank facilities (31 December 2021: $203.0 million), $168.3 million unrestricted cash at bank (31 December 2021: $42.0 million) and no debt service reserve deposit (31 December 2021: $33.0 million)[1].

The Group's debt book comprises bank debt and fixed rate bonds, with a weighted average tenor at year end of 6.39 years (31 December 2021: 5.03 years). As at 31 December 2022, total reported borrowings were $1,966.3 million (excluding the loan notes attributable to securityholders and adding back capitalised borrowing costs of $7.3 million (31 December 2021: $5.5 million) and non-statutory drawn debt was $1,928.2 million (31 December 2021 reported borrowings: $2,046.6 million and non-statutory drawn debt: $1,870.9 million)[2].

Currency exposure on the USD-denominated USPP notes is 100% hedged under cross currency interest rate swaps (CCIRS) transacted at the time of raising the USD debt. These CCIRS are hedged for the life of the foreign currency borrowings, removing sensitivity to foreign exchange movements for both interest and principal.

	Statutory	Non-statutory[1]	Statutory	Non-statutory[1]
$ million	31 December 2022	31 December 2022	31 December 2021	31 December 2021
Short-Term Debt				
Bank Facilities	–	–	9.0	9.0
Note Facilities	439.3	298.9	–	–
Long-Term Debt				
Bank Facilities	–	–	346.2	348.0
Note Facilities	1,527.0	1,629.2	1,691.4	1,513.9
Total Borrowings[2]	**1,966.3**	**1,928.1**	**2,046.6**	**1,870.9**
Debt Service Reserve[3]	–	–	33.0	33.0
Cash at Bank	168.3	168.3	42.0	42.0
Total net debt[4]	**1,798.0**	**1,759.8**	**1,971.6**	**1,795.9**

1. USD borrowings expressed in AUD at the exchange rate per the cross-currency interest rate swaps transacted at the time of raising the USD debt.
2. Total statutory borrowings exclude loan establishment costs of $7.3 million for 31 December 2022 (31 December 2021: $5.5 million).
3. The debt service reserve deposit account represented 6 months debt service. This deposit was replaced by a debt service reserve facility during 2022.
4. Total net debt is total borrowings less cash at bank and the debt service reserve deposit.

1. The debt service reserve deposit held at 31 December 2021 was replaced by a debt service reserve facility during 2022.
2. Non-statutory debt uses the foreign currency exchange rate per the CCIR swaps to translate USD denominated debt to AUD.

Directors' Report continued

ESG performance

DBI takes a direct approach to reporting Environment, Social and Governance (ESG) disclosures to stakeholders with the publication of its annual Sustainability Report in November 2022, which is available on DBI's website[1]. Together, DBI and the Operator remain committed to leading environmental management practices, a low carbon future and strong partnerships and engagement with local communities.

In 2022, DBI conducted a new sustainability materiality assessment to ensure that key issues raised by stakeholders in regard to DBI's impact on the economy, environment and people are being addressed. DBI received more than 300 responses to the survey and DBI will be incorporating the feedback into its Sustainability Strategy over the next year. DBT continues to report zero reportable environmental non-compliances and zero fatalities, with an All Injury Frequency Rate (AIFR) of 4.8 for the year ended 31 December 2022 (31 December 2021: 9.72)[2].

During 2022, DBI and the Operator developed a voluntary Cultural Heritage Management Plan (CHMP) in partnership with the Yuwibara Aboriginal Corporation (the registered native title holders of the land and waters upon which the DBT is situated). The CHMP will provide the framework to inform business-as-usual operational activities together with specific arrangements for the 8X Project, and encourages partners (and stakeholders) to develop their own appropriate Indigenous Engagement Strategies (IES) including local Indigenous employment opportunities.

DBT's new arrangements which provide for 100% of its electricity requirements with 100% renewable benefits in the form of renewable energy large scale generation certificates (LGCs) commenced on 1 January 2023. This is a major step toward DBI's commitment to target net zero Scope 1 and Scope 2 emissions at DBT by 2050, with DBT's Scope 2 electricity emissions representing approximately 98% of DBT's greenhouse gas emissions each year.

In an effort to continue to reduce emissions at DBT, DBI and the Operator have established a roadmap for its Scope 1 and Scope 2 emissions and will work to implement the initiatives over time. Climate-related risk management is a key focus for DBI and, through its transition strategy and ongoing physical risk work, the company has identified its short and long-term risks, and is developing strategies to address them. In DBI's 2022 Sustainability Report[3], DBI is continuing to align its climate change reporting with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and will work to improve on its disclosures in future reports.

Regulatory environment

Services as DBT are declared under the *Queensland Competition Act 1997* and subject to a third party access regime administered by the Queensland Competition Authority which provides a framework, set out in the 2021 Access Undertaking for setting the terms and conditions upon which access to DBT is provided.

Under this regulatory regime, DBIM is required to submit a draft access undertaking to the QCA for approval every 5 years. DBIM submitted a draft access undertaking to the QCA for assessment on 1 July 2019 proposing a transition to a lighter-handed regulatory framework in the form of a 'negotiate-arbitrate' pricing regime. On 1 July 2021, the QCA approved the 2021 Access Undertaking, which endorsed the application of a lighter-handed regulatory framework from that date.

On 10 October 2022, DBIM reached agreement on pricing and commercial terms under revised user agreements for a ten year period from 1 July 2021 to 30 June 2031 with all of its existing customers (Users) at DBT under the light-handed regulatory framework. As a result, a terminal infrastructure charge (TIC) of $3.02 per tonne applied for H1-22, and a TIC of $3.18 per tonne applied for H2-22, representing a 23% and 29% increase respectively to the $2.46 TIC that applied under the previous heavy-handed regime. Payment adjustments totalling $22.9 million were paid by Users in respect of the period from 1 July 2021 to 31 December 2021.

1. *https://dbinfrastructure.com.au/sustainability/reports-documents/*
2. *Includes the Operator's employees and contractors.*
3. *Refer to DBI 2022 Sustainability Report, p. 85.*

Under the revised user agreements, the base TIC will be indexed annually for inflation and other key commercial terms remain substantially the same including 100% take-or-pay terms, 100% pass through of handling charges and 100% of DBT's capacity remaining fully contracted to June 2028 with evergreen renewal options for customers[1].

8X Project

DBT retains significant expansion optionality to accommodate metallurgical coal exports from the Bowen Basin. The 8X Project presents a well-defined technical and commercial pathway to expand capacity to 99.1Mtpa. The 8X Project is focused on terminal optimisation by maximising storage volume as well as increasing inloading and outloading capabilities within the existing footprint of DBT and its marine facilities.

In August 2022, DBI secured all principal environmental approvals to increase the capacity of DBT to 99.1Mtpa with the 8X Project, including the Operator's Environmental Authority for DBT. The technical aspects of the 8X FEL3 Study (feasibility), which is fully underwritten by access seekers, have been completed in Q1-23 with the total estimated cost expected to be approximately $1,369[2] million, updating the Pre-feasibility FEL2 prior estimate of $1,276 million (in 2020 dollars)[3]. Associated economic assessments are ongoing and expected to continue into H2-23.

Outlook

The successful conclusion of the User negotiations on 10 October 2022, enabled the Company to provide updated guidance for distributions for the 12 month period commencing 1 July 2022 totalling 20.1 cents per security.

As the TIC will be adjusted each 1 July, it is the Board's intention to update annual distribution guidance around the timing of the Company's Annual General Meeting each year for the 12 months commencing on the next 1 July.

The Company will continue to focus on its core investment drivers including:

- progressing the opportunities to capture long-term growing Bowen Basin metallurgical coal production via growth options such as the 8X Project;
- delivering on DBI's whole-of-terminal commitment to ESG and sustainability;
- administering new pricing terms under revised user agreements with customers under the light-handed regulatory framework;
- maintaining stable, predictable cash flows, via our long-term take-or-pay contracts;
- progressing hydrogen feasibility studies;
- implementing our Transition Strategy (as set out in our Sustainability Report) including the diversification of DBI's business through mergers and acquisitions;
- growing the asset base through continued investment in non-expansionary capital expenditure; and
- maintaining an investment grade balance sheet.

1. *Socialisation of charges on User default or contract expiries or termination is retained on largely similar terms for the Pricing Period. Socialisation has been a feature of DBT's regulatory regime administered by the QCA since it commenced, previously under the heavy-handed pricing regime applicable to 2021, and currently under the negotiated agreement with customers from 2021 to 2031. Refer footnote 14 to DBI's previous ASX Announcement dated 11 October 2022: "DBI Announces 10 Year Pricing Agreements And Significant Increase In Distribution Guidance".*
2. *FEL3 Capital cost estimate is the estimate at completion with a P95 Confidence level inclusive of escalation and based on an assumed commencement date of 1 April 2024. Excludes feasibility study costs and interest during construction.*
3. *The Pre-feasibility FEL2 Estimate was P50 Confidence level without escalation.*

Directors' Report continued

Risk Management

DBI has established corporate governance and risk management frameworks and procedures to ensure management of key business risks, align terminal planning and operations with global best practice and reinforce a governance culture of acting lawfully, ethically and responsibly.

The DBI Board has approved a Risk Management Framework which implements a structured approach to identifying, evaluating and managing those current and emerging risks which have the potential to affect DBI's business and its achievement of strategic objectives. Under this framework, DBI seeks to ensure that it implements processes and procedures to consider, assess and manage the full range of risks faced by the business, including key operational, legal and regulatory, financial, health and safety and environmental risks as well as climate-related risk, reputational and cultural risks. Fundamental to this Risk Management Framework is the detailed and regular risk reporting provided both to the Board and supporting Committees, reflecting the Board's responsibility for ensuring the proactive oversight of key financial, non-financial and emerging risks (including ESG risk).

Details of the Group's key risks identified by DBI under its Risk Management Framework are outlined below. Where possible, mitigation strategies are in place to reduce the likelihood of a risk occurring and/or to minimise the adverse consequences of the risk should it happen. However, some risks are affected by factors external to, and beyond the control of, DBI.

Further information in relation to DBI's Governance practices and Risk Management Framework are outlined in DBI's Corporate Governance Statement, which can be viewed on the Company's website.

Workplace Health and Safety

DBI employees who work on site at DBT are exposed to the risk of accidents that may give rise to personal injury, loss of life, damage to property, disruption to service and economic loss. Any failure by DBI or its third party contractors (whether caused by the Operator, DBI or otherwise) to safely conduct operations, or to otherwise comply with occupational health and safety requirements, could result in death or injury to staff, contractors or members of the public, regulatory enforcement or penalties or compensation for damages as well as reputational damage to DBI.

Environment

DBI's operations, by their nature, have the potential to impact land, water resources and related ecosystems (including the Great Barrier Reef World Heritage Area (GBRWHA)), including from the discharge of contaminants, subsidence or excess water ingress. The Operator currently holds all significant and day to day environmental permits, with DBI (via DBIM) holding one environmental authority used in connection with extractive activities such as blasting and the removal of rock for the purpose of expansion. If a major environmental incident occurs (whether caused by DBI, the Operator or otherwise), DBI may be exposed to significant liability and litigation. Additionally, the Operator is required to have comprehensive terminal close plans in place should a major environmental incident occur, and such incident and closure of DBT may cause reputational damage to DBI and may impact on its revenue long term. Environmental legislation has, and may continue to, become more stringent, requiring compliance with additional standards and a heightened degree of responsibility for companies and their securityholders, directors and employees. There may also be unforeseen environmental liabilities resulting from DBI's activities (either itself or in connection with the activities of the Operator), which may be costly to remedy or adversely impact DBI's operations.

Regulatory oversight as a "declared service"

The coal handling service at DBT is subject to significant regulatory oversight as it is a "declared service" under the QCA Act, with the current declaration expiring in September 2030. For so long as the handling of coal remains a "declared service", access to DBT will remain governed by the terms of an access undertaking approved by the QCA. While DBI has agreed access pricing terms under its revised User Agreements with all existing customers which apply for whole period from 1 January 2021 to 30 June 2031 (the Pricing Period), DBT remains subject to the access regime.

As a result, DBI will next be required to submit a Draft Access Undertaking prior to the end of the current 5 year regulatory period on 30 June 2026. Under the revised User agreements, DBIM has agreed to seek to ensure that it has an access undertaking in force for the Pricing Period. DBIM and the Users have agreed to seek to preserve key terms of the 2021 Access Undertaking on a substantially similar basis, until the end of the Pricing Period. However, the QCA plays a role in relation to the terms and conditions governing third party access, and it may adopt regulatory assumptions or other changes to the access regime or the access undertaking that positively or negatively impact DBI, despite the position of DBI or the existing Users.

Climate-related Transition and Physical Risks

Climate-related risks and opportunities are disclosed in DBI's 2022 Sustainability Report.

DBI recognises the recommendations of the Financial Stability Board Task Force on Climate-related Financial Disclosures (TCFD) and the associated framework and has been working to align its climate change risk assessments and disclosures to the TCFD framework. DBI will continue over time to align its climate-related disclosures to TCFD as recommended by the Financial Stability Board.

In DBI's 2022 Sustainability Report, DBI outlined its Transition Strategy which will guide its strategic response to climate-related risks and opportunities arising from the expected transition of the global economy to a low carbon future and includes DBI's consideration of the impacts of potential climate change scenarios on the global supply and demand of seaborne metallurgical coal. DBI is also committed to limiting the impact from its operations by reducing its own GHG emissions and has committed to a target of achieving net zero Scope 1 and Scope 2 emissions at DBT by 2050. DBI's 2022 Sustainability Report can be viewed on the Company's website.

Climate change will create transition and physical risk implications for the DBI business and the industry in which it operates. Climate change related transition risks are emerging as a result of the transition to a low-carbon economy, arising from changes to policy and regulation in Australia and internationally, technology development and changing market dynamics. These changes will affect demand for the products handled by DBT, with thermal and metallurgical coal value chains experiencing different impacts.

The key transition risks include:

- metallurgical coal demand being affected by economic development and growth driven by demand for steel, methods of steel production including lower carbon replacement technologies, and the regulation of Greenhouse Gas (GHG) emissions including carbon pricing by import countries and adoption of carbon capture technologies;
- thermal coal demand being increasingly affected by energy and climate policies of import countries driven by public sentiment, energy costs, energy security factors and the regulation of GHG emissions including carbon pricing; and
- the cost and accessibility of funding and insurance, as markets respond to growing climate-related risks.

DBI may be impacted by climate-related physical risks which have the potential to cause future disruption to DBT operations as well across its supply chain including arising from increased severity and/or frequency of extreme weather events (including cyclones, and rain events). In FY21/22 DBI conducted a physical risk assessment of DBT's exposure and sensitivity to climate hazards. The results of this assessment indicated that overall the physical risk to the terminal is low. Where risks may materialise, they are localised to specific areas of the DBT site. Further information in relation to DBI's response to climate-related physical risks is outlined in its 2022 Sustainability Report which can be viewed on DBI's website.

Directors' Report continued

Remediation risk

At the end of its 50-year lease or further extension period (if the option to renew for a further 49 years is exercised), DBI may be required to remediate the land on which DBT is constructed back to its natural state if the Lessor requires it to do so. Additionally, DBI is required to remediate the land on which DBT is constructed back to its natural state if the DBT Leases are terminated for default by DBI after the 20th anniversary of their commencement (i.e. after 15 September 2021) or if the DBT Leases are surrendered by DBI and the Lessor requires rehabilitation as a condition of accepting the surrender. There is also a risk that the Lessor could request amendments to the remediation obligations under the DBT Leases in the future or seek greater financial assurance for any remediation obligations. This could require DBI to fund all or part of the remediation on an expedited basis. If DBI is required to remediate the land on which DBT is constructed, these costs are expected to be significant and, at the time remediation is required to be completed, may not be fully recovered from Users under the terms of access to DBT. These factors may significantly impact the cash flows and financial position of DBI.

Expansion risk

Any expansion of DBT may not occur or, if it does occur, may take longer or cost more than anticipated or may not result in the desired outcomes. If corresponding capacity is not available in the rail network managed by Aurizon Network, or Aurizon Network does not commit to build additional capacity, or the necessary approvals (including regulatory approvals) for expansion at DBT cannot be obtained by DBI or are not obtained in a timely manner or on acceptable terms to DBI, expansions may not be able to be completed.

Risks of User default

The business operations of Users may be impacted by a number of factors, including economic and political conditions and global demand and prices for coal. The Group is exposed to the risk that Users may default under their contracts, ownership of User companies may change such that payment obligations transfer to new Users that are less creditworthy or applicants in the access queue will not be able to take up any unused or expansion capacity or any uncontracted capacity. A key mitigant is the socialisation mechanism retained in the revised access agreements with all Users of DBT for the Pricing Period to 30 June 2031, as part of the 2022 negotiations, under which access prices paid by other Users are increased for capacity which becomes uncontracted following another user's default, contract expiry or termination. DBIM also holds credit security under a number of its contracts in the form of cash, bank guarantees and parent company guarantees.

Reduction in metallurgical coal demand

Beyond the term of the current take-or-pay contracts (to the extent such contracts are not renewed, capacity is reduced, or such contracts are otherwise terminated) DBI is exposed to the global demand for metallurgical coal. Any long-term reduction in the global demand for metallurgical coal may negatively impact on DBT's contracted capacity and may impact on the price that Users negotiate for access to DBT, and therefore DBI's revenue and earnings outlook over time. In DBI's 2022 Sustainability Report, DBI outlined its Transition Strategy which will guide its strategic response to climate-related risks and opportunities arising from the expected transition of the global economy to a low carbon future and includes DBI's consideration of the impacts of potential climate change scenarios on the global supply and demand of seaborne metallurgical coal. DBI's 2022 Sustainability Report can be viewed on the Company's website.

Financial and funding risk

Certain Group members have a significant amount of debt. The cost to service this debt influences the profit of DBI and the distributions that it can make to holders of the Stapled Securities. Certain Group members are subject to various financial covenants and restrictions which, if breached, may require the loans to be repaid immediately or result in the enforcement of security or cancellation of the availability of the facilities. Debt is required to be refinanced at varying maturity dates.

If acceptable terms cannot be agreed on or before maturity of these loans, then dividends, distributions and other payments by members of the Group to DBI may be diminished or delayed or cease, which could reduce the amount of cash available for distribution by DBI to securityholders.

DBI's ability to raise capital and funding and other aspects of its performance may be affected if DB Finance fails to maintain a credit rating or a credit rating is downgraded or if financiers develop Environmental, Social and Governance (ESG) policy positions which inhibit their ability to offer finance to DBI.

DBT's operations may be disrupted

DBT's operations may be disrupted by a range of events beyond the control of DBI's management or its Board, including adverse weather events or natural disasters, an inability of the Operator to operate DBT due to events such as industrial disputes and labour shortages or the outbreak or continuation of a pandemic such as COVID-19; technical or information technology difficulties; major equipment failure; disruptions to third party port and rail infrastructure; terrorism, security or cyber security breaches. While such interruptions would not necessarily give rise to a successful claim by Users under their contracts (as DBI's revenue under its current take or pay contracts is not dependent upon throughput and DBI has certain force majeure protections), DBI may suffer reputational harm which may impact its revenue and business operations long term. Repeated or prolonged interruption in certain circumstances may result in temporary or permanent loss of Users, potential for litigation and penalties for regulatory non-compliance and any losses from such events may not be recoverable under relevant insurance policies.

Changes in business regulation

DBI's business and operation are exposed to the potential effect of political or regulatory changes in Australia affecting the operation of DBT or DBI's business including those impacting on environmental matters, matters of national security and critical infrastructure, industrial matters, occupational health and safety, taxation, carbon reduction, environmental and industrial (including occupational health and safety) regulation, government policy, and approval processes.

Changes in State of Affairs

There was no significant change in the state of affairs of the Company during the year.

Environmental Regulations

The Group's assets are subject to compliance with applicable Commonwealth and Queensland State environmental laws. The Directors believe that the Group has adequate systems in place for the management of its environmental requirements and are not aware of any breach of those environmental requirements as they apply to the Group.

Subsequent Events

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected the operations of the consolidated entities, the results of those operations, or the state of affairs of the Group in future financial years.

Future Developments

As referred to above, DBI retains significant expansion optionality to accommodate metallurgical coal exports from the Bowen Basin. The 8X Project presents a well-defined technical and commercial pathway to expand capacity to 99.1 Mt. DBI is currently undertaking the FEL3 (feasibility study) for the 8X Project with the technical aspects having been completed in Q1-23. Associated economic assessments are ongoing and expected to continue into H2-23.

Directors' Report continued

DBIM is required to submit to DBCT Holdings Pty Limited (a wholly owned Queensland Government entity), a master plan that addresses any changes to DBT in respect to circumstances, demand, technology or other relevant matters each year, unless there is no change to the previous year's master plan. As there had been no material changes to the 2021 Master Plan while the 8X Project FEL 3 studies are underway, no new master plan was submitted in 2022. An updated Master Plan, incorporating the FEL3 study technical results, will be issued in 2023.

A copy of the current DBIM master plan is available on DBI's website.

Following the signing of a funding agreement with North Queensland Bulk Ports Corporation, Brookfield Infrastructure Group (Australia) Pty Ltd and ITOCHU Corporation in February 2022, the project consortium commenced initial feasibility studies aimed at understanding the potential for development of a regional hydrogen hub within the vicinity of existing terminal infrastructure.

Indemnification of Officers and Auditors

During the reporting year, the Company paid premiums to insure certain officers of the Company (as named above), and the Executive Officers of the Company's subsidiaries, against a liability incurred as such a Director, Secretary or Executive Officer to the extent permitted by the *Corporations Act, 2001*. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the end of the reporting year, except to the extent permitted by law, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

Proceedings on Behalf of the Company

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

Directors' Meetings

The following table sets out the number of meetings of the Company's Board of Directors (including 1 unscheduled Board meeting) and each Board Committee held during the year ended 31 December 2022.

	Board of Directors		Finance and Audit Committee		Governance, Remuneration and Nominations Committee		Compliance, Risk and Sustainability Committee	
Directors	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**	**Held**	**Attended**
Hon Dr David Hamill AM	5	5	6	6	4	4	4	4
Mr Anthony Timbrell	5	5	6	n/a	4	n/a	4	n/a
Ms Bronwyn Morris AM	5	4	6	6	4	4	4	n/a
Dr Eileen Doyle	5	5	6	n/a	4	3	4	4
Mr Bahir Manios	5	2	6	1	4	1	4	1
Mr Jonathon Sellar (alternate for Bahir Manios)	5	5	6	6	4	4	4	4

Remuneration Report

Letter from the Chair

Dear Securityholders

The Board is pleased to present you with Dalrymple Bay Infrastructure Limited's (DBI) Remuneration Report for the year ended 31 December 2022 (FY-22 or Reporting Period).

DBI performed well in FY-22, which culminated in Dalrymple Bay Infrastructure Limited (DBIM), DBI's wholly owned subsidiary, reaching agreements on new 10-year access pricing terms with all of DBT's customers.

The finalisation of these agreements provides significant cashflow certainty for the business which allows DBI to plan with confidence over the medium to longer term.

The Board believes that the Company has successfully implemented its business strategy and achieved critical key milestones during the year. These achievements reflect the strength and dedication of our people and the Board wishes to recognise the efforts of our staff and the Executive Leadership Team.

The remuneration framework for the Company is appropriate for the listed environment and aligns with the Company's strategy. The Company's remuneration framework for senior executives comprises the following 3 key components:

1. **Fixed remuneration** – comprising base salary, superannuation contributions and other benefits;
2. **Short-Term Incentive (STI)** – an 'at risk' component of remuneration where, if individual and Company-wide performance measures are met, STI awards will be delivered 50% in cash, and 50% in cash-settled Rights which are deferred for one year; and
3. **Long-Term Incentive (LTI)** – an 'at risk' component of remuneration where senior executives are awarded cash-settled Rights, 50% of which are subject to a risk-adjusted total securityholder return (TSR) performance condition and 50% of which are subject to a distributable cash flow (DCF) condition.

DBI's FY-22 financial results satisfy key management personnel's FY-22 STI eligibility criteria.

The Board has determined non-financial targets relating to strategic priorities, sustainability, and people and culture have also been met, with strong execution and solid progress made during the year across each category.

The Board believes that the remuneration framework is consistent with market expectations and practices, and most importantly is aligned with the long-term success of the Company and the interests of its Securityholders. Following a review in 2022, from FY-23, the Board intends to introduce a relative TSR in place of the risk-adjusted TSR performance condition for the LTI award for senior executives, simplifying this metric in line with market practice.

On behalf of the Board, I invite you to read the Remuneration Report and welcome any feedback that you may have.

Hon Dr David Hamill AM
Governance, Remuneration and Nomination Committee Chair

Remuneration Report

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1. Remuneration Essentials

The information provided in this remuneration report has been audited as required by section 308(3C) of the *Corporations Act 2001* (Cth).

This Report sets out the remuneration arrangements for DBI's key management personnel (KMP)[1]. KMP are made up of 2 separate groups, senior executives and non-executive directors, as illustrated in the table below.

Each of DBI's KMPs named below held their position during the entire Reporting Period.

Non-executive directors

Name	Position
Hon Dr David Hamill AM	Chair and independent non-executive director
Dr Eileen Doyle	Independent non-executive director
Bahir Manios[2]	Nominee non-executive director
Bronwyn Morris AM	Independent non-executive director
Jonathon Sellar[3]	Alternate non-executive director for Bahir Manios

Senior executives

Name	Position
Anthony Timbrell	Chief Executive Officer (CEO) – Executive Director
Stephanie Commons	Chief Financial Officer (CFO)

Remuneration governance and framework

Role of the Board and the Governance, Remuneration and Nomination Committee

The Board is responsible for establishing, and overseeing the implementation of, the Company's remuneration policies and frameworks and ensuring that they are aligned with the long-term interests of DBI and its securityholders.

The Governance, Remuneration and Nomination Committee has been established to assist the Board with these responsibilities. The role of the Governance, Remuneration and Nomination Committee is to review key aspects of DBI's remuneration structure and arrangements and make recommendations to the Board. In particular, the Committee reviews and recommends to the Board:

1. arrangements for the senior executives (including annual remuneration and participation in short-term and long-term incentive plans);
2. remuneration arrangements for non-executive directors;
3. major changes and developments to the Company's employee incentive plans; and
4. whether offers are to be made under the Company's employee incentive plans in respect of a financial year and the terms of any offers.

Use of remuneration consultants

During the Reporting Period, no remuneration recommendations were received from remuneration consultants.

1. *The term 'key management personnel' refers to those persons having authority and responsibility for planning, directing and controlling the activities of the consolidated entities, directly or indirectly, including any director (whether executive or otherwise) of the consolidated entity.*
2. *Mr Bahir Manios is nominated to the Board by BIP Bermuda Holdings IV Limited (BIP), which holds 49.45% of the number of DBI stapled securities on issue.*
3. *Mr Bahir Manios has appointed Mr Jonathon Sellar as his alternate in accordance with the Relationship Agreement as described in the DBI Prospectus released to the ASX on 8 December 2020.*

Remuneration Report continued

Remuneration policy and guiding principles

Senior executive remuneration

DBI's remuneration framework is designed to be competitive, to focus senior executives on executing the Group's strategy, and is aligned to achieving the business objective to increase securityholder value.

The Board and the Governance, Remuneration and Nomination Committee are guided by the following objectives when making decisions regarding senior executive remuneration:

Attract and retain skilled executives	Motivate executives to pursue the Company's long-term growth and success	Demonstrate a clear relationship between Company's and executives' performance
Appropriately incentivise positive risk behaviour and improve customer outcomes	Allow for the proper adjustments to be made	Ensure any termination benefits are justifiable and appropriate

Remuneration mix and components

The Company's senior executive remuneration framework is summarised below and includes components of remuneration which are structured to motivate senior executives to deliver sustained returns through a mix of short-term and long-term incentives. No changes were made to the remuneration framework in FY-22.

Senior Executive Remuneration Framework

Fixed remuneration – Cash	Short-term incentive (at risk) – Cash and cash-settled Rights	Long-term incentive (at risk) – Cash-settled Rights
• Base salary plus superannuation and other benefits	• STI is subject to individual and Company performance hurdles	• Vesting is subject to a Total Securityholder Return (TSR) performance condition and a Distributable Cashflow (DCF) performance condition
• It is intended that DBI will position itself at the lower to median quartile of its peer group of companies	• Performance measured over the Company's fiscal year	• Performance measured over 3 years
• Base salaries are reviewed annually as part of the performance appraisal process to ensure they are still competitive	• 50% of the STI outcome is awarded in cash, and 50% in cash-settled Rights which will vest following a 12-month deferral period	
• Influenced by individual performance		
Market competitive base reward	Encourages sustainable performance in the medium to longer term, is aligned to securityholders and provides a retention element	

The table below illustrates the anticipated mix of remuneration for the senior executives assuming maximum performance is achieved for the year ended 31 December 2022.

Forecast maximum remuneration mix for CEO, Anthony Timbrell

Forecast maximum remuneration mix for CFO, Stephanie Commons

Company performance and FY-22 STI outcome

The Board assessed KMP performance against both financial and non-financial metrics in accordance with the STI plan with compensation awarded reflecting the results delivered. The Board determined that, with the Company having achieved a FY-22 EBITDA of $244.9 million (adjusted to only include that portion of the TIC true-up applicable to FY-22) and attributable distributions of 19.185 cents per share, the FY-22 STI Company performance hurdles were outperformed.

The Board also reviewed KMP performance against a range of non-financial criteria including strategic priorities and the development of DBI's Transition Strategy, as outlined in the 2022 Sustainability Report available on DBI's website. It was determined that strong execution and solid progress had been made during the year across each category.

Anthony Timbrell is therefore entitled to an STI award for the performance period 1 January 2022 to 31 December 2022 of $427,000 which is 55.53% of his FY-22 fixed remuneration.

Stephanie Commons is entitled to an STI award of $229,000 which is 49.57% of her FY-22 fixed remuneration.

The 50% cash component of the STI award for each of Mr Timbrell and Ms Commons is expected to be paid in early FY-23 following release of the full-year audited results for FY-22. The remaining 50% will be delivered by a grant of cash-settled Rights which will vest following a deferral period of 12 months under DBI's Executive Incentive Plan (Deferred Component).

On vesting, Rights are automatically exercised and settled in cash. For each vested and exercised Right, the senior executives will be paid an amount equal in value to the volume weighted average price (VWAP) of DBI stapled securities traded on the ASX on the exercise date, plus an additional amount equal in value to the distributions per stapled security determined by the Board during the period from grant to vesting and exercise.

Remuneration Report continued

The Board assessed FY-22 performance against STI performance measures as summarised below:

	Maximum Potential Award	Award Amount	% of Maximum Achieved	% of Maximum Forfeited
Anthony Timbrell	$435,792	$427,000	98%	2%
Stephanie Commons	$231,000	$229,000	99%	1%

The table below illustrates the Company's financial performance using a range of key measures during the Reporting Period. As this is the Company's second full year as a listed entity, limited comparative data for previous financial years is provided in this Report (FY-20 comparative period is 7 August 2020 to 31 December 2020).

	Security Performance ($)		Earnings Performance ($M)						Liquidity
	Closing Security price (A$)	Distrib-ution per Security (Cents)	EPS ($)	Revenue ($M)	EBIT ($M)	NPAT ($M)	ROE (%)	Cash flow from Opera-tions ($M)	Debt Equity Ratio
FY-22	2.43	18.7	0.14	626.4	228.3	69.0	6.23	189.3	1.85
FY-21	2.03	13.5	0.26	505.3	241.7	129.1	13.4	109.2	2.14
FY-20	2.09[1]	–	(0.23)	23.4	(120.8)	(113.2)	(13)	(3.6)	2.64

The cash component of FY-21 STI awards[2] were paid to KMPs during the Reporting Period, on 15 March 2022 ($198,000 to Anthony Timbrell and $103,500 to Stephanie Commons).

The Deferred Component of FY-21 STI awards ($198,000 for Anthony Timbrell and $103,500 for Stephanie Commons) were converted to Rights (99,264 for Anthony Timbrell, and 51,888 for Stephanie Commons) and granted on 25 March 2022 using the VWAP from the 10 trading days immediately following the release of the FY-21 results. The vesting date for the conversion of the Deferred Component Rights to cash will be early March 2023.

2. Senior Executive Remuneration in Detail

Details of components of senior executive remuneration

Fixed remuneration

The remuneration of all senior executives includes a fixed component comprised of base salary and employer superannuation contributions. The amounts disclosed as non-monetary benefits relate to the cost of providing income-protection insurance and an executive health assessment during the Reporting Period.

Base salary for senior executives was formally benchmarked before the IPO against a listed peer group of companies of comparable size, complexity and scale to DBI. The Board positioned overall remuneration at the lower to median quartile of this listed peer group of companies. Fixed remuneration is reviewed annually by the Governance, Remuneration and Nomination Committee with reference to each senior executive's individual performance and relevant comparative compensation in the market.

Detailed performance reviews have been conducted with each key management personnel. The individual performance reviews were used to inform recommendations for both TFR adjustments and STI awards.

1. The opening price of DBI stapled securities for FY-20 was the share price on listing i.e. $2.57.
2. For more details about the FY-21 STI awards, please refer to our FY-21 Remuneration Report, which is available at https://investors.dbinfrastructure.com.au/investor-centre/?page=annual-reports.

Short-Term Incentive

The table below provides an explanation of the terms and conditions applying to the STI plan during the Reporting Period.

Overview of the STI plan	The STI plan is an 'at-risk' component of senior executive remuneration whereby, if the applicable performance conditions are met, STI awards will be delivered 50% in cash and 50% in the form of cash-settled Rights which will vest after a further deferral of one year.
Participation	The CEO and CFO are eligible to participate in the STI plan.
Performance period	1 January 2022 to 31 December 2022.
STI opportunity	The STI opportunities of the senior executives are set out below:

	Level of performance	
	At target	Stretch
Anthony Timbrell	45.34% of Fixed Remuneration	56.67% of Fixed Remuneration
Stephanie Commons	40.0% of Fixed Remuneration	50.0% of Fixed Remuneration

Performance conditions

If performance is assessed as below target, no STI award will be paid.

The minimum value of the STI award is nil.

The maximum potential value of each of the cash component and the Deferred Component (at the date of grant) of the FY-22 STI award is $217,896 for Anthony Timbrell, and $115,500 for Stephanie Commons.

The Deferred Component of the STI will be granted to the senior executives in the form of cash settled Rights which will vest 12 months after the grant date. The number of Rights issued will be determined by dividing the value of the Deferred Component of the STI award by the volume weighted average price of stapled securities traded on the ASX during the 10 trading days following the release of DBI's FY-22 annual results.

Performance conditions for the STI award for the performance period include:

- financial targets based on EBITDA and distributions (60%); and
- non-financial targets relating to strategic priorities, sustainability, people, and culture (40%).

A combination of financial and non-financial performance conditions were chosen because the Board believes that there should be a balance between short-term financial measures and more strategic non-financial measures which in the medium to longer term will ultimately drive future growth and returns for securityholders.

The financial measures were chosen to provide measurable financial performance criteria strongly linked to securityholder value.

Non-financial individual targets are chosen to encourage the achievement of business goals consistent with the Company's overall objectives and strategic growth.

Remuneration Report continued

Measurement of performance conditions	Following the end of each financial year, the Governance, Remuneration and Nomination Committee will assess the performance of senior executives against the performance conditions set by the Board to determine individual STI awards. The Board believes this method is the most efficient and results in the most accurate outcomes.
Delivery of STI awards	STI awards will be granted on or around 15 March of the year following the financial year to which they relate, 50% in cash to be paid in the pay run following release of full-year audited results for the financial year to which they relate, and 50% in the form of cash-settled Rights which will vest following a deferral period of 12 months.
Cash-settled Rights	Cash-settled Rights are a conditional entitlement to receive a cash payment. For each vested and automatically exercised cash-settled Right, the participant will be paid an amount equal in value to the volume weighted average price ('VWAP') of stapled securities traded on the ASX on the exercise date, which is expected to be on the day following the release of the financial results to the ASX in respect of the following financial year to which they relate, plus an additional amount equal in value to the distributions per stapled security determined by the Board during the period from grant to vesting and exercise. If the senior executive does not meet his or her minimum security holding requirement (MSR) at the time of vesting, all or some (as required) of the cash (post-tax) will be utilised to acquire DBI stapled securities on market. The CEO is required to hold 100% of his fixed remuneration and CFO 50% of her fixed remuneration in either Deferred STI or LTI Rights or DBI stapled securities within 5 years from the date of listing. Any cash-settled Deferred Component of their STI will be used to purchase stapled securities to the extent the MSR has not been met. Based on the Company's structure, the use of cash-settled Rights is the most cost-effective and appropriate incentive structure. Any cash-settled Rights provided as Deferred STI are not subject to further performance-based hurdles (performance hurdles do apply in working out the quantum of the award, but once calculated and Rights are granted, no further hurdles apply). The value of the Deferred STI cash settled Rights ultimately received by the senior executive on vesting is determined by multiplying the number of Deferred STI cash settled Rights that vest by the security price of the Company on the date these cash settled Rights vest plus any distribution equivalent amounts as calculated above. This is designed to ensure that senior executives are incentivised to maximise securityholder return during the period between grant date and vesting date. Rights are granted for nil consideration and no amount is payable on vesting.
Number of Rights to be granted	The number of Rights to be granted to senior executives is determined by dividing the Deferred Component of any STI award that they become entitled to receive, by the VWAP of stapled securities traded on the ASX during the 10 trading days following the release of the Group's full year audited results for the financial year to which they relate. Rights do not carry distribution Rights prior to vesting. However, each vested and exercised Right entitles the participant to a distribution equivalent payment as described above. Cash-settled Rights do not carry voting Rights.

Treatment of Rights on cessation of employment	Unless the Board determines otherwise: • if a participant's employment is terminated for cause or a participant resigns (or gives notice of their resignation) prior to the vesting date, all unvested Rights will lapse; or • if a participant ceases employment for any other reason prior to the vesting date, a pro rata number of their unvested Rights will remain on foot and will be vested in the ordinary course.
Change of control	The Board may determine that all or a specified number of a senior executive's Rights will vest where there is a change of control event in accordance with the Executive Incentive Plan ('EIP') rules.
Clawback and preventing inappropriate benefits	The EIP rules provide the Board with broad clawback powers if, for example, the senior executive has acted fraudulently or dishonestly or there is a material financial misstatement.

Long-Term Incentive

Set out below is an explanation of the terms and conditions applying to the LTI awards for senior executives during the Reporting Period.

Overview of the LTI plan	The LTI plan is an 'at-risk' component of senior executive remuneration which is subject to the satisfaction of long-term performance conditions.
Participation	The CEO and CFO are eligible to participate in the LTI plan.
Instrument	Cash-settled Rights are a conditional entitlement to receive a cash payment. For each vested and automatically exercised cash-settled Right, the participant will be paid an amount equal in value to the VWAP of stapled securities traded on the ASX on the exercise date, plus an additional amount equal in value to the distributions per stapled security determined by the Board during the period from the grant date to vesting and exercise. If a participant has not met their MSR, the net after-tax proceeds from their exercised LTI Rights will be used to acquire DBI stapled securities up to the minimum security holding requirement. The Company has received external advice that, based on the Company's structure, the use of cash-settled Rights is the most cost-effective and appropriate incentive structure. The LTI cash-settled Rights are subject to performance-based hurdles and the value of the award ultimately received by the senior executive on vesting is determined based on performance against these hurdles and the security price of the Company, ensuring that senior executives are incentivised to maximise securityholder return over the long term. Rights are granted for nil consideration and no amount is payable on vesting.

Remuneration Report continued

LTI opportunity	The number of Rights that have been granted to each senior executive for their FY-22 LTI award covers the period from 1 January 2022 to 31 December 2022 and was determined by dividing an amount equivalent to the senior executive's LTI opportunity, which has been determined to be: • 56.67% of the CEO's total fixed remuneration during that period; and • 50% of the CFO's total fixed remuneration during that period; by the VWAP of fully paid ordinary stapled securities of the Company over the 10 business days immediately following the release of the FY-21 financial results. The minimum value of the FY-22 LTI Rights is nil. The value of the FY-22 LTI award that a senior executive will receive in cash will be determined by multiplying the number of FY-22 LTI Rights that vest (i.e. the number of FY-22 LTI Rights that meet the performance conditions over the performance period, both of which are outlined below) by the VWAP of stapled securities traded on the ASX on the exercise date, plus any distribution equivalent amounts as calculated above. The exercise date for the FY-22 LTI Rights is expected to be on the day following the release of the financial results to the ASX in respect of FY-24, which is expected to be in February 2025. On the vesting date the senior executive will also receive a cash amount equal to the value of the distributions per stapled security that have been declared by the Board from the grant date to the vesting date for each vested FY-22 LTI Right. If the senior executive does not meet his or her MSR at the time of vesting, all or some (as required) of the cash (post-tax) will be utilised to acquire DBI stapled securities on market.
Performance period	The FY-22 LTI grant will be measured from 1 January 2022 to 31 December 2024 i.e. a 3 year performance period.
Performance condition	Rights will be divided into two equal tranches and tested against the following performance conditions: • Tranche 1 (50% of LTI award): risk adjusted total Securityholder Return (TSR) performance; and • Tranche 2 (50% of LTI award): Distributable Cash Flow (DCF), which is calculated as the net cash flow after operating activities and represents the cash flow available for distribution to securityholders. Vesting is assessed at the end of the performance period.

Tranche 1

The risk adjusted TSR performance hurdle measures DBI's risk adjusted TSR performance relative to the TSR performance of the companies comprising the S&P/ASX 200 index (from the start of the performance period to the vesting date). The level of risk-adjusted TSR growth achieved by the Company over the performance period is given a percentile ranking having regard to its performance versus companies in the peer group.

The number of Rights that vest in Tranche 1 will be determined by the Board by reference to DBI's relative ranking in accordance with the following table.

Relative ranking	% of Rights in Tranche 1 that vest
< 51st percentile	0%
51st percentile	25%
Between 51st and < 75th percentile	Pro-rata vesting on a straight-line basis from 25% to 100%
≥ 75th percentile	100% (capped at 100%)

The risk adjusted TSR performance condition has been chosen as it reflects the Company's performance versus companies in its peer group and is directly linked to securityholder returns.

Tranche 2

The DCF performance hurdle measures the cash flow available for distribution to securityholders. The number of Rights that vest in Tranche 2 will be determined by the Board by reference to DCF targets in accordance with the following table.

Aggregate DCF	% of Rights in Tranche 2 that vest
< 97.5% of target	0%
≥ 97.5% of target but <100% of target	Pro-rata vesting on a straight-line basis from 25% to 50%
≥ 100% of target but <105% of target	Pro-rata vesting on a straight-line basis from 50% to 100%
≥ 105% of target	100% (capped at 100%)

The DCF performance condition has been chosen as it reflects the Company's ability to provide returns to securityholders.

Remuneration Report continued

Measurement and testing of Performance Conditions	Risk-adjusted TSR is the return on a stapled security in excess of what would be expected given its relative riskiness (or beta as determined by capital asset pricing model principles). The excess return of DBI is compared to the excess returns on S&P/ASX 200 index companies over the performance period to determine its percentile ranking. The Board has the discretion to adjust the comparator group, including to take into account acquisitions, mergers or other relevant corporate actions or delistings. This method allows for an objectively measurable assessment of the company's performance in generating returns for securityholders. To measure the DCF performance condition, cash flow results are extracted by reference to the Company's audited financial statements. The use of audited financial statements ensures the integrity of the measure and alignment with the true financial performance of the Company. In assessing performance against the performance hurdles, the Board may make any adjustments for abnormal or unusual events that the Board considers appropriate to ensure a fair and equitable outcome. If any Rights do not vest on testing, they will immediately lapse.
Distribution and voting Rights	Rights do not carry distribution rights prior to vesting. However, each vested and exercised Right entitles the participant to a distribution equivalent payment equal to the value of the distributions per stapled security that have been declared by the Board from the grant date to the vesting date for each vested and exercised Right as described above. Rights are cash-settled and do not carry voting Rights.
Treatment on cessation of employment	Unless the Board determines otherwise: • if a participant's employment is terminated for cause or a participant resigns (or gives notice of their resignation) prior to the vesting date, all their unvested Rights will lapse; and • if a participant ceases employment for any other reason prior to the vesting date, a pro rata number of their unvested Rights will remain on foot and will be tested in the ordinary course.
Change of control	The Board may determine that all or a specified number of a senior executive's Rights will vest where there is a change of control event in accordance with the EIP rules.
Clawback and preventing inappropriate benefits	The EIP rules provide the Board with broad clawback powers if, for example, the senior executive has acted fraudulently or dishonestly or there is a material financial misstatement.

Senior executive service agreements

Both senior executives are party to written executive service agreements with DBIM (a subsidiary of DBI). The key terms of these agreements are set out below.

Duration	Ongoing term
Base salary	Anthony Timbrell $769,000 per annum Fixed Remuneration (which comprises his base salary and is inclusive of superannuation) plus other benefits comprising income-protection insurance and an executive health assessment which have a combined estimated value of $3,600 per annum
	Stephanie Commons $462,000 per annum Fixed Remuneration (which comprises her base salary and is inclusive of superannuation) plus other benefits comprising income-protection insurance and an executive health assessment which have a combined value of $3,600 per annum
Periods of notice required to terminate and termination payments	Anthony Timbrell either party may terminate the contract by giving 12 months' notice where there is a fundamental change in relation to Anthony's employment, and this is not remedied within a prescribed period, Anthony can give notice and be entitled to receive 12 months fixed remuneration in lieu of notice.
	Stephanie Commons either party may terminate the contract by giving 6 months' notice.
	The Company may terminate (either contract for Mr Timbrell or Ms Commons) immediately in certain circumstances, including where the relevant senior executive engages in serious or wilful misconduct. If either senior executive's employment terminates as a result of genuine redundancy, they are entitled to receive a severance payment of six (6) months' fixed remuneration, plus one week's total fixed remuneration per year of completed service (capped at 52 weeks), inclusive of any redundancy payments payable in accordance with legislation. They will also be entitled to receive any other payments required to be paid in accordance with legislation, including accrued leave entitlements.

Remuneration Report continued

3. Non-Executive Director Remuneration

Principles of non-executive director remuneration

In remunerating non-executive directors, DBI aims to ensure that it can attract and retain qualified and experienced directors having regard to:

1. the specific responsibilities and requirements for the DBI Board;
2. fees paid to non-executive directors of other comparable Australian companies; and
3. the size and complexity of DBI's operations.

Current fee levels and fee pool

Board fees

The non-executive director fee pool is $900,000 per annum.

DBI's annual directors' fees for the year were $200,000 for the Chair and $100,000 for other independent non-executive directors (including superannuation). The Chair does not receive any fees for being a member or chair of a committee.

On 24 February 2023, the Governance, Remuneration and Nomination Committee recommended and the Board approved a 10% increase to the DBI Non-Executive Directors (NED) Board fees which would apply from 1 January 2023.

DBI's annual directors' fees for FY-23 will, therefore, be $220,000 for the Chair and $110,000 for other independent non-executive directors (including superannuation). The Chair does not receive any fees for being a member or chair of a Committee.

Directors may be remunerated for reasonable travel and other expenses incurred in attending to DBI's affairs and any additional services outside the scope of Board and Committee duties they provide.

To maintain their independence, non-executive directors do not have any at risk remuneration component. DBI does not pay benefits (other than statutory entitlements) on retirement to non-executive directors.

BIP nominee non-executive director Bahir Manios and his alternate Jonathon Sellar, do not receive any Board or Committee fees.

Committee fees

Other than the Chair of the Board, non-executive directors were also paid Committee fees of $20,000 (including superannuation) per year for each Board Committee of which they are a Chair, and $10,000 (including superannuation) per year for each Board Committee of which they are a member.

On 24 February 2023, the Governance, Remuneration and Nomination Committee recommended and the Board approved a 10% increase to the DBI Non-Executive Directors (NED) Committee fees which would apply from 1 January 2023.

Therefore, other than the Chair of the Board, in FY-23 non-executive directors will be paid Committee fees of $22,000 (including superannuation) per year for each Board Committee of which they are a Chair, and $11,000 (including superannuation) per year for each Board Committee of which they are a member.

4. Statutory Remuneration Disclosures

Statutory disclosures

The following table sets out the statutory disclosures in accordance with the Accounting Standards for the year ended 31 December 2022, with comparative figures for the year ended 31 December 2021.

		Short-term employee benefits			Post-employment benefits	Cash settled security-based payments	
		Cash salary/ fees	Bonuses[1]	Non-monetary benefits[2]	Super-annu-ation benefits	Rights[3]	Total
Hon Dr David Hamill AM	FY-22	$181,407	–	–	$18,593	–	$200,000
	FY-21	$182,233	–	–	$17,767	–	$200,000
Dr Eileen Doyle	FY-22	$117,914	–	–	$12,086	–	$130,000
	FY-21	$118,452	–	–	$11,548	–	$130,000
Bahir Manios	FY-22	–	–	–	–	–	–
	FY-21	–	–	–	–	–	–
Bronwyn Morris AM	FY-22	$117,914	–	–	$12,086	–	$130,000
	FY-21	$118,452	–	–	$11,548	–	$130,000
Jonathon Sellar	FY-22	–	–	–	–	–	–
	FY-21	–	–	–	–	–	–
Anthony Timbrell	FY-22	$744,585	$213,500	$6,926	$24,430	$625,627	$1,615,068
	FY-21	$727,384	$507,301	$2,362	$22,631	$175,854	$1,435,532
Stephanie Commons	FY-22	$437,579	$114,500	$2,362	$24,430	$331,035	$909,906
	FY-21	$427,378	$97,114	$3,561	$22,631	$92,456	$643,140
TOTAL	**FY-22**	**$1,599,399**	**$328,000**	**$9,288**	**$91,625**	**$956,662**	**$2,984,974**
	FY-21	**$1,573,899**	**$604,415**	**$5,923**	**$86,125**	**$268,310**	**$2,538,672**

1. The amounts disclosed as Bonuses during FY-22 represent the movement in the accrual in relation to the cash component of the senior executives' FY-22 STI entitlements (due to be paid in cash in FY-23 with the pay run following release of full-year audited results for FY-22). The amounts disclosed as Bonuses during FY-21 represent the movement in the accrual in relation to the cash component of the senior executives' FY-21 STI entitlement (paid in cash in FY-22 with the pay run following release of full-year audited results for FY-21). The Legacy Bonus of $321,517 paid to Anthony Timbrell in July FY-21 is included here for transparency.
2. The amounts disclosed as non-monetary benefits relate to the cost of providing income-protection insurance and an executive health assessment to senior executives during the Reporting Period.
3. The amounts disclosed as cash settled security-based payments/Rights represent the accrual that the company has made relating to the senior executive's' LTI awards and the Deferred Component of their STI awards in the relevant reporting period (the proportion of fair value recognised during the period may include remeasurements of amounts recognised during previous periods). As at the date of this report, the Rights under the FY-22 STI Plan (which relate to 50% of the senior executives' STI award) have not been granted to the senior executives. The number of Rights will be determined by dividing the Deferred Component of the FY-22 STI award by the VWAP of DBI stapled securities traded on the ASX during the 10 trading days following the release of the Group's FY-22 annual results and, therefore, can only be disclosed in FY-23's Remuneration Report. The value of Rights granted to the senior executives under Tranche 1 of the LTI Plan is measured using a Monte Carlo simulation model. The value of Rights granted to the senior executives under Tranche 2 of the LTI Plan is calculated using a discounted cash flow model.

Remuneration Report continued

Outstanding STI and LTI at 31 December 2022

The table below shows the details for the grants made under the STI and LTI plans which are yet to vest, including the number of instruments granted, the years in which they may vest, and the fair value recognised in the financial statements.

Accounting standards require the estimated valuation of the grants recognised over the performance period. The minimum value of the grants is nil. The maximum value is based on the estimated fair value calculated at reporting date, amortised in accordance with the accounting standard requirements.

No LTI awards were eligible for testing or vesting during the year.

KMP	Grant date[1]	Number of Rights Granted	Tranche/ Performance Measure	Fair Value at 31 December 2022 $/cps	Total Expense in 2022	Vesting Date
Anthony Timbrell	25 March 2022	109,238	FY-22 LTI Tranche 1/ TSR Hurdle	2.37	$86,267	March 2025
		109,238	FY-22 LTI Tranche 2/ DCF Hurdle	2.43	$88,402	March 2025
Anthony Timbrell	10 March 2021	88,127	FY-21 LTI Tranche 1/ TSR Hurdle	2.23	$109,100	March 2024
		88,127	FY-21 LTI Tranche 2/ DCF Hurdle	2.43	$81,993	March 2024
Anthony Timbrell	25 March 2022	99,264	FY-21 Deferred STI	2.57	$153,116	March 2023
Stephanie Commons	25 March 2022	57,903.5	FY-22 LTI Tranche 1/ TSR Hurdle	2.37	$45,727	March 2025
		57,903.5	FY-22 LTI Tranche 2/ DCF Hurdle	2.43	$46,859	March 2025
Stephanie Commons	10 March 2021	46,653	FY-21 LTI Tranche 1/ TSR Hurdle	2.23	$57,755	March 2024
		46,653	FY-21 LTI Tranche 2/ DCF Hurdle	2.43	$43,405	March 2024
Stephanie Commons	25 March 2022	51,888	FY-21 Deferred STI	2.57	$80,038	March 2023
TOTAL		754,995			$792,662	

1. The 2021 LTI award to the CEO and CFO was granted to participants on 10 March 2021 using the IPO price on 8 December 2020 with an effective grant date of the IPO date being 8 December 2020. The 2022 LTI awards to the CEO and CFO were granted to participants on 25 March 2022. No FY-21 or FY-22 LTI Rights vested or lapsed during the Reporting Period.

KMP security holdings

The following table outlines the movements in DBI stapled securities held by KMP held directly or indirectly during the Reporting Period.

	Held at 1 January 2022	Received on vesting of STI	Received on vesting of LTI	Received as remuneration	Other net change	Held at 31 December 2022	Held nominally at 31 December 2022
Non-executive directors							
Hon Dr David Hamill AM	39,000	–	–	–	–	39,000	–
Dr Eileen Doyle	72,000	–	–	–	–	72,000	–
Bahir Manios	–	–	–	–	–	–	–
Bronwyn Morris AM	39,000	–	–	–	–	39,000	–
Jonathon Sellar	–	–	–	–	–	–	–
Senior executives							
Anthony Timbrell	360,000	–	–	–	–	360,000	–
Stephanie Commons	2,000	–	–	–	–	2,000	–

The following table outlines the movements in Rights held directly or indirectly by senior executives during the Reporting Period.

	Held at 1 January 2022	Received as remuneration	Exercised	Lapsed	Other net change	Held at 31 December 2022	Vested at 31 December 2022[1]
Anthony Timbrell	176,254	317,740	–	–	–	493,994	–
Stephanie Commons	93,306	167,695	–	–	–	261,001	–

1. Rights are automatically exercised on vesting. There are no Rights that have vested that are exercisable or that are not exercisable at 31 December 2022.

Remuneration Report continued

5. Transactions with KMP

Loans with senior executives and non-executive directors

There were no loans outstanding to any senior executive or any non-executive director or their related parties, at any time in the Reporting Period.

Other KMP transactions

Apart from the details disclosed in this Report, no senior executive or non-executive director or their related parties have entered into a transaction with the Group since listing and there were no transactions involving those people's interests existing at year end.

Non-Audit Services

The directors are of the opinion that the services as disclosed in note 31 to the financial statements do not compromise the external auditor's independence, based on advice received from the Finance and Audit Committee, for the following reasons:

- all non-audit services have been reviewed by the finance and audit committee to ensure that they do not impact the impartiality and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

Auditor's Independence Declaration

The auditor's independence declaration is included on page 49 of the financial report.

Rounding off of Amounts

The Company is a company of the kind referred to in ASIC Corporations (Rounding in Financials/Directors' reports) Instrument 2016/191, dated 24 March 2016, and in accordance with that Corporations Instrument amounts in the Directors' report and the Financial Statements are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of the Directors of the Company made pursuant to s.298(2) of the *Corporations Act 2001*.

On behalf of the Directors

Hon Dr David Hamill AM
Chairman, Independent Non-Executive Director

Brisbane, 27 February 2023

Auditor's Independence Declaration

Deloitte.

Deloitte Touche Tohmatsu
ABN 74 490 121 060
Level 23, Riverside Centre
123 Eagle Street
Brisbane, QLD, 4000
Australia

Phone: +61 7 3308 7000
www.deloitte.com.au

27 Februray 2023

The Board of Directors
Dalrymple Bay Infrastructure Limited
Level 15, Waterfront Place
1 Eagle Street
Brisbane Qld 4000

Dear Board Members,

Auditor's Independence Declaration to Dalrymple Bay Infrastructure Limited

In accordance with section 307C of the Corporations Act 2001, we are pleased to provide the following declaration of independence to the directors of Dalrymple Bay Infrastructure Limited.

As lead audit partners for the audit of the financial report of Dalrymple Bay Infrastructure Limited for the period ended 31 December 2022, we declare that to the best of our knowledge and belief, there have been no contraventions of:

(i) the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

(ii) any applicable code of professional conduct in relation to the audit.

Yours faithfully

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU

Stephen Tarling
Partner
Chartered Accountant

Financial Report

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the Year Ended 31 December 2022

	Note	2022 $'000	2021 $'000
Revenue from contracts with terminal customers	4	579,127	453,950
Other income		2,570	188
Revenue from capital works performed	4	44,664	51,115
Total income		**626,361**	**505,253**
Depreciation and amortisation expense	8	(39,585)	(39,355)
Finance costs	6	(118,868)	(92,920)
Operating and management (handling) charges	4	(297,418)	(251,015)
Capital works costs	4	(44,664)	(51,115)
IPO Transaction Costs	19	3,612	94,000
Other expenses	8	(17,463)	(15,833)
Total expenses		**(514,386)**	**(356,238)**
Profit before income tax		**111,975**	**149,015**
Income tax expense	7(a)	(43,001)	(19,938)
Profit for the year		**68,974**	**129,077**
OTHER COMPREHENSIVE PROFIT/(LOSS)			
Items that may be reclassified subsequently to profit or loss:			
Gain on cash flow hedges taken to equity	22	208,871	35,331
Profit/(loss) on cash flow hedges transferred to profit or loss	22	(120,389)	10,354
Income tax expense relating to components of other comprehensive income	7(b)	(26,545)	(13,705)
Other comprehensive profit for the year		**61,937**	**31,980**
Total comprehensive profit for the year		**130,911**	**161,057**
Comprehensive Profit/Loss for the year is attributable to:			
Owners of Dalrymple Bay Infrastructure Limited		130,911	161,057
Total comprehensive profit for the year		**130,911**	**161,057**

	Dollars	Dollars
Profit per security from continuing operations attributable to the ordinary equity holders of the Company:		
Basic and diluted profit per security (refer note 9)	0.14	0.26

Consolidated Statement of Financial Position

As at 31 December 2022

	Note	2022 $'000	2021 Restated[1] $'000
CURRENT ASSETS			
Cash and cash equivalents	10	192,505	62,827
Trade and other receivables	11	59,959	43,990
Other financial assets	12	140,658	–
Prepayments		36	223
Total current assets		**393,158**	**107,040**
NON-CURRENT ASSETS			
Other financial assets	12	249,597	315,917
Intangible assets	13	3,127,813	3,122,286
Right-of-use assets		1,140	1,490
Property, plant and equipment		505	598
Total non-current assets		**3,379,055**	**3,440,291**
Total assets		**3,772,213**	**3,547,331**
CURRENT LIABILITIES			
Trade and other payables	14	62,683	59,635
Contract liabilities	15	6,268	–
Borrowings	16	439,307	9,000
Lease liabilities		383	371
Other financial liabilities	18	24,179	20,799
Current tax liabilities	7	4,443	–
Deferred capital contribution	19	–	5,151
Employee provisions		2,854	2,133
Total current liabilities		**540,117**	**97,089**
NON-CURRENT LIABILITIES			
Borrowings	16	1,519,728	2,032,055
Loan notes attributable to securityholders	17	186,196	219,869
Lease liabilities		810	1,145
Other financial liabilities	18	239,016	78,237
Deferred tax liabilities	7(d)	126,177	61,074
Employee provisions		2,116	1,697
Total non-current liabilities		**2,074,043**	**2,394,077**
Total liabilities		**2,614,160**	**2,491,166**
Net assets		**1,158,053**	**1,056,165**
EQUITY			
Issued capital	21	978,108	978,108
General reserve	22	34,820	34,282
Hedge reserve	22	89,843	27,906
Retained earnings	24	55,282	15,869
Total equity		**1,158,053**	**1,056,165**

1. Restated to include restricted deposits (refer to note 2).

Consolidated Statement of Changes in Equity

For the Year Ended 31 December 2022

Consolidated	Note	Issued capital $'000	Hedge reserve $'000	General reserve $'000	Retained earnings $'000	Total $'000
Balance at 1 January 2021		987,216	(4,074)	–	(113,208)	869,934
Profit for the period		–	–	–	129,077	129,077
Amounts recognised in the current year	22	–	45,685	–	–	45,685
Income tax expense relating to components of other comprehensive income	7(b)	–	(13,705)	–	–	(13,705)
Total comprehensive income for the year		**987,216**	**27,906**	**–**	**15,869**	**1,030,991**
Transactions with owners in their capacity as owners:						
Capital contribution by Selling Entities		–	–	34,282	–	34,282
Buy back of stapled security and other		(10,113)	–	–	–	(10,113)
Income tax relating to movements in equity	7(c)	1,005	–	–	–	1,005
Total equity at 31 December 2021		**978,108**	**27,906**	**34,282**	**15,869**	**1,056,165**

Consolidated	Note	Issued capital $'000	Hedge reserve $'000	General reserve $'000	Retained earnings $'000	Total $'000
Balance at 1 January 2022		978,108	27,906	34,282	15,869	1,056,165
Profit for the year		–	–	–	68,974	68,974
Amounts recognised in the current year	22	–	88,482	–	–	88,482
Income tax expense relating to components of other comprehensive income	7(b)	–	(26,545)	–	–	(26,545)
Total comprehensive income for the year		**978,108**	**89,843**	**34,282**	**84,843**	**1,187,076**
Transactions with owners in their capacity as owners:						
Capital contribution by Selling Entities	19	–	–	538	–	538
Dividends paid to company's shareholders	24	–	–	–	(29,561)	(29,561)
Total equity at 31 December 2022		**978,108**	**89,843**	**34,820**	**55,282**	**1,158,053**

Consolidated Statement of Cash Flows

For the Year Ended 31 December 2022

	Note	2022 $'000	2021 Restated[1] $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		630,384	514,453
Payments to suppliers and employees		(358,585)	(304,797)
Interest received		2,302	188
Payments of IPO Transaction Costs		(538)	(12,121)
Interest and other costs of finance paid		(84,313)	(74,610)
Net cash provided by operating activities	32(a)	**189,250**	**123,113**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for additions to intangibles		(46,277)	(47,113)
Payments for property, plant and equipment		(50)	(682)
Proceeds from deposits (cash withdrawn from debt service reserve)		32,998	3,105
Net cash used in investing activities		**(13,329)**	**(44,690)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	16	514,311	68,000
Repayment of borrowings	16	(457,000)	(57,000)
Dividends paid to company's shareholders	20	(29,561)	–
Loan establishment costs paid		(6,013)	(2,083)
Principal element of lease payments		(420)	(385)
Distribution through part repayment of the stapled loan notes	20	(62,947)	(67,132)
Payment for securities buybacks		–	(10,025)
Repayment of deferred capital contribution	19	(4,613)	(93,000)
Net cash used in by financing activities	32(b)	**(46,243)**	**(161,625)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**129,678**	**(83,202)**
Cash and cash equivalents at the beginning of the financial year		62,827	146,029
Cash and cash equivalents at the end of the financial year		192,505	62,827

1. Restated to include restricted deposits (refer to note 2).

Notes to the Financial Report

The notes to the consolidated statements are for the year from 1 January 2022 to 31 December 2022.

1. General Information

The address of the Group's registered office and principal place of business is:

Dalrymple Bay Infrastructure Limited
Level 15, Waterfront Place
1 Eagle Street
Brisbane QLD 4000 Australia

The Group owns the lease of, and right to operate the Dalrymple Bay terminal under the DBT Leases (the package of leases between the Queensland Government, acting through DBCT Holdings Pty Ltd (a wholly owned Queensland Government entity) as Lessor, and DBT Trust, which grants DBI tenure over DBT land and over certain plant and equipment located at DBT) (the DBT Leases), the world's largest metallurgical coal export facility which is located proximate to the Bowen Basin in Queensland. The DBT Entities were acquired from subsidiaries of Brookfield and co-investors (the 'Selling Entities') on 8 December 2020. Brookfield, via a subsidiary, continues to hold 49.45% of DBI's stapled securities.

The right to use the terminal is accounted for as an intangible asset in accordance with the Australian Accounting Standards requirements for service concession accounting.

2. Basis of Preparation

This section sets out the basis upon which the Group's financial statements are prepared. Significant and other accounting policies that summarise the measurement basis used and are relevant to an understanding of the financial statements are provided throughout the notes to the financial statements. All other accounting policies are outlined in the relevant note.

Statement of Compliance

These Financial Statements are General Purpose Financial Statements which have been prepared in accordance with the *Corporations Act 2001*, and Australian Accounting Standards and Interpretations and other requirements of the law.

The financial statements comprise the consolidated financial statements of the Group. For the purposes of preparing the consolidated financial statements the Group is a for-profit entity.

Accounting Standards include Australian Accounting Standards. Compliance with Australian Accounting Standards ensures that the Financial Statements and notes of the Company and the Group comply with International Financial Reporting Standards (IFRS).

The financial statements were authorised for issue by the Directors on 27 February 2023.

Basis of Preparation

These financial statements cover the year from 1 January 2022 to 31 December 2022 and the comparative period covers the year from 1 January 2021 to 31 December 2021.

The consolidated financial statements have been prepared on the basis of historical cost, except for certain financial assets and liabilities that are measured at fair value, as explained in the accounting policies below.

The Company is a company of the kind referred to in Australian Securities and Investment Commission (ASIC) Corporations (Rounding in Financials/Directors' Reports) Instrument 2016/191 dated 24 March 2016 and in accordance with that Corporations Instrument amounts in the Directors' Report and the financial statements are rounded to the nearest thousand dollars, unless otherwise indicated.

Notes to the Financial Report continued

2. Basis of Preparation (continued)

Going concern

The financial statements have been prepared on the basis that the Group is a going concern, able to realise its assets in the ordinary course of business and settle liabilities as and when they fall due.

At 31 December 2022, DBI had Current Assets of $393.1 million and Current Liabilities of $540.1 million. The Net Current Liability position of $147.0 million is a result of the US private placement (USPP) notes issued in 2012, and their corresponding cross currency interest rate hedges, being classified as current. These notes and hedges are due to mature in March 2023 and have a combined carrying value of $298.6 million (net liability) in the balance sheet. There is sufficient headroom in the revolver facilities of $440 million from which to repay this debt.

The Directors are therefore of the opinion that the preparation of the financial statements as a going concern is appropriate.

Basis of Consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of DBI as at 31 December 2022 and the results of all subsidiaries for the year then ended.

Control of a subsidiary is achieved where the Company is exposed, or has rights, to variable returns from its involvement with the subsidiary and the ability to affect those returns through its power over the subsidiary as defined by AASB 10 *Consolidated Financial Statements*.

Where necessary, adjustments are made to the Financial Statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group.

All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Update to accounting policies

DBI holds security from certain customers in respect of their obligations under the User Agreements, including in the form of cash deposits ("security deposits"). As a result of the clarification published in the IFRIC Update in March 2022, DBI has reviewed and updated the accounting policy for User security deposits held as cash and cash equivalents. These cash deposits, corresponding liability and corresponding movements were not previously reported in the Statement of Financial Position or the Statement of Cash Flows. In accordance with the clarification, the User security deposits held as cash and cash equivalents will be presented as Cash and Cash Equivalents in the Statement of Financial Position and movement in these deposits will be included in the Operating Cashflows in the Statement of Cash Flows. The corresponding liability to refund the cash in accordance with the terms of the applicable agreements has been presented as a current Other Financial Liability on the Statement of Financial Position. Cash deposits held as security are contractually restricted from use by DBI and can only be used to meet the liabilities of the relevant User under their User Agreement and only in accordance with the terms of the applicable agreement with the relevant User regarding security. They have therefore been presented as Restricted Cash within note 10 Cash and cash equivalents.

DBI has retrospectively accounted for this change in accounting policy and has therefore applied this new presentation within the comparative period. This has resulted in an increase in Cash and Cash Equivalents and a corresponding increase in Current Other Financial Liabilities in the Statement of Financial Position of $20.8 million (1 January 2021: $6.9 million). Receipts from Customers has increased by $13.9 million in the Statement of Cash Flows for the period ending 31 December 2021. There is no impact on the profit for the year or on any of the other items in the Financial Statements.

2. Basis of Preparation (continued)

Critical accounting estimates and judgements

Critical judgements and key assumptions that management has made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are detailed in the notes below:

Note	Judgement/Estimation
13	Asset useful life and impairment
13	Application of service concession accounting (IFRIC 12)
27	Contingent assets and liabilities

Notes to the Financial Report

The notes are organised into the following sections.

Financial performance overview: provides a breakdown of individual line items in the Statement of Financial Performance and other information that is considered most relevant to users of the annual report.

Balance sheet items: provides a breakdown of individual line items in the Statement of Financial Position that are considered most relevant to users of the annual report.

Capital structure and risk management: provides information about the capital management practices of the Group and securityholder returns for the year. This section also discusses the Group's exposure to various financial risks, explains how these might impact the Group's financial position and performance and what the Group does to manage these risks.

Group structure: explains aspects of the Group's structure and the impact of this structure on the financial position and performance of the Group.

Other: provides information on items which require disclosure to comply with Australian Accounting Standards and other regulatory pronouncements and about items that are not recognised in the financial statements but could potentially have a significant impact on the Group's financial position and performance.

3. Adoption of New and Revised Accounting Standards

In the current year, the Group has adopted all the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operation and effective for the current reporting year.

Details of the Standards and Interpretations adopted in these Financial Statements that have had an impact on the amounts reported are set out in the notes.

(a) Standards and Interpretations adopted that impacted the Financial Statements

AASB 2019-3 *Amendments to Australian Accounting Standards-Interest Rate Benchmark Reform*

The interest rate benchmark reforms aim to discontinue Interbank Offered Rates (IBOR) and replace these with alternative benchmark interest rates referred to as 'risk free rates' (RFRs). IBORs are interest rate benchmarks that are used in a wide variety of financial instruments such as derivatives and lending arrangements. Examples of IBOR include 'LIBOR' (the London Inter-bank Offered Rate) and 'BBSW' (the Australian Bank Bill Swap Rate).

Notes to the Financial Report continued

3. Adoption of New and Revised Accounting Standards (continued)

The nature of the reforms varies across different jurisdictions. For example, in Australia the existing IBOR benchmark (BBSW) has undergone reform and is expected to continue for the foreseeable future alongside the nominated RFR for AUD which is AONIA (AUD Overnight Index Average). By contrast, LIBOR publication is expected to cease. A transition away from LIBOR is therefore necessary. The cessation date for all tenors of LIBOR and the one week and two-month tenors for USD LIBOR was 31 December 2021. The cessation date for the remaining USD LIBOR tenors is 30 June 2023.

In response to the interest rate benchmark reforms, the Australia Accounting Standards Board (AASB) issued:

- AASB 2019-3 *Interest Rate Benchmark Reform* (AASB 2019-3); and
- AASB 2020-8 *Interest Rate Benchmark Reform – Phase 2* (AASB 2020-8).

AASB 2019-3 provides relief from certain hedge accounting requirements to allow hedge accounting to continue for affected hedges during the period of uncertainty before the hedged items or hedging instruments are amended as a result of the reforms. The Group early adopted these amendments for the year ended 31 December 2020.

AASB 2020-8 addresses accounting issues following the transition to RFR. The amendments provide relief from applying certain requirements related to hedge accounting and the modification of financial assets and financial liabilities if certain criteria are met. These amendments enable the Group to reflect the effects of transitioning IBORs to RFRs without giving rise to accounting impacts that would not provide useful information to users of financial statements. The Group adopted these amendments for the year ended 31 December 2021.

Impact on financial reporting

The Group has performed an assessment of exposures linked to LIBOR at 31 December 2022, the results of which were as follows:

- Debt and hedging instruments: The Group has not identified any debt or hedging instruments directly linked to LIBOR as all offshore bonds have been issued in fixed rate and any swap instruments swap the fixed foreign denominated interest rate to either a fixed or floating BBSW interest rate; and
- Leases: The Group currently does not have any leases with an IBOR as the basis for lease payments.

Whilst not having any direct LIBOR linked debt or swap instruments:

- The Group has designated derivative hedging instruments in hedge accounting relationships against the fair value exposure of the Group's USD fixed rate debt associated with USD LIBOR benchmark interest rate risks, resulting in an indirect exposure to the transition away from USD LIBOR to the Secured Overnight Financing Rate (SOFR), a benchmark rate, which is expected to be widely adopted and to effectively replace the US LIBOR in new contracts from 2022; and
- The Group has identified certain CCIRS hedging instruments, swapping fixed USD rate to floating AUD BBSW, referencing 3-month USD LIBOR for both hedge accounting and valuation purposes, which will be impacted upon discontinuation of 3-month US LIBOR on 30 June 2023.

3. Adoption of New and Revised Accounting Standards (continued)

Notional in USD	Notional in AUD	Maturing in	Hedge Relationship	Hedging Instrument	Hedged Item
USD 1,225m	AUD 1,475m	2023 to 2037	Fair Value Hedge	Receive benchmark interest rate (LIBOR3m) portion of USD coupon, pay LIBOR3m.	Benchmark interest rate (LIBOR3m) portion of USD.
			Cash Flow Hedge	Receive LIBOR3m, pay AUD BBSW3m combined with USD and AUD principal exchanges at effective and maturity date.	USD principal repayment of the bond from first repayment date until maturity of the bond.
			Cash Flow Hedge	Receive USD margin above the benchmark interest component of the fixed USD coupon, pay AUD margin above the benchmark BBSW3m.	USD Margin above benchmark rate component of the USD fixed coupon payable on the Bond (equivalent to credit margin on debt).

For these hedge relationships, management has assessed that the overall economics of the hedging transactions will not be modified as part of the transition process as there is no direct exposure to LIBOR, however, should any benchmark rates change this will be effected in the underlying hedge relationships.

The Group plans to transition its hedge documentation and valuations prior to the cessation of the 3-month US LIBOR on 30 June 2023 and is working closely with its treasury management system vendor and swap counterparties to understand the impact that the transition might have on the availability and liquidity in forward interest rate curves and any impact on the valuation of the CCIRS.

At 31 December 2022, no hedging instruments or hedged items have transitioned to RFRs and there have been no changes in risk management practices.

There are no new Standards and interpretations adopted in these Financial Statements that have had an impact on the amounts reported.

(b) Standards and Interpretations issued not yet effective that are not expected to have any impact on the Financial Statements

Standard	Effective for annual reporting periods beginning on or after	Expected to be initially applied in the financial year ending
AASB 2020-1 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current* and AASB 2020-6 *Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date*	1 January 2023	31 December 2023

Notes to the Financial Report continued

Finance Performance Overview

4. Revenue and Operating Costs

Under the regulatory regime applying to DBT and administered by the Queensland Competition Authority (QCA), DBIM is required to submit a draft access undertaking to the QCA for approval every 5 years. DBIM submitted a draft access undertaking to the QCA for assessment on 1 July 2019 proposing a transition to a lighter-handed regulatory framework in the form of a 'negotiate-arbitrate' pricing regime. On 1 July 2021, the QCA approved the 2021 Access Undertaking, which endorsed the application of a lighter-handed regulatory framework.

On 10 October 2022, DBIM reached agreement on pricing and commercial terms under revised user agreements for a ten year period from 1 July 2021 to 30 June 2031 (the Pricing Period) with all of its existing customers (Users) at DBT under the lighter-handed regulatory framework. A terminal infrastructure charge (TIC) of $3.02 per tonne was agreed for the period 1 July 2021 to 30 June 2022 and the TIC for 1 July 2022 to 30 June 2023 is $3.18 per tonne. This has resolved the uncertainty within the transaction price which was previously recognised as variable consideration in the prior period. Revenue for the current reporting period includes an additional amount of $22.9 million paid by the Users in respect of access provided during the period 1 July 2021 to 31 December 2021.

An analysis of the Group's revenue and operating costs for the year is as follows:

	Consolidated	
	2022 $'000	2021 $'000
Revenue from contracts with customers:		
Revenue from rendering of services – terminal infrastructure charge	281,709	202,935
Revenue from rendering of services – handling charges	297,418	251,015
	579,127	453,950
Other revenue:		
Revenue from capital works performed	44,664	51,115
	623,791	**505,065**
Operating costs:		
Operating and management (handling) charges	(297,418)	(251,015)
Capital works costs	(44,664)	(51,115)
	(342,082)	**(302,130)**

4. Revenue and Operating Costs (continued)

Recognition and measurement – Revenue

In the concession arrangement, DBI acts as a service provider to operate and maintain the terminal over the term of the lease. This includes providing construction and capital works services through non-expansion and expansion capital projects.

The Group recognises revenue through the following revenue streams over time as services are rendered:

- Terminal Infrastructure Charges (TIC) for providing access to the terminal, is levied per tonne of contracted capacity on a take-or-pay basis at the TIC rate multiplied by the contracted tonnage. Invoices are issued to the Users monthly on 30 day terms;
- Handling charges for operating and maintaining the terminal and providing services to the Users to enable the coal to move through the terminal and be loaded onto a vessel. The Handling charges and revenues are managed by separate processes and contracts and therefore the Group is not considered to be acting as an agent for the Operator of the terminal and the revenue and the handling costs are presented as gross in the financial statements. The Group is charged handling charges by the operator on a monthly basis. The Group recognises revenue related to Handling charges as these costs are incurred. Users are invoiced monthly on 30 day terms; and
- Capital works revenue is construction and/or upgrade services provided to the Queensland Government acting through its wholly-owned entity, DBCT Holdings Pty Ltd (Grantor) relating to the concession arrangement and are recognised as non-cash revenue in accordance with Interpretation 12 Service Concession Arrangements (Interpretation 12). The revenue is measured at fair value, calculated on the basis of the total costs incurred (primarily consisting of the costs of materials and external services and the relevant employee benefits) plus any arm's length profits realised on construction services provided by the Group (insofar as they represent the fair value of the services). Due to the nature of the projects undertaken in the current year, no margin has been recognised. The deemed consideration for the provision of construction and/or upgrade services is an addition to the intangible asset deriving from concession rights. Refer to note 13.

5. Segment Information

The Group operates in one geographical region – Australia. Its primary activity is the provision of capacity to independent Users to ship coal through DBT located at the Port of Hay Point, south of Mackay in Queensland, Australia. The Group comprises a single operating segment. All capital works revenue is attributable to the Queensland Government acting through its wholly-owned entity, DBCT Holdings Pty Ltd, as grantor of the service concession.

Below is a list of the customers that contribute 10% or more of the total:

	Consolidated	
	December 2022 % of revenue	December 2021 % of revenue
Customer 1	32.14	27.50
Customer 2	26.47	24.50

Notes to the Financial Report continued

6. Finance Costs

	Consolidated 2022 $'000	Consolidated 2021 $'000
Finance costs		
Profit for the year has been arrived at after charging the following finance costs:		
Interest on borrowings	81,896	71,574
Other finance costs	3,346	2,134
Amortisation of the fair value adjustment to debt (refer to note 16)[1]	(9,479)	(19,548)
Interest accrued and fair value adjustments to the Loan Notes attributable to securityholders (refer note 17)	29,274	34,168
	105,037	88,328
Hedging Costs		
Hedging ineffectiveness[2]	13,831	4,592
	118,868	**92,920**

1. Includes fair value adjustments made to the borrowings as a result of the asset acquisition.
2. Refer hedge accounting policy included in note 23.

Recognition and measurement – Finance Costs

Interest expense is accrued on a time basis, by reference to the principal outstanding at applicable effective interest rates. Funding costs are capitalised and subsequently amortised over the term of the relevant facility. Unwinding of the interest component of any discounted assets and liabilities is treated as a finance cost.

7. Income Taxes

On 11 December 2020, the Group formed a Tax Consolidated Group (TCG). DBI is the head company of the TCG and it directly or indirectly owns 100% of the shares and units in the DBT Entities and DBH2 Holdings Pty Ltd and DBH2 Management Pty Ltd.

(a) Income tax recognised in profit or loss

	Consolidated	
	2022 $'000	2021 $'000
Tax expense comprises:		
Current tax expense	4,443	–
Deferred tax expense from current period	–	(12)
Deferred tax expense relating to the origination and reversal of temporary differences	37,964	20,944
Adjustment to deferred tax expense of prior periods	594	(994)
Total tax expense	**43,001**	**19,938**
Income tax on pre-tax accounting profit reconciles to tax expense as follows:		
Profit for the period	**111,975**	**149,015**
Income tax expense calculated 30.0%[1]	33,593	44,705
Non-assessable income and other permanent differences	–	(28,901)
Non-deductible expenditure and other permanent differences	3,681	–
Difference in depreciation rates between tax and accounting	5,133	5,128
	42,407	**20,932**
Under/(over) provision of income tax in previous period	594	(994)
Income tax expense recognised in profit or loss	**43,001**	**19,938**

1. The tax rate used in the above reconciliation is the corporate tax rate of 30% payable by Australian corporate entities on taxable profits under Australian tax law. There has been no change in the corporate tax rate when compared with the previous reporting period.

Notes to the Financial Report continued

7. Income Taxes (continued)

(b) Income tax recognised directly in other comprehensive Income

	Consolidated	
	2022 $'000	2021 $'000
Deferred tax arising on income and expenses recognised in other comprehensive income:		
Profit on revaluation of financial instruments treated as cash flow hedges	26,545	13,705
Total income tax expense recognised directly in other comprehensive income	**26,545**	**13,705**

(c) Income tax recognised in equity

	Consolidated	
	2022 $'000	2021 $'000
Deferred tax arising on items recognised in other equity:		
(Repayment)/Initial recognition of Loan Notes	–	(1,005)
Total income tax (benefit) recognised directly in equity	**–**	**(1,005)**

(d) Deferred Tax

	Consolidated	
	2022 $'000	2021 $'000
Total deferred tax liabilities attributable to temporary differences		
Deferred tax asset	8,276	11,735
Deferred tax liability	(134,453)	(72,809)
Disclosed in the statements as deferred tax liability	**(126,177)**	**(61,074)**

At the reporting date, the Group has no unused tax losses (31 December 2021: $10.7 million) available for offset against future profits.

7. Income Taxes (continued)

(e) Reconciliation of deferred tax balances

The following are the major deferred tax liabilities and assets recognised by the Group and movement thereon during the current year and the period ended 31 December 2021.

	Opening Balance at 1 January 2022 $'000	(Charged)/ credited to income statement $'000	(Charged)/ credited to OCI $'000	(Charged)/ credited to equity $'000	Closing balance at 31 December 2022 $'000
Tax losses	3,232	(3,232)	–	–	–
Intangible asset	(26,052)	(29,580)	–	–	(55,632)
Loan Notes attributable to securityholders	(32,685)	8,753	–	–	(23,932)
Future tax deductions	5,963	(2,098)	–	–	3,865
Provisions/Accruals	2,492	(802)	–	–	1,690
Borrowings	(9,925)	(45,065)	–	–	(54,990)
Derivatives	(4,146)	33,532	(26,545)	–	2,841
Other items	47	(66)	–	–	(19)
Total	**(61,074)**	**(38,558)**	**(26,545)**	**–**	**(126,177)**

	Opening Balance at 1 January 2021 $'000	(Charged)/ credited to income statement $'000	(Charged)/ credited to OCI $'000	(Charged)/ credited to equity $'000	Closing balance at 31 December 2021 $'000
Tax losses	4,395	(1,163)	–	–	3,232
Intangible asset	(904)	(25,148)	–	–	(26,052)
Loan Notes attributable to securityholders	(43,918)	10,228	–	1,005	(32,685)
Future tax deductions	8,479	(2,516)	–	–	5,963
Provisions/Accruals	3,453	(961)	–	–	2,492
Prepayments	(1,047)	1,047	–	–	–
Borrowings	(12,840)	2,915	–	–	(9,925)
Derivatives	13,945	(4,386)	(13,705)	–	(4,146)
Other items	–	47	–	–	47
Total	**(28,437)**	**(19,937)**	**(13,705)**	**1,005**	**(61,074)**

Income tax expense represents the sum of the tax currently payable and deferred tax.

Notes to the Financial Report continued

7. Income Taxes (continued)

Recognition and measurement – Income Taxes

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the Statement of Profit or Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period. Adjustments are made for transactions and events occurring within the tax consolidated group that do not give rise to a tax consequence for the Group or that have a different tax consequence at the level of the Group.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Adjustments are made for transactions and events occurring within the tax consolidated group that do not give rise to a tax consequence for the Group or that have a different tax consequence at the level of the Group.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax for the period

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Tax Consolidated Group

The Company and its subsidiaries are members of a tax-consolidated group under Australian tax law. The head entity within the tax-consolidated group is Dalrymple Bay Infrastructure Limited.

Amounts payable or receivable under the tax-funding arrangement between the Company and the entities in the tax-consolidated group are determined using a 'separate taxpayer within group' approach to determine the tax contribution amounts payable or receivable by each member of the tax-consolidated group. This approach results in the tax effect of transactions being recognised in the legal entity where that transaction occurred. The same basis is used for tax allocation within the tax-consolidated group.

8. Profit for the Period

	Consolidated	
	2022 $'000	2021 $'000
Expenses		
Profit for the period has been arrived at after charging the following expenses:		
Employee benefits expense	7,329	6,858
Other operating expenses	5,672	5,403
Insurance	4,462	3,572
	17,463	**15,833**
Depreciation	449	376
Amortisation of non-current assets (note 13)	39,136	38,979
	39,585	**39,355**

Employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave, and long service leave when it is probable that settlement will be required, and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

For cash settled share-based payments, a liability is recognised and measured initially at fair value. At each reporting date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year. Information relating to the long-term employee incentive plan is set out in the remuneration report.

Notes to the Financial Report continued

9. Earnings per Security

(a) Basic and diluted profit/(loss) per security

	2022 Dollars	2021 Dollars
From continuing operations attributable to the ordinary equity holders of the company	0.14	0.26
Total basic and diluted profit per security attributable to the ordinary equity holders of the Company	**0.14**	**0.26**

(b) Reconciliation of profit or loss used in calculating earnings per security

	2022 $'000	2021 $'000
Profit attributable to the ordinary equity holders of the company used in calculating basic and diluted profit per security	68,974	129,077
Total profit attributable to the ordinary equity holders of the company used in calculating basic and diluted profit per security	**68,974**	**129,077**

(c) Weighted average number of securities used as the denominator

	2022 Number	2021 Number
Weighted average number of ordinary shares used as the denominator in calculating basic and diluted loss per security	**495,761,667**	**497,981,425**

Balance Sheet Items

10. Cash and cash equivalent

	2022 $'000	2021 Restated[1] $'000
Cash at bank	168,326	42,028
Restricted deposits[1]	24,179	20,799
	192,505	**62,827**

1. Restated to include restricted deposits (represents liability in relation to cash held as security deposits for customers) refer note 18 for corresponding liability.

Recognition and measurement – Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash Deposits provided by way of security by Users are disclosed as Restricted Deposits. These funds are not available for general use and cannot be used to meet the liabilities of the Group under any circumstances. The liability to refund such amounts to the relevant Users in accordance with the terms of the applicable agreements regarding security, is reflected in Other Financial Liabilities set out in note 18.

11. Trade and Other Receivables

	Consolidated	
	2022 $'000	2021 $'000
Current		
Net trade receivables	53,837	42,944
Interest receivable	188	19
Other receivables	5,934	1,027
	59,959	**43,990**

The average credit period on invoices is 30 days. No interest has been charged on outstanding trade receivables.

	Consolidated	
	2022 $'000	2021 $'000
Ageing of Trade receivables:		
Current	53,786	42,943
Past due but not impaired – 0 to 30 days	–	–
Past due but not impaired – 30 to 60 days	41	–
Past due but not impaired – 60 to 90 days	–	–
Past due but not impaired – 90 to 120 days	10	–
	53,837	**42,943**

Recognition and measurement – Trade and Other Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost.

The Group makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance at the amount equal to the expected lifetime credit losses. In using this practical expedient, the Group uses its historical credit loss experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix. The provision matrix is determined by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtor, general economic conditions of the industry in which the debtor operates and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

The expected credit loss (ECL) has been assessed as $nil (31 December 2021: nil). The Group writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery.

Notes to the Financial Report continued

12. Other Financial Assets

	Consolidated	
	2022 $'000	2021 $'000
Derivatives		
Current:		
Cross currency interest rate swaps	140,658	–
	140,658	**–**
Non-current:		
Cross currency interest rate swaps[1]	100,921	235,327
Interest rate swaps[1]	148,183	47,099
	249,104	**282,426**
Other financial assets		
Non-current:		
Debt Service Reserve deposit – at amortised cost[2]	–	33,000
Other secure deposits	493	491
	493	**33,491**

1. Refer to note 23 for further details on Financial Instruments.
2. During the year DB Finance migrated to a new Common Provisions Deed Poll and the Debt Service Reserve was replaced with a Debt Service Reserve Facility. Refer to note 16. The average interest rate of the deposit at 31 December 2021 was 0.37%.

Recognition, and measurement – Other Financial Assets

Detail on the recognition and measurement of derivatives is included in note 23 – Financial Instruments.

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as fair value through profit and loss (FVPL)):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Group's Debt Service Reserve, cash held as security deposits, and other deposits fall into this category of financial instruments.

13. Intangible Assets

	Consolidated	
	2022 $'000	2021 $'000
Gross carrying amount:		
Concession arrangements:		
Intangibles	3,163,721	3,112,606
Additions[1]	44,663	51,115
Balance at end of reporting period	3,208,384	3,163,721
Accumulated amortisation:		
Balance at beginning of period	41,435	2,456
Amortisation expense (note 8)	39,136	38,979
Balance at end of reporting period	80,571	41,435
Net book value		
As at end of reporting period	**3,127,813**	**3,122,286**

1. The additions include $12.5 million of 8X study costs (31 December 2021: $10.2 million). These costs are fully underwritten by the access seekers if the expansion was not to proceed. Refer to note 4 for details on capital works costs.

Notes to the Financial Report continued

13. Intangible Assets (continued)

Recognition – Intangible Assets

The Group's principal asset is its lease of and right to use the Dalrymple Bay terminal. This asset is considered to be a Service Concession Arrangement which should be accounted as a service concession asset under Interpretation 12 Service Concession Arrangements (Interpretation 12) and not as a lease under AASB 16 *Leases.* A Service Concession Arrangements exists when a government (grantor) contracts with a private operator to operate and maintain the grantor's infrastructure assets and the grantor controls or regulates what services the operator must provide and at what price. Management has determined that the service concession asset is an intangible asset.

The cost of the service concession intangible asset at acquisition was determined by allocating the total consideration paid to the individual identifiable assets and liabilities acquired on the basis of their relative fair values at the date of purchase. After initial recognition, additions to the intangible asset are recorded at cost, less accumulated amortisation and accumulated impairment losses under AASB 138 *Intangible Assets.*

The intangible asset is being amortised over the total lease period available to the Group (99 years from September 2001 to September 2100). At the time DBI purchased the asset, there were 80 years remaining on the lease period. The total lease period comprises a 50-year lease with an option for a 49-year extension.

Amortisation is recognised on a straight-line basis over its estimated useful life. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Costs incurred on expansion and non-expansionary capital works are deferred to future periods to the extent that they result in rights received as consideration for construction and/or upgrade services rendered for which DBI receives additional economic benefits in the form of increased TIC. This includes the costs of studies that precede major capital works. Subsequent expenditure is carried at cost less accumulated amortisation and any accumulated impairment losses.

Impairment

At the end of each reporting period, the Group reviews the carrying amounts of its intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

13. Intangible Assets (continued)

Critical judgements – Classification as a service concession arrangement

On 1 July 2021, the QCA approved the 2021 Access Undertaking (2021 AU) which endorsed the application of a lighter-handed regulatory framework in the form of a 'negotiate-arbitrate' pricing regime. The 2021 AU will apply from 1 July 2021 to 30 June 2026.

In light of the QCA's decision, the directors have assessed whether it is appropriate to continue to classify the asset as a Service Concession Arrangement under Interpretation 12 as, under a light-handed pricing regime, the price is negotiated with Users and the QCA only acts as an arbitrator in the event of a dispute when required, and with the agreement of the parties. The price is not set by the QCA as under the previous heavy-handed regulatory framework.

However, the approval of the current access undertaking does not diminish the authority of the QCA under the QCA Act to regulate the appropriate pricing mechanism for access to the terminal at each review of the access undertaking which occurs at 5 year intervals. As a result, the directors consider it appropriate to continue to account for the lease of the terminal as a service concession arrangement.

Critical judgements – Impairment

At reporting date, the Group reviewed the carrying amount of its intangible assets to determine whether there were any indicators of impairment loss. Both internal and external sources of information were considered including:

- Climate risk factors and the possible changes in domestic and global regulations in relation to coal have been considered, however there is uncertainty regarding the likely impact (and the timing thereof) on DBT due to its primary use as a metallurgical coal export facility. Coal industry data show significant ongoing demand for metallurgical coal demand beyond the initial lease period. Refer to the Useful Life Judgement below and DBI's 2022 Sustainability Report for more details on these considerations.
- Impacts of inflation on the cashflow forecasts have been considered. Under the revised user agreements, the base TIC will be adjusted annually for inflation offering DBI a level of protection.
- The terminal is fully contracted until 2028 and there is currently a queue of access seekers over and above the current capacity of the terminal. It is currently expected that any capacity that may become available in 2028 will be able to be recontracted to access seekers or failing this, the lost revenue as a result of uncontracted tonnage remains able to be socialised among existing users, during the current pricing period to 30 June 2031.

No impairment indicators were identified.

Critical judgements – Useful Life

The lease renewal for the terminal is at the discretion of the Group, and the Directors have determined that it is highly probable that the DBT Leases underpinning the service concession arrangement will be renewed for a further 49 years in 2051. This is on the basis that the cost of renewal is not significant when compared to the economic benefits that are expected to flow to the Group if the lease is renewed, based on consideration of both legal right to operate the terminal and a range of economic and other factors considered at the reporting date. The intangible asset recognised as a result of the service concession arrangement continues to be amortised over the remaining lease period of 78 years to 2100.

Accordingly, the intangible asset recognised as a result of the service concession arrangement is being amortised over the remaining lease period of 78 years.

Notes to the Financial Report continued

13. Intangible Assets (continued)

The concession arrangement providing economic benefits to 2100 is a critical judgement and necessarily requires various assumptions to be made in relation to future and forecast outcomes. In forming this view the directors have given regard to the following factors:

Long-term Global Seaborne Metallurgical Coal Considerations and Third Party Forecasts on Bowen Basin Life

As the world's largest metallurgical coal export facility, servicing mines in the Bowen Basin, economic benefits derived by DBI under its service concession to operate DBT are currently primarily linked to global supply and demand for seaborne metallurgical coal. DBI has utilised the services of Wood Mackenzie, an independent industry expert who prepare publicly available country-level forecasts of potential future global seaborne metallurgical coal supply and demand, aligned to the International Energy Agency (IEA) climate scenarios, as well as a Base Case 2.5 degree Energy Transition Outlook scenario which represents Wood Mackenzie's current expectation for the most likely trajectory of global seaborne demand and supply. DBI's detailed consideration of these scenarios is included in its 2022 Sustainability Report available on its website. While Wood Mackenzie's seaborne coal supply and demand forecasts are global and not specific to DBT, DBI expects that significant metallurgical coal volumes will continue to be exported through DBT beyond 2050 under the potential climate scenarios considered. At the Reporting Date, DBI's current experience at DBT is more closely aligned with Wood Mackenzie's Base Case which show a positive compound annual growth rate (CAGR) in demand for seaborne exported metallurgical coal through to 2050, given the terminal remains fully contracted to 2028 and is in receipt of over 33Mtpa of additional requests for access.

For periods beyond 2050 the directors have considered independent forecasts that indicate extensive metallurgical coal reserves in the Bowen Basin and anticipated ongoing demand for metallurgical coal throughput at east coast terminals to 2100.

The Directors acknowledge, however, that there are inherent risks and uncertainties in forecasting potential demand and supply for commodities and in respect of potential climate scenarios over such long duration timeframes. Metallurgical coal throughput at DBT will likely be impacted by economic growth and development (particularly in India and south-east Asia) driving demand for steel, methods of steel production including lower carbon replacement technologies, government policies including approvals of new mines, and climate policy legislation and regulation.

Transition strategy and alternative uses

While DBI remains confident of the continued viability of DBT beyond 2050 under various climate scenarios, the Company considers that exploring opportunities for growth and diversification at DBT will enable DBI to build resilience to climate-related risks and grow value.

The forecast long-term global demand for metallurgical coal in the steel production process provides significant time for DBI to create value and build resilience through the process of diversification of DBT. When considering this the Directors noted the following factors that support the long-term utilisation of DBT as a port facility, whether for coal or other commodity export:

- the existence of deep-water berths at a declared Priority Port on Strategic Port Land under the *Sustainable Ports Development Act 2015*;
- supporting rail corridors servicing the port;
- vacant surrounding land to support future expansion/industrialisation; and
- proximity to the economic growth regions of Asia.

DBI intends to pursue diversification by investigating options for the expansion of the existing infrastructure at DBT for non-coal purposes. DBI's feasibility studies into the potential for hydrogen exports through DBT is an example of this approach.

13. Intangible Assets (continued)

The coming decades are expected to involve non-linear changes in government policy and international commitments to reducing carbon dioxide emissions to Net Zero[1], which will impact the economics of current and emerging markets. Government incentives and taxes may also accelerate the use of new technologies in production processes which in turn may alter the demand for commodities. However, the pathway to Net Zero involves key uncertainties driven largely by the timeline upon which emerging and future technologies will prevail in terms of technical feasibility, cost effectiveness and social acceptance. This uncertainty requires scenario-based planning to best manage climate-related transition risks for DBT. This will continue to be monitored and if required, an adjustment to the useful life assessment could be made in a future reporting period.

14. Trade and Other Payables

	Consolidated	
	2022 $'000	2021 $'000
Current:		
Trade payables[1]	56,925	50,963
Other payables[2]	–	3,873
GST Payable	1,746	978
Interest payable	4,012	3,821
	62,683	59,635

1. The average credit period on purchases of goods and services is 30 days. No interest is incurred on trade creditors. Trade payables are measured at amortised cost.
2. Other payables are the accrued IPO Transaction Costs. Funds for these costs were provided by the Selling Entities.

Recognition – Trade and Other Payables

Trade and other payables are recognised when the Group becomes obliged to make future payments resulting from the purchase of goods and services. These are measured at amortised cost.

1. IPCC definition: Net zero emissions are achieved when anthropogenic emissions of greenhouse gases to the atmosphere are balanced by anthropogenic removals over a specified period.

Notes to the Financial Report continued

15. Contract Liabilities

	Consolidated	
	2022 $'000	2021 $'000
Opening balance	–	–
Contract liabilities – Current period	6,268	–
Closing balance	**6,268**	**–**

Recognition and measurement – Contract liabilities

Prepayments by customers for access that is to be provided at a future date is recognised as deferred income and transferred to the profit or loss over the period the access is provided in accordance with the Revenue Policy. Detail on the revenue policy is included in note 4 – Revenue and Operating Costs.

Capital Structure and Risk Management

16. Borrowings

During the year, the $USD300 million US private placement notes (USPP) due to mature in March 2023 were reclassified from non-current to current. The notes have a carrying value of $439.3 million as at 31 December 2022 (31 December 2021: $428.6 million).

In March 2022, $514.3 million was received for the USPP notes that had been committed in November 2021. Funds from this issue were used to repay the outstanding balance at the time on revolver bank facilities (31 December 2021:$348 million) and in June 2022 repay the $100 million guaranteed notes (31 December 2021: $100 million).

In April 2022 DBI modified the $300 million revolving debt facility by combining the three existing tranches maturing in February 2023, 2024 and 2025 into a single tranche with maturity in April 2027. The facility limit was also reduced to $240 million. The facility was not drawn at the date of modification or at reporting date (31 December 2021: $300 million).

The $9 million drawn on the liquidity facility at 31 December 2021 was repaid during the year.

On 30 August 2022, DB Finance migrated to a new Common Provisions Deed Poll (CPDP) which enabled the establishment of a Debt Service Reserve Facility (DSRF) to replace the Debt Service Reserve Deposit. The facility has a limit of $60 million and was not drawn at reporting date. The terms for the use of this facility are outlined in the CPDP and the facility is not available for general purposes.

16. Borrowings (continued)

	Consolidated					
	2022			2021		
	Current $'000	Non-current $'000	Total $'000	Current $'000	Non-current $'000	Total $'000
Secured – at amortised cost						
Bank loans[1]	–	–	–	9,000	346,211	355,211
Guaranteed Notes[2]	–	–	–	–	88,147	88,147
USPP Fixed Rate Notes[3,4]	439,307	1,527,033	1,966,340	–	1,603,245	1,603,245
Capitalised loan establishment costs	–	(7,305)	(7,305)	–	(5,548)	(5,548)
	439,307	1,519,728	1,959,035	9,000	2,032,055	2,041,055

1. The Group has the following bank loans:
   - $200 million Revolving Facility was established in June 2021 with two tranches: a $30 million 4-year tranche and a $170 million 5-year tranche. The facility was undrawn at 31 December 2022 (31 December 2021: $48 million).
   - $40 million Liquidity Facility which was originally established as a $60 million facility in September 2019 was reduced to $40 million in April 2022. This facility is being used to meet working capital requirements and is classified as current. The facility was undrawn as at 31 December 2022 (31 December 2021: $9 million) The facility matures on 20 September 2025.
   - $240 million Revolving Bank Facility which was originally established as a $300 million facility in April 2020 was reduced to a $240 million facility in April 2022 with original staggered maturity being extended from 2023-2025 to 2027. The facility was undrawn at 31 December 2022 (31 December 2021: $300 million).
   - On 30 August 2022, DB Finance migrated to a new Common Provisions Deed Poll (CPDP) which enable the establishment of a Debt Service Reserve Facility (DSRF) to replace the Debt Service Reserve Deposit. The facility has a limit of $60 million and was undrawn at 31 December 2022. The facility matures on 30 August 2025.

2. The Group repaid the following Guaranteed Notes during the year:
   - $100 million floating rate notes originally maturing in June 2026 were repaid on 9 June 2022. (31 December 2021: $100 million).

3. The Group has the following fixed rate US private placement notes (USPP) on issue:
   - $USD300 million of fixed rate notes maturing in March 2023 (31 December 2021: $USD300 million).
   - $USD260 million of fixed rate notes maturing in September 2024 (31 December 2021: $USD260 million).
   - $A75 million of fixed rate notes maturing in September 2024 (31 December 2021: $A75 million).
   - $USD327 million of fixed rate notes split into 3 tranches: Series A $USD105 million maturing December 2027; Series B $USD182 million maturing December 2030; and Series C $USD40 million maturing December 2032 (31 December 2021: $USD327 million).
   - $A317 million of fixed rate notes split into 3 tranches: Series D $A35 million maturing December 2027; Series E $A159 million fixed maturing December 2030; and Series F $A122 maturing December 2032 (31 December 2021: $A317 million).
   - $USD338 million of fixed rate notes split into 3 tranches. Series A $USD118 million maturing March 2032; Series B $USD135 million maturing March 2034; and Series C $USD85 million maturing March 2037 (31 December 2021: $A nil).
   - $A60 million of fixed rate notes split into 2 tranches: Series D $A27 million maturing March 2032 and Series E $A34 million maturing March 2034 (31 December 2021: $A nil).

The carrying value of the debt is adjusted for movements in the underlying currency (US dollar) and fair value movements under AASB 13 *Fair Value Measurement* as a result of the hedging relationship decreasing the carrying value by $302 million at 31 December 2022 (31 December 2021: decreasing the carrying value by $52 million) and fair value on acquisition of $18.1 million at 31 December 2022 (31 December 2021: $27 million).

As at 31 December 2022, the average interest rate on the AUD denominated debt was 5.01% and the USD notes was 4.54%. (31 December 2021: AUD denominated debt 3.03% and USD notes 4.52%).

Notes to the Financial Report continued

16. Borrowings (continued)

These secured external borrowings have the benefit of the DB Finance Common Provisions Deed Poll, and rank pari passu with all other senior secured debt of the Group. These borrowings are secured over:

- units and shares held in DBT Trust and DBIM (Guarantors);
- fixed and floating charge over all the assets of DB Finance and the Guarantors; and
- real property mortgages granted by the Guarantors.

Recognition and measurement – Borrowings

Borrowings are recorded initially at fair value, net of transaction costs.

Subsequent to initial recognition, borrowings are measured at amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the borrowing using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

After initial recognition for those interest-bearing borrowings where fair value hedge accounting is applied, the borrowings are adjusted for gains and losses attributable to the risk being hedged.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

17. Loan Notes Attributable to Securityholders

During the period, early partial repayments totalling 12.7 cents per loan note was made to securityholders (31 December 2021: 13.5 cents).

	Consolidated	
	2022 $'000	2021 $'000
Balance at beginning of the period	219,869	252,649
Fair value adjustment[1]	19,444	25,248
Principal repayments in the form of a distribution (refer note 20)	(62,947)	(67,132)
Purchased and cancelled notes due to buybacks	–	(2,278)
Interest accrued	9,830	11,382
	186,196	**219,869**

1. Fair value adjustment to the note balance as result of early repayments of the principal amount.

Recognition and measurement – Loan Notes Attributable to Securityholders

DBI classifies its stapled securities issued as part of the IPO as compound financial instruments. The component parts of stapled securities issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

As the Loan Notes attributable to securityholders are non-interest bearing, at the date of issue of the stapled securities, the fair value of the liability component was estimated using the prevailing market interest rate for a similar instrument. This amount is recorded as a liability on an amortised cost basis using the effective interest method with finance costs recognised through profit and loss until extinguished upon redemption.

When a repayment is made, DBI will recalculate the amortised cost of the loan notes as the present value of the estimated future contractual cash flows that are discounted using the original effective interest rate. The adjustment in the carrying value is recorded within Finance Costs as a fair value adjustment.

Recognition and measurement – IPO Transaction Costs

Issue costs associated with the Loan Notes make up part of the IPO Transaction Costs. Costs arising on the issue of stapled securities, including the Loan Notes, are recognised directly in either debt or equity as a reduction of the proceeds of the stapled securities to which the costs relate. Issue costs are the costs that are incurred directly in connection with the issue of those stapled securities, and which would not have been incurred had those stapled securities not been issued.

All other IPO Transaction Costs are included in profit or loss or equity.

Notes to the Financial Report continued

18. Other Financial Liabilities

	Consolidated	
	2022 $'000	2021 Restated[1] $'000
Other financial liabilities		
Current:		
Restricted security deposits[1]	24,179	20,799
	24,179	**20,799**
Derivatives		
Non-current:		
Cross currency interest rate swaps – designated and effective hedging instruments[2]	149,316	47,680
Interest rate swaps – designated and effective hedging instruments[1]	89,700	30,557
	239,016	**78,237**

1. Restated to include restricted deposits (represents liability in relation to cash held as security deposits for customers) refer note 10 for corresponding asset.
2. Refer to note 23 for further details on Financial Instruments.

Recognition and measurement – Other Financial Liabilities

Financial liabilities are recognised at fair value. The Group's accounting policy for accounting for derivatives is set out in note 23.

19. Deferred Capital Contribution

On the DBI IPO, the DBT Entities were acquired from the Selling Entities by DBI. The Selling Entities had committed to funding the IPO Transaction Costs and $132 million was withheld from purchase price settlement to the Selling Entities by DBI to fund these costs. This amount was recognised as a deferred capital contribution and was included within liabilities. The $132 million was based on preliminary estimates of the costs to be incurred. As these costs are settled, the deferred capital contribution liability will be transferred to equity as a capital contribution. DBI is required to return any funds not used to settle the IPO Transaction Costs to the Selling Entities.

As of 31 December 2021, $5.2 million was recognised as a deferred capital contribution, $34.3 million had been transferred to equity, and the remainder had been refunded to the Selling Entities. During the year ended 31 December 2022, the IPO transaction costs were finalised and a further $0.5 million of IPO Transaction Costs have been transferred to equity as a capital contribution with remaining $4.6 million refunded to the Selling Entities.

20. Distributions Paid

Consolidated	Cents per Security	Total $'000
Distributions paid in 2022:		
Interim distribution paid on 23 March 2022:		
Unfranked dividend	3.1	15,517
Partial repayment of principal on loan note	1.4	6,792
Interim distribution paid on 16 June 2022:		
Unfranked dividend	1.9	9,500
Partial repayment of principal on Loan Note	2.7	13,144
Interim distribution paid on 20 September 2022:		
Partial repayment of principal on Loan Note	4.6	22,644
Interim distribution paid on 21 December 2022:		
Unfranked dividend	0.9	4,545
Partial repayment of principal on Loan Note	4.1	20,367

The Company paid the 4Q-2021 distribution of 4.5 cents per security on 23 March 2022. The first $15.5 million of the distribution was paid as an unfranked dividend, with the balance of $6.8 million paid as a partial repayment of loan note principal.

The Company paid the 1Q-2022 distribution of 4.5675 cents per security on 16 June 2022. The first $9.5 million of the distribution was paid as an unfranked dividend with the balance of $13.1 million paid as a partial repayment of loan note principal.

The Company paid the 2Q-2022 distribution of 4.5675 cents per security on 20 September 2022. The $22.6 million distribution was paid as a partial repayment of loan note principal.

The Company paid the 3Q-2022 distribution of 5.025 cents per security on 21 December 2022. The first $4.5 million of the distribution was paid as an unfranked dividend with the balance of $20.4 million paid as a partial repayment of loan note principal.

On 27 February 2023, the directors declared a distribution for 4Q-2022 of 5.025 cents per security to be paid to securityholders in March 2023. The total estimated distribution to be paid is $24.9 million. This has not been reflected in the financial results as at 31 December 2022.

Notes to the Financial Report continued

21. Issued Capital

	2022 $'000	2021 $'000
Balance at beginning of period	978,108	987,216
Buyback of stapled securities and other	–	(10,113)
Income tax relating to cost of securities issued	–	1,005
	978,108	**978,108**

There were 495,761,667 fully paid stapled securities on issue at 31 December 2022 (31 December 2021: 495,761,667).

Recognition and measurement – Stapled Securities

DBI classifies its stapled securities issued as part of the IPO as compound financial instruments. The component parts of stapled securities issued by the Group are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. Upon repurchase and cancellation of a stapled security, the consideration paid is allocated to the liability and equity components using the same method as was used on initial recognition.

22. Reserves

	Consolidated	
	2022 $'000	2021 $'000
Hedge reserve		
Balance at the beginning of the period	27,906	(4,074)
Gain on cash flow hedges taken to equity	208,871	35,331
Income tax related to amounts taken to equity	(62,662)	(10,599)
Gain/(loss) on cash flow hedges transferred to profit or loss	(120,389)	10,354
Income tax related to amounts transferred to profit or loss	36,117	(3,106)
	89,843	**27,906**

	Consolidated	
	2022 $'000	2021 $'000
Capital contribution reserve		
Balance at the beginning of the period	34,282	–
Capital contribution by Selling Entities	538	34,282
	34,820	**34,282**

22. Reserves (continued)

Nature and Purpose of Reserves

The hedge reserve represents hedging gains and losses recognised on the effective portion of cash flow hedges. The cumulative gain or loss on the hedge is recognised in profit or loss when the hedged transaction impacts the profit or loss.

The capital contribution reserve represents the cash contribution from the Selling Entities for the settlement of IPO Transaction Costs (refer note 17). When the settlement of these costs occurs and the obligation to repay the funds to the Selling Entities is extinguished, the amount is recognised in equity as a capital contribution.

23. Financial Instruments

(a) Financial risk management

The operations of DBI expose it to a number of financial risks, including:

- capital risk;
- liquidity risk;
- interest rate risk;
- currency risk; and
- credit risk.

The Group seeks to minimise the risks associated with interest rates and currency primarily through the use of derivative financial instruments to hedge these risk exposures. These are disclosed in notes 12 and 18.

The use of financial derivatives is governed by the Group's Treasury Policy. This policy provides written principles on the use of financial derivatives. The Group does not enter into or trade financial instruments, including derivative financial instruments, for speculative purposes. They are presented as current assets or liabilities to the extent they are expected to mature within 12 months after the end of the reporting period. There has been no material change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

The Group enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risk, including interest rate swaps (IRS) and cross currency interest rate swaps (CCIRS). These have been classified as financial assets and financial liabilities.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The Group includes a credit value adjustment which represents credit risk in the valuations for the current period. The resulting gain or loss is recognised in profit and loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

The Group designates certain derivatives as either:

- hedges of the fair value of recognised assets or liabilities of firm commitments (fair value hedges); or
- hedges of highly probable forecast transactions or hedges of foreign currency risk of firm commitments (cash flow hedges).

Notes to the Financial Report continued

23. Financial Instruments (continued)

A derivative with a positive fair value is recognised as a financial asset, a derivative with a negative fair value is recognised as a financial liability. A derivative is presented as a non-current asset or non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

Hedge accounting

The Group designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges or cash flow hedges. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges. At the inception of the hedge relationship, the Group documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Group documents whether the hedging instrument is effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk, which is when the hedging relationships meet all of the following hedge effectiveness requirements:

- there is an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk does not dominate the value changes that result from that economic relationship; and
- the hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

The acquisition of the DBT entities by DBI on IPO required new hedge accounting relationships to be established for all hedge assets and liabilities at the DBI Group level immediately post acquisition.

If a hedging relationship ceases to meet the hedge effectiveness requirement relating to the hedge ratio but the risk management objective for that designated hedging relationship remains the same, the Group adjusts the hedge ratio of the hedging relationship (i.e. rebalances the hedge) so that it meets the qualifying criteria again.

Fair value hedges

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The change in the fair value of the hedging instrument and the change in the hedged item attributable to the hedged risk are recognised in the line of the Statement of Profit or Loss and Other Comprehensive Income relating to the hedged item.

The Group discontinues hedge accounting only when the hedging relationship (or a part thereof) ceases to meet the qualifying criteria (after rebalancing, if applicable). This includes instances when the hedging instrument expires or is sold, terminated or exercised. The discontinuation is accounted for prospectively. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges are deferred in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss as part of expenses or income.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to profit or loss in the periods when the hedged item is recognised in profit or loss, in the same line of the Statement of Profit or Loss as the recognised hedged item. However, when the forecast

23. Financial Instruments (continued)

transaction that is hedged results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously accumulated in equity are included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Any gain or loss accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

Hedge ineffectiveness is determined at the inception of the hedge relations, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and the hedging instrument. The Group enters into interest rate and cross-currency interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amounts. Ineffectiveness is caused by relationships with inception values or slight differences in critical terms.

The Group does not hedge 100% of its debt, therefore the hedged item is identified as a proportion of the outstanding debt up to the notional amount of the swaps. The ineffectiveness at 31 December 2022 was $13.8 million (31 December 2021: $4.6 million).

(b) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of net debt, which includes the borrowings disclosed in note 16, offset by cash and cash equivalents, and equity attributable to equity holders of the parent, comprising contributed equity and retained earnings as disclosed in notes 21 and 24 respectively.

Operating cash flows are used to maintain the assets, as well as to make the routine outflows of tax, debt repayments, dividends/distributions and to meet interest requirements. The Group manages its debt exposure by ensuring a diversity of funding sources as well as spreading the maturity profile to minimise refinance risk.

The Board, along with senior management, reviews the capital structure and as part of this review considers the cost of capital and the risk associated with each class of capital. The Group manages its overall capital structure through the payment of dividends/distributions, the issue of new debt or the redemption of existing debt.

Debt covenants

As disclosed within Borrowings (note 16), the Group has various debt facilities in place. All of these facilities have debt covenants attached. These are generally in the form of interest cover ratios and gearing ratios.

The Group does not have any market capitalisation or minimum rating covenants attached to any of its borrowings.

During the period ended 31 December 2022 there were no breaches of any debt covenants within the Group.

Notes to the Financial Report continued

23. Financial Instruments (continued)

(c) Liquidity risk management

The main objective of liquidity risk management is to ensure that the Group has sufficient funds available to meet its financial obligations, working capital and potential investment expenditure requirements in a timely manner. It is also associated with planning for unforeseen events which may curtail operating cash flows and cause pressure on the Group's liquidity.

The Group manages liquidity risk by maintaining adequate cash reserves and committed credit lines in addition to continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk tables

The following table details the Group's remaining contractual maturity for its financial instruments. The tables are based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay. The table includes both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount was derived from interest rate curves at the end of the reporting period.

	Weighted average effective interest rate %	Less than 6 months $'000	6-12 months $'000	1-2 years $'000	2-5 years $'000	5+ years $'000	Total contra-ctual cash flows $'000
Consolidated – Dec 2022							
Non-derivative financial instruments:							
Trade and other payables	–	69,389	–	–	–	–	69,389
Interest-bearing liabilities[1]	–	492,527	40,394	461,285	335,780	1,089,526	2,419,512
Derivative financial instruments:							
Interest rate swaps – asset	4.78	(19,378)	(24,113)	(48,450)	(66,339)	(4,922)	(163,202)
Gross settled (foreign currency forwards – cash flow hedges)							
Interest rate swaps – liability	–	4,685	6,266	11,366	35,858	52,489	110,664
Cross currency interest rate swaps – pay leg[1]	–	343,828	45,378	348,557	363,138	1,102,605	2,203,506
Cross currency interest rate swaps – receive leg[1]	–	(481,083)	(28,769)	(438,354)	(281,140)	(1,018,368)	(2,247,714)
	4.78	409,968	39,156	334,404	387,297	1,221,330	2,392,155

23. Financial Instruments (continued)

	Weighted average effective interest rate %	Less than 6 months $'000	6-12 months $'000	1-2 years $'000	2-5 years $'000	5+ years $'000	Total contra-ctual cash flows $'000
Consolidated – Dec 2021							
Non-derivative financial instruments:							
Trade and other payables	–	59,635	–	–	–	–	59,635
Interest-bearing liabilities[1]	3.44	40,740	41,287	547,331	965,733	896,318	2,491,409
Derivative financial instruments:							
Interest rate swaps – asset	–	4,575	448	(9,730)	(45,305)	168	(49,844)
Gross settled (foreign currency forwards – cash flow hedges)							
Interest rate swaps – liability	–	(973)	(289)	2,020	12,692	21,502	34,952
Cross currency interest rate swaps – pay leg[1]	–	20,373	27,917	358,403	430,587	1,206,346	2,043,626
Cross currency interest rate swaps – receive leg[1]	–	(27,829)	(37,976)	(478,399)	(490,764)	(1,139,888)	(2,174,856)
	3.44	**96,521**	**31,387**	**419,625**	**872,943**	**984,446**	**2,404,922**

1. USD Denominated receipts and payments have been converted to AUD based on the FX rate at balance date.

The Group expects to meet its obligations from operating cash flows, however, it also has access to unused financing facilities at the end of the reporting period as described below.

	Consolidated 2022 AUD $'000	Consolidated 2021 AUD $'000
Financing facilities available to the Group		
Secured bank facilities:		
– amount used	–	357,000
– amount unused	540,000	203,000
	540,000	**560,000**

Notes to the Financial Report continued

23. Financial Instruments (continued)

(d) Interest rate risk management

The Group's primary objectives of interest rate risk management are to ensure that:

- the Group is not exposed to interest rate movements that could adversely impact on its ability to meet financial obligations;
- earnings and dividends/distributions are not adversely affected;
- volatility of debt servicing costs is managed within acceptable parameters; and
- all borrowing covenants under the terms of the various borrowing facilities, including interest cover ratios, are complied with.

Having regard to the above constraints, the Group's objective in managing interest rate risk is to minimise interest expense whilst ensuring that an appropriate level of flexibility exists to accommodate potential changes in funding requirements, ownership of assets and also movements in market interest rates.

To achieve this, in general terms, the Group's funding mix comprises both fixed and floating rate debt. Fixed rate debt is achieved either through fixed rate debt funding or through the use of financial derivative instruments. In addition, where possible, interest rate risk is minimised by matching the terms of the interest rate swap contracts hedging the borrowings which fund the underlying investments to the pricing resets for those investments. The pricing resets contain both fixed and variable elements. The synthetic position created with the overlay of interest rate swaps mirror these elements, thus providing natural hedges.

The Group's exposure to interest rates on financial liabilities is detailed in the liquidity risk management section of this note (note23(c)). For Financial Assets refer to note 12.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for both derivative and non-derivative instruments at the reporting date and the stipulated change taking place at the beginning of the financial period and held constant throughout the reporting period. A 50-basis point increase or decrease is used when reporting interest rate risk internally and represents management's assessment of the potential change in interest rates. A parallel shift in the yield curves by 50 basis points (bp) higher or lower at reporting date would have the following impact assuming all other variables were held constant:

	December 2022		December 2021	
Consolidated	50 bp increase $'000	50 bp decrease $'000	50 bp increase $'000	50 bp decrease $'000
Net (loss)/profit[1]	(1,549)	1,549	(1,734)	1,734
Other equity[1]	71,925	(71,925)	70,949	(69,175)

1. Amounts are stated pre-tax.

Interest rate swap contracts

Under interest rate swap 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 changing interest rates on the fair value of fixed rate debt and the cash flow exposures on the issued variable rate debt held. The fair value of interest rate swaps at the reporting date is determined by discounting the future cash flows using the applicable benchmark

23. Financial Instruments (continued)

curve at reporting date and is disclosed below. The average interest rate is based on the outstanding balances at the end of the reporting period.

As the critical terms of the interest rate swap contracts and their corresponding hedged items are the same, the Group performs a qualitative assessment of effectiveness and it is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in opposite direction in response to movements in the underlying interest rates. The main source of hedge ineffectiveness in these hedge relationships is the effect of the counterparty and the Group's own credit risk on the fair value of the interest rate swap contracts, which is not reflected in the fair value of the hedged item attributable to the change in interest rates. No other sources of ineffectiveness emerged from these hedging relationships.

The following tables detail the notional principal amounts and remaining terms of interest rate swap contracts of the Group outstanding as at reporting date and their related hedged items:

	Average contracted fixed interest rate December 2022 %	Notional principal amount December 2022 $'000	Fair value (FV) December 2022 $'000	Change in FV for calculating ineffective-ness December 2022 $'000
Outstanding fixed for floating IRS contracts				
Less than 1 year	–	–	–	–
1 to 2 years	–	–	–	–
2 to 5 years	1.15	1,590,000	144,302	102,895
5 years plus	4.26	660,000	3,865	3,865
		2,250,000	**148,167**	**106,760**
Outstanding fixed for floating IRS contracts				
Less than 1 year	–	–	–	–
1 to 2 years	6.34	75,000	(231)	(231)
2 to 5 years	4.15	35,246	(5,633)	(11,102)
5 years plus	4.89	342,466	(83,830)	(53,496)
		452,712	**(89,694)**	**(64,829)**
Outstanding fixed for floating cross currency contracts				
Less than 1 year	5.57	298,924	140,658	140,658
1 to 2 years	3.84	262,626	100,921	(29,573)
2 to 5 years	3.82	147,735	(18,894)	(123,727)
5 years plus	4.44	766,168	(130,412)	(82,732)
		1,475,453	**92,273**	**(95,374)**

Notes to the Financial Report continued

23. Financial Instruments (continued)

	Average contracted fixed interest rate Dec 2021 %	Notional principal amount Dec 2021 $'000	Fair value (FV) Dec 2021 $'000	Change in FV for calculating ineffective-ness Dec 2021 $'000
Outstanding fixed for floating IRS contracts				
Less than 1 year	–	–	–	–
2 to 5 years	0.857	1,450,000	41,407	41,407
5 years plus	–	–	–	–
		1,450,000	**41,407**	**41,407**
Outstanding fixed for floating IRS contracts				
Less than 1 year	–	–	–	–
1 to 2 years	–	–	–	–
2 to 5 years	6.34	75,000	5,469	(4,700)
5 years plus	4.82	377,712	(30,334)	(23,017)
		452,712	**(24,865)**	**(27,717)**
Outstanding fixed for floating cross currency contracts				
Less than 1 year	–	–	–	–
1 to 2 years	5.57	298,924	130,493	130,493
2 to 5 years	3.84	262,626	104,833	(111,758)
5 years plus	4.34	913,903	(47,680)	9,662
		1,475,453	**187,646**	**28,397**

Interest rate swap contracts exchanging floating rate interest amount for fixed rate interest amounts are designated as cash flow hedges where possible in order to reduce the Group's cash flow exposure resulting from variable interest rates on borrowings. The settlement dates coincide with the dates on which the interest is payable on the underlying debt where possible, and the amount accumulated in equity is reclassified to profit or loss over the period that the floating rate interest payments on debt affect profit or loss. Certain interest rate contracts do not qualify for hedge accounting and are not able to be treated as cashflow hedges.

23. Financial Instruments (continued)

	31 December 2022				
Hedge Relationship Type	**Fair Value Hedge**		**Cash Flow Hedge**		
Hedging Instrument	**AUD USD CCIRS[2]**	**AUD Rec Fixed IRS**	**AUD USD CCIRS[2]**	**AUD Pay Fixed IRS**	
Hedged Item[1]	**USD Fixed Rate Debt**	**AUD Fixed Rate Debt**	**USD Fixed Rate Debt**	**AUD Floating Rate Debt[3]**	
Notional Amount of Hedging Instrument ('000)	USD 1,225,000	AUD 452,712	USD 1,225,000	AUD 1,450,000	
Carrying Amounts of Hedging Instrument	CCIRS	IRS	CCIRS	IRS	Total
Other Financial Assets – Current	(4,055)	–	144,713	–	**140,658**
Other Financial Assets – Non-Current	(27,924)	–	128,845	148,183	**249,104**
Other Financial Liabilities – Current	–	–	–	–	**-**
Other Financial Liabilities – Non-Current	(175,489)	(89,694)	26,183	(16)	**(239,016)**
Total by hedge relationship type	**(207,468)**	**(89,694)**	**299,741**	**148,167**	**150,746**
Cumulative fair value adjustment on hedged item[4]	212,590	89,663	Not Applicable	Not Applicable	**302,253**
Carrying Amount of hedged item	1,597,967	368,373			**1,966,340**
Balances deferred in OCI (Cash Flow Hedge Reserve) (before deferred tax)	Not Applicable	Not Applicable	19,820	(148,167)	**(128,347)**
Total					
During the period					
Change in fair value of outstanding hedging instruments	(181,628)	(62,779)	104,231	106,760	**(33,416)**
Change in value of hedged item used to determine hedge effectiveness	186,189	64,435	111,755	(106,760)	**255,619**
Changes in the value of the hedging instrument recognised in OCI[5]	Not Applicable	Not Applicable	18,277	(106,760)	**(88,482)**
Hedge ineffectiveness recognised in profit or loss[6]	(4,561)	(1,656)	21	–	**(6,195)**
Balances deferred in OCI (Cash Flow Hedge Reserve) (before deferred tax)[7]					

Notes to the Financial Report continued

23. Financial Instruments (continued)

	31 December 2021				
Hedge Relationship Type	Fair Value Hedge		Cash Flow Hedge		
Hedging Instrument	AUD USD CCIRS[2]	AUD Rec Fixed IRS	AUD USD CCIRS[2]	AUD Pay Fixed IRS	
Hedged Item[1]	USD Fixed Rate Debt	AUD Fixed Rate Debt	USD Fixed Rate Debt	AUD Floating Rate Debt[3]	
Notional Amount of Hedging Instrument ('000)	USD 1,225,000	AUD 452,712	USD 1,225,000	AUD 1,450,000	
Carrying Amounts of Hedging Instrument	CCIRS	IRS	CCIRS	IRS	Total
Other Financial Assets – Non-Current	4,577	5,692	263,697	41,407	**315,373**
Other Financial Liabilities – Current	–	–	–	–	**–**
Other Financial Liabilities – Non-Current	(30,437)	(30,557)	(50,190)	–	**(111,184)**
Total by hedge relationship type	**(25,860)**	**(24,865)**	**213,507**	**41,407**	**204,189**
Cumulative fair value adjustment on hedged item[4]	26,402	25,227	Not Applicable	Not Applicable	
Carrying Amount of hedged item	(1,235,076)	(368,169)			
During the period					
Change in fair value of outstanding hedging instruments	(26,636)	(27,717)	55,034	56,025	**56,706**
Change in value of hedged item used to determine hedge effectiveness	27,559	25,408	(49,750)	(41,445)	**(38,228)**
Changes in the value of the hedging instrument recognised in OCI[5]	Not Applicable	Not Applicable	(4,240)	(41,445)	**(45,685)**
Hedge ineffectiveness recognised in profit or loss[6]	(922)	2,309	17,783	(14,578)	**4,592**
Balances deferred in OCI (Cash Flow Hedge Reserve) (before deferred tax)[7]	Not Applicable	Not Applicable	1,543	(41,407)	**(39,864)**

1. Line item in statement of financial position which hedged item is included in Borrowings.
2. Cross currency swaps are dual designated in both cash flow and fair value hedge relationships. The aggregated CCIRS notional is USD 887 million.
3. Includes DBI AUD floating rate bank debt and synthetic floating rate exposure.
4. Fair value adjustment excludes impact of foreign currency translation impact.
5. Pre-tax movement in fair value recognised in OCI.
6. Hedge ineffectiveness is presented as part of borrowing cost in the Statement of Profit or Loss.
7. Balance deferred include fair value impact of foreign currency basis spreads recognised as cost of hedging.

23. Financial Instruments (continued)

(e) Foreign currency risk management

As the Group has issued notes in a foreign currency (USD), exposure to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising cross currency swaps. The currency exposure is 100% effectively hedged so the Group has no sensitivity to increases and decreases in the Australian dollar against the relevant foreign currency. The details of the cross-currency swaps are summarised in note 23(d).

The carrying amounts of the Group's foreign currency denominated debt are as follows.

	Dec 2022 Carrying amount		Dec 2021 Carrying amount	
Consolidated	USD $'000	AUD $'000	USD $'000	AUD $'000
Notes issued in USD	1,225,000	1,948,228	887,000	1,235,076

	Notional principal amount		Fair value	Notional principal amount		Fair value
	Dec 2022 USD $'000	Dec 2022 AUD $'000	Dec 2022 AUD $'000	Dec 2021 USD $'000	Dec 2021 AUD $'000	Dec 2021 AUD $'000
Outstanding cross currency contracts	1,225,000	1,475,453	92,273	1,225,000	1,475,453	187,647

(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. The Group only undertakes transactions with credit worthy customers and conducts active ongoing credit evaluation on the financial condition of customers and other trade receivables in order to minimise credit risk.

From a treasury perspective, counterparty credit risk is managed through the establishment of authorised counterparty credit limits which ensures the Group only deals with credit worthy counterparties and that counterparty concentration is addressed and the risk of loss is mitigated. Credit limits are sufficiently low to restrict the Group from having credit exposures concentrated with a single counterparty but rather encourages spreading such risks among several parties. The limits are set at levels reflecting the Group's scale of activity and also allow it to manage treasury business competitively.

Notes to the Financial Report continued

23. Financial Instruments (continued)

(g) Fair value of financial instruments

Except as detailed in the following tables, the Directors consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the financial statements of the Group approximate their fair values. Carrying value excludes amortised deferred funding costs of $7.3 million for 31 December 2022 (31 December 2021: $5.5 million).

	December 2022		December 2021	
	Carrying amount $'000	Fair value $'000	Carrying amount $'000	Fair value $'000
Bank facilities	–	–	355,211	369,197
Notes	1,959,035	1,943,690	1,691,392	1,862,959

Fair value hierarchy

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

Consolidated – Dec 2022	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Derivative financial assets	–	389,762	–	389,762
Derivative financial liabilities	–	239,016	–	239,016

Consolidated – Dec 2021	Level 1 $'000	Level 2 $'000	Level 3 $'000	Total $'000
Derivative financial assets	–	282,426	–	282,426
Derivative financial liabilities	–	78,237	–	78,237

There were no transfers between levels during the period ended 31 December 2022.

23. Financial Instruments (continued)

Recognition and measurement – Financial Instruments

The fair value of financial instruments, including financial assets and liabilities approximates their carrying amount. The fair value of financial instruments is determined as follows:

- the fair values of financial assets and financial liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices;
- the fair values of other financial assets and financial liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis;
- the fair values of derivative instruments are calculated using quoted prices. Where such prices are not available, use is made of discounted cash flow analysis using the applicable yield curve derived from quoted interest rates, adjusted for credit risk of the Group and various counterparties, for the duration of the instruments for non-optional derivatives, and option pricing models for optional derivatives. The fair value of forward exchange contracts is determined using quoted forward exchange market rates and yield curves derived from quoted interest rates matching maturities of the contract, adjusted for credit risk; and
- the fair value of financial liabilities in foreign currency are translated at the foreign currency exchange rate as at balance date.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Impairment of Financial Instruments

AASB 9 *Financial Instruments'* impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit losses (ECL) model'. The Group recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost and derivative instruments. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group considers a broad range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk (Stage 1);
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk has increased significantly (Stage 2); and
- financial assets that have objective evidence of impairment at the reporting date (Stage 3).

'12-month expected credit losses' are recognised for assets classified as Stage 1 while 'lifetime expected credit losses' are recognised for assets in Stage 2 and 3.

The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the counter party, 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.

Notes to the Financial Report continued

24. Retained Earnings

	2022 $'000	2021 $'000
Balance at the beginning of the year	15,869	(113,208)
Net profit for the year	68,974	129,077
Dividends paid	(29,561)	–
Balance at the end of the year	**55,282**	**15,869**

Group structure

25. Subsidiaries

		Ownership interest	
Name of entity	Country of incorporation	December 2022 %	December 2021 %
Parent entity:			
Dalrymple Bay Infrastructure Limited	Australia		
Subsidiaries and Trust Entities:			
Dalrymple Bay Infrastructure Holdings Pty Ltd	Australia	100	100
Dalrymple Bay Infrastructure Management Pty Ltd	Australia	100	100
Dalrymple Bay Finance Pty Ltd	Australia	100	100
Dalrymple Bay Investor Services Pty Ltd	Australia	100	100
DBT Trust	Australia	100	100
BPIRE Pty Ltd	Australia	100	100
BPI Trust	Australia	100	100
Brookfield Infrastructure Australia Trust	Australia	100	100
Brookfield DP Trust	Australia	100	100
Dudgeon Point Project Management Pty Ltd	Australia	100	100
DBH2 Holdings Pty Ltd (formerly DBHex Holdings Pty Ltd)	Australia	100	100
DBH2 Management Pty Ltd (formerly DBHex Management Pty Ltd)	Australia	100	100

DBIM, DB Finance and DBT Trust are the main entities conducting the business of DBI.

Other

26. Capital Expenditure Commitments

	Consolidated 2022 $'000	2021 $'000
Intangible assets		
Not longer than one year	33,589	37,199
Longer than one year and not longer than five years	2,600	4,721
Longer than five years	–	–
	36,189	41,920

27. Contingent Assets and Liabilities

Contingent Asset

There are no known or material contingent assets as at 31 December 2022 (31 December 2021: nil).

Contingent Liability

Recognition and Measurement – Provision for restoration and rehabilitation

A provision for restoration and rehabilitation is recognised when there is a present obligation, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount of the provision can be measured reliably. The estimated future obligations include the costs of removing the facilities and restoring the affected area.

Critical judgements – Rehabilitation

A provision for restoration and rehabilitation would be recognised for costs expected to be incurred on cessation of the lease term with DBCT Holdings Pty Ltd, a wholly owned Queensland Government entity, only where there is an obligation under the lease agreements, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount can be measured reliably. The provision would reflect a present obligation based on the area disturbed at the balance sheet date, under the Group's obligations under the Port Services Agreement (PSA).

There are three triggering events under the DBT Leases which may give rise to a rehabilitation obligation. These are:

- the lessor (DBCT Holdings Pty Limited, a wholly owned Queensland Government entity) giving 5 years' notice prior to expiration of the lease term (currently expected to be 99 years as the option to extend for 49 years after the initial term is at the Group's option);
- if the DBT Leases are terminated for default by DBIM but only after the 20 year anniversary of their commencement (15 September 2021); and
- if the Group surrenders the DBT Leases and the lessor requires rehabilitation as a condition of accepting the surrender.

Notes to the Financial Report continued

27. Contingent Assets and Liabilities (continued)

The likelihood of restoration and rehabilitation is assessed by management on a regular basis. Management considers the following factors:

- no triggering event requiring remediation has occurred as at 31 December 2022. That is, the lessor has not to date notified the Group of an obligation to rehabilitate the leased area under the PSA, there has been no default and the Group has not, nor does it currently intend to, surrender the lease;
- the probability of potential remediation and rehabilitation are influenced by a range of complex factors. The Directors note the current demand for the deep-water nature of the port, which is rare and extremely expensive to build and subject to ever more stringent environmental approvals. This is coupled with the supporting rail infrastructure servicing the port, vacant surrounding land to support future expansion/industrialisation, geographical proximity to major equatorial shipping lanes and sheltered waters;
- independent studies indicate extensive metallurgical coal reserves in the Bowen Basin and anticipated ongoing demand for metallurgical coal, as well as potential alternative uses for the infrastructure with DBI having developed an overarching transition strategy; and
- although there is a risk that the lessor may notify the Group of its obligation to rehabilitate the leased area in the future, the nature of rehabilitation requirements is currently unknown. The Group's current intention is to exercise the extension option and therefore any potential rehabilitation obligation may only occur in the lead up to 2100, if at all.

The Directors have determined there is a contingent liability in respect of the Group's obligations under the PSA to rehabilitate DBT at the expiry of the long-term lease but do not currently believe that economic outflows are probable.

The cost of rehabilitation is difficult to estimate, however to the extent that a remediation allowance was to be a factor in a future pricing dispute, the Queensland Competition Authority included in section 11.4(d)(3) of the 2021 Access Undertaking a rehabilitation costs assessment for DBT of $850 million (in 2021 dollars), assuming a full rehabilitation where the land is returned to its natural state.

28. Key Management Personnel (KMP) Compensation

	Consolidated	
	2022 $	2021 $
Short-term employee benefits	1,936,687	2,184,237
Long-term post-employment benefits	91,625	86,125
Share- based payments	956,662	268,310
	2,984,974	**2,538,672**

Detailed remuneration disclosures are provided in the remuneration report on page 31 and onwards.

29. Share-based Payments

Cash-settled share-based payments

The Group issues to certain employees share appreciation Rights (SARs) that require the Group to pay the intrinsic value of the SAR to the employee at the date of exercise. The Group has recorded liabilities of $1,483,341 as at 31 December 2022 (31 December 2021: $1,014,594). The SARs are payable under short-term (STI) and long-term incentive plans (LTI).

Fair value of the STI SARs is determined to be the same as the cash component payable under the STI plans (50% is payable in cash and 50% is payable in cash-settled Rights which are deferred for one year) and fair value of the LTI SARs is determined by using a Monte Carlo simulation model.

Recognition and measurement – Cash Settled Share Based Payments

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At each reporting date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

30. Related Party Transactions

(a) Equity Interests in Related Parties

Equity interests in subsidiaries

Details of the percentage of securities held in subsidiaries are disclosed in note 25 to the financial statements.

(b) Transactions with Other Related Parties

Other related parties include:

- Brookfield Infrastructure Partners L.P. as an entity with significant influence over DBI;
- subsidiaries;
- other related parties; and
- directors or other key management personnel.

Transactions and balances between the Company and its subsidiaries were eliminated in full in the preparation of consolidated financial statements of the Group.

Transactions with directors or other key management personnel

Transactions entered into during the financial year with directors and other key management personnel were within normal employee relationships and on terms and conditions no more favourable than those available to other employees or shareholders. These included:

- contracts of employment;
- repayment of loan note principal; and
- dividends from shares.

Notes to the Financial Report continued

30. Related Party Transactions (continued)

Transactions involving the entities with influence over DBI:

Transactions involving Brookfield Infrastructure Partners L.P. and its subsidiaries (Brookfield) as an entity with significant influence over DBI are set out below.

As detailed in note 19, DBI has returned $4.6 million to the Selling Entities for IPO Transaction Costs that have not been incurred (which include Brookfield). An amount of $0.54 million of the IPO Transaction Costs that have been settled have now been added to the capital contribution.

The Group signed a funding agreement on 23 February 2022 to complete detailed feasibility studies aimed at understanding the potential for development of a regional hydrogen hub within the vicinity of existing terminal infrastructure, to which Brookfield infrastructure Group (Australia) Pty Ltd is a party. The feasibility studies costs will be equally shared by all four parties to the Agreement. The funding agreement follows the establishment of a Memorandum of Understanding (MOU) between the parties on 17 August 2021.

During the period, the following transactions were made with related parties. All amounts were based on commercial terms.

	2022 $	2021 $
Paid/payable to Brookfield Infrastructure Partners LP and its related entities:		
Reimbursement of IPO listing costs paid on behalf of DBI[1]	–	3,652,098
Reimbursement of other costs paid on behalf of DBI	1,431	22,785
Refund of IPO Transaction Costs	4,607,219	93,000,000
Reimbursements under the Hydrogen study funding agreement	112,693	-

1. IPO Transaction Costs charged to Brookfield and reimbursed by DBI after IPO.

31. Remuneration of Auditors

During the period the following fees were paid or payable for services provided by Deloitte Touche Tohmatsu as auditor of the parent entity, Dalrymple Bay Infrastructure Limited.

	2022 $	2021 $
Audit or review of financial reports		
– Group	765,060	517,000
– Subsidiaries	95,040	88,000
	860,100	605,000
Statutory assurance services required by legislation to be provided by the auditor	–	–
Other services:		
Tax compliance services	–	–
	860,100	**605,000**

32. Notes to the Statement of Cash Flows

(a) Reconciliation of profit for the period to net cash flows from operating activities

	Consolidated	
	2022 $'000	2021 $'000
Profit for the period	68,974	129,077
Movement in fair value through profit or loss on derivatives	13,831	4,592
Depreciation and amortisation of non-current assets	39,585	39,355
Other non-cash finance costs	(8,688)	(19,358)
Income tax expense	43,001	19,938
Interest expense on Loan Notes	29,177	34,189
Changes in net assets and liabilities		
(Increase)/decrease in assets:		
Current trade and other receivables	(15,966)	1,093
Prepayments	188	3,355
Increase/(decrease) in liabilities:		
Current trade and other payables	17,970	(90,971)
IFRS 16 Lease interest	38	36
Current provisions	721	722
Non-current provisions	419	1,085
Net cash provided by operating activities	**189,250**	**123,113**

Notes to the Financial Report continued

32. Notes to the Statement of Cash Flows (continued)

(b) Reconciliation of financing activities for the period ending 31 December 2022

	Opening Balance at 1 January 2022 $'000	Acquisition $'000	Financing cash flows $'000	Fair value, foreign exchange and other adjustments $'000	Deferred Tax adjustments $'000	Closing Balance at 31 December 2022 $'000
Borrowings	2,041,055	–	51,298	(133,318)	–	1,959,035
Lease liabilities	1,517	96	(420)	–	–	1,193
Loan notes attributable to securityholders[1]	219,869	–	(62,947)	29,274	–	186,196
Issued capital	978,108	–	–	–	–	978,108
Deferred capital contribution[2]	39,432	–	(4,613)	–	–	34,819
Dividends paid	–	–	(29,561)	–	–	(29,561)
Total	**3,279,981**	**96**	**(46,243)**	**(104,044)**	**–**	**3,129,790**

	Opening Balance at 1 January 2021 $'000	Acquisition $'000	Financing cash flows $'000	Fair value, foreign exchange and other adjustments $'000	Deferred Tax adjustments $'000	Closing Balance at 31 December 2021 $'000
Borrowings	2,039,539	–	8,917	(7,401)	–	2,041,055
Lease liabilities	457	1,445	(385)	–	–	1,517
Loan notes attributable to securityholders[1]	252,649	–	(69,410)	36,630	–	219,869
Issued capital	987,216	–	(7,747)	(2,366)	1,005	978,108
Deferred capital contribution	132,432	–	(93,000)	–	–	39,432
Total	**3,412,293**	**1,445**	**(161,625)**	**26,863**	**1,005**	**3,279,981**

1. Including issue costs associated with the Loan Notes (refer note 17).
2. Deferred capital contribution includes amounts transferred to equity.

Recognition and measurement – Cashflow

Cash comprises cash on hand and on demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Cash flows are included in the Statement of Cash Flows on a gross basis. The GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

33. Parent Entity Information

The parent entity of the Group is Dalrymple Bay Infrastructure Limited. The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements.

	2022 $'000	2021 $'000
Financial position:		
Assets		
Current assets	8,316	17,425
Non-current assets	1,115,714	1,118,947
Total assets	1,124,030	1,136,372
Liabilities		
Current liabilities	10,791	11,131
Non-current liabilities	168,983	179,586
Total liabilities	179,774	190,717
Net assets	**944,256**	**945,655**
Shareholders' Equity		
Issued capital	978,108	978,108
Reserves	34,820	34,281
Accumulated loss	(68,672)	(66,734)
Total equity	**944,256**	**945,655**
Loss for the period	27,625	(39,928)
Other comprehensive income	–	–
Total comprehensive income	**27,625**	**(39,928)**

Commitments for acquisition of intangibles

Please refer note 13 for details of capital expenditure relating to the Group.

Contingent assets and liabilities

Please refer to note 27 for details of contingent liabilities relating to the Group.

34. Subsequent Events

There has not been any matter or circumstance occurring subsequent to the end of the financial year that has significantly affected the operations of the consolidated entities, the results of those operations, or the state of affairs of the Group in future financial years.

Notes to the Financial Report continued

35. Other Accounting Policies

(a) Employee provisions

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave when it is probable that settlement will be required, and they are capable of being measured reliably.

Liabilities recognised in respect of short-term employee benefits, are measured at their nominal values using the remuneration rate expected to apply at the time of settlement.

Liabilities recognised in respect of long-term employee benefits are measured as the present value of the estimated future cash outflows to be made by the Group in respect of services provided by employees up to reporting date.

(b) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

(c) Foreign currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each group entity are expressed in Australian dollars ($), which is the functional currency of the Group and the presentation currency for the consolidated financial statements.

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences on transactions entered into in order to hedge certain foreign currency risks.

Directors' Declaration

In the Directors' opinion:

(a) the financial statements and notes set out on pages 51 to 104 are in accordance with the *Corporations Act 2001*, including:

 (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

 (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2022 and of its performance for the financial year ended on that date, and

(b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Note 2 confirms that the financial statements also comply with International Financial Reporting Standards.

The Directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

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

On behalf of the Directors

Hon Dr David Hamill AM
Chairman, Independent Non-Executive Director

Brisbane, 27 February 2023

Independent Auditor's Report

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Australia

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Independent Auditor's Report to the Members of Dalrymple Bay Infrastructure Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Dalrymple Bay Infrastructure Limited (the "Company") and its subsidiaries (the "Group") which comprises the consolidated statement of financial position as at 31 December 2022, 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 a summary of significant accounting policies and other explanatory information, 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 31 December 2022 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key Audit Matter	How the scope of our audit responded to the Key Audit Matter
Impact of amended user access agreements on revenue recognition (Refer Note 4) On 1 July 2021, the Queensland Competition Authority (QCA) approved the 2021 Access Undertaking (2021 AU) which endorsed the application of a 'negotiate-arbitrate' model in which the Group can negotiate commercial arrangements, including terminal infrastructure access pricing. On 10 October 2022, the Group concluded negotiations with users and amended user access agreements were signed with all users. The amendments stipulate the new formula under which the terminal infrastructure access pricing is determined applicable for services provided from 1 July 2021 and updated annually. During the year ended 31 December 2022 the Group recognised a total of $281.7 million relating to terminal infrastructure charge revenue of which $22.9 million related to services performed between 1 July 2021 to 31 December 2021. As a result of the amendments to the user access agreements, judgement has therefore been applied in: • Determining the appropriateness of recognition as revenue of the amount received from users in the current period relating to services performed between 1 July 2021 and 31 December 2021. • Determining the appropriate revenue recognition policy for terminal infrastructure charges revenue based on the amended terms of the user access agreements.	To evaluate the Group's impact of amended user access agreements on revenue recognition, our procedures included, but were not limited to: • Obtaining and reviewing the Group's position paper in relation to the application of AASB 15 Revenue from Contracts with Customers (AASB 15). • Reviewing amended user access agreements to understand the amended terms and the new pricing formula. • Recalculating the terminal infrastructure access revenue for the period from 1 January 2022 to 31 December 2022 and the additional revenue recorded related to services that were performed between 1 July 2021 and 31 December 2021 based on the formula and inputs stipulated within the amended user access agreements. • Reviewing relevant documents and evaluating the appropriateness of the Group's proposed accounting treatment for revenue under AASB 15, with specific consideration to the application of the requirements related to changes in transaction price and contract modification. • Evaluating the appropriateness of disclosures related to the above matters in the financial report.
Appropriateness of useful economic life of the Service Concession intangible asset (Refer Note 13) As at 31 December 2022 the intangible asset arising from the Group's Service Concession to operate the terminal has a carrying value of $3,128 million. The Group has determined that the intangible asset should be amortised on a straight-line basis with the remaining lease period being 78 years. This assumes the exercise of the 49 year extension option in 2051 on the basis that the right to use the terminal is expected to derive economic benefits over that period. The Group's assessment of the remaining useful life of the intangible asset to 2100 involves significant	To evaluate the Group's assessment of the useful economic life of the Service Concession intangible asset, our procedures included, but were not limited to: • Understanding the process undertaken by the Group to determine the remaining useful economic life. • Obtaining and reviewing the Group's position paper in relation to the useful life of the intangible asset. • Inspecting the relevant lease agreement and challenging both the ability and likelihood of the Group renewing the lease in 2051. • Obtaining and reviewing other public information made available by the Group to

Independent Auditor's Report continued

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uncertainties and requires judgement in respect of: • The future supply of and demand for coal, in particular metallurgical coal, impacting the potential demand for capacity at the terminal. • The impacts of potential future changes to the regulatory environment both locally and globally. • The economic and technical feasibility of potential alternative uses for the infrastructure.	challenge conclusions reached within the financial report. • Considering and assessing publicly available information for contradictory evidence and challenging the relevance and reliability of the third-party information used by the Group in relation to the future supply of and demand for metallurgical coal. • Considering and assessing the Group's view on potential alternative uses for the infrastructure. • Evaluating the appropriateness of disclosures related to this matter in the financial report.

Other Information

The directors are responsible for the other information. The other information comprises the Directors' Report, which we obtained prior to the date of this auditor's report, and also includes the following information which will be included in the Group's annual report (but does not include the financial report and our auditor's report thereon): Chairperson's Letter, Managing Director's Letter, Key Achievements, Review of Operations, Environment, Social and Governance, and ASX Additional Information, which are expected to be made available to us after that date.

Our opinion on the financial report does not cover the other information and we do not and will 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 identified above 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 on the other information that we obtained prior to the date of this auditor's report, 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.

When we read the Chairperson's Letter, Managing Director's Letter, Key Achievements, Review of Operations, Environment, Social and Governance, and ASX Additional Information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and use our professional judgement to determine the appropriate action.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view 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 has 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

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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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial report. We are responsible for the direction, supervision and performance of the Group's audit. We remain solely responsible for our audit opinion.

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.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included on pages 31 to 48 of the Directors' Report for the year ended 31 December 2022.

Independent Auditor's Report continued

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In our opinion, the Remuneration Report of Dalrymple Bay Infrastructure Limited, for the year ended 31 December 2022, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

Deloitte Touche Tohmatsu.

DELOITTE TOUCHE TOHMATSU

Stephen Tarling
Partner
Chartered Accountant

Brisbane, 27 February 2023

ASX Additional Information

Below we set out additional information in relation to the Company's securityholders and not disclosed elsewhere in this report. This includes information required under ASX Listing Rule 4.10. Unless stated otherwise, the information below is current at 1 March 2023.

Twenty Largest Securityholders as at 1 March 2023[1]

Rank	Investor	Current Balance	% Issued Capital
1	BIP BERMUDA HOLDINGS IV LIMITED	245,136,188	49.45
2	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	72,564,944	14.64
3	J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	29,322,127	5.91
4	CITICORP NOMINEES PTY LIMITED	28,327,797	5.71
5	HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED – A/C 2	6,474,180	1.31
6	NATIONAL NOMINEES LIMITED	3,656,796	0.74
7	BNP PARIBAS NOMS PTY LTD	2,421,027	0.49
8	MERRILL LYNCH (AUSTRALIA) NOMINEES PTY LIMITED	2,395,599	0.48
9	NEWECONOMY COM AU NOMINEES PTY LIMITED	2,303,193	0.46
10	BNP PARIBAS NOMINEES PTY LTD HUB24 CUSTODIAL SERV LTD	2,110,755	0.43
11	WARBONT NOMINEES PTY LTD	2,038,427	0.41
12	BNP PARIBAS NOMINEES PTY LTD	1,037,297	0.21
13	UBS NOMINEES PTY LTD	1,025,209	0.21
14	MORGAN STANLEY AUSTRALIA SECURITIES (NOMINEE) PTY LIMITED	1,002,857	0.20
15	NATIONAL EXCHANGE PTY LTD	1,000,000	0.20
16	GEOMAR TRADING PTY LTD	953,500	0.19
17	ASIA UNION INVESTMENTS PTY LIMITED	800,000	0.16
17	HORRIE PTY LTD	800,000	0.16
18	MFIC SECURITIES PTY LTD	741,850	0.15
19	TELUNAPA PTY LTD	700,000	0.14
20	NETWEALTH INVESTMENTS LIMITED	653,204	0.13
Total		**405,464,950**	**81.79**
Balance of register		**90,296,717**	**18.21**
Grand total		**495,761,667**	**100.00**

1. Related but separate legal entities are not aggregated.

ASX Additional Information continued

Substantial Holders

The following is a summary of the substantial shareholders as at 1 March 2023 pursuant to notices lodged with the ASX in accordance with section 671B of the *Corporations Act 2001* (Cth)[1].

Substantial Holder	Number of Securities	Date of Interest[1]	Issued Capital[2] %
BIP Bermuda Holdings IV Limited	245,136,188	10 December 2020	49
QIC Investments No. 2 Pty Ltd as trustee for the Government Holdings Trust	49,988,871	29 April 2022	10.08%

1. As disclosed in the last notice lodged with the ASX by the substantial holder.
2. The percentage set out in the notice lodged by the substantial holder with the ASX is based on the total issued Stapled Securities of DBI at the Date of Interest.

Number of holders of each class of equity securities

6,005

Voting rights attached to each class of equity securities

Each ordinary share issued by Dalrymple Bay Infrastructure Limited carries with it 1 vote.

Distribution schedule of the number of holders in each class of equity securities

Ranges	Investors	Securities	% Issued Capital
1 to 1,000	618	369,734	0.08
1,001 to 5,000	1,890	5,853,899	1.18
5,001 to 10,000	1,296	10,358,565	2.09
10,001 to 100,000	2,087	56,138,741	11.33
100,001 and Over	114	423,040,728	85.33
Total	**6,005**	**495,761,667**	**100.00**

Number of holders holding unmarketable parcel of securities

The number of security investors holding less than a marketable parcel of 199 securities ($2.520 on 01/03/2023) is 49 and they hold 510 securities.

Name of the entity's secretary

Michael Ryan (resigned with effect on 28 February 2022)

Liesl Burman (appointed on 28 February 2022)

Address and phone of Registered Office and Principal Administrative Office

Level 15, Waterfront Place
1 Eagle Street
Brisbane QLD 4000

Ph: 61 7 3002 3100

Address and phone of where register kept

Link Market Services Limited
Level 21, 10 Eagle Street
Brisbane QLD 4000

Ph: 61 1300 554 474 (toll free within Australia)

Ph: 61 7 3320 2200 (Brisbane)

List of other stock exchanges listed on

Nil

Number and class of restricted securities or securities subject to voluntary escrow that are on issue and the date that the escrow period ends

Nil restricted securities or securities subject to voluntary escrow.

Share Buy-back

There is no current buy-back program of Dalrymple Bay Infrastructure Limited's securities.

Corporate Governance Statement

DBI's Corporate Governance Statement and Appendix 4G for the period ended 31 December 2022 may be accessed via DBI's website at https://dbinfrastructure.com.au/who-we-are/corporate-governance/.

Directory

Directors

Hon Dr David Hamill AM

Mr Anthony Timbrell

Mr Bahir Manios
(resigned with effect on 27 February 2023)

Ms Bronwyn Morris AM

Dr Eileen Doyle

Mr Ray Neill

Mr Jonathon Sellar
(ceased to be appointed as alternate director for Bahir Manios with effect on 27 February 2023 and appointed as alternate director for Ray Neill with effect on 27 February 2023)

Company Secretary

Mr Michael Ryan
(resigned with effect on 28 February 2022)

Ms Liesl Burman
(appointed on 28 February 2022)

Registered Office

Dalrymple Bay Infrastructure Limited
Level 15, Waterfront Place
1 Eagle Street
Brisbane QLD 4000
Australia

Investor Contacts

Security Register

For more information about your DBI security holding please contact:

Link Market Services

Level 12, 680 George Street
Sydney NSW 2000

Locked bag A14
Sydney South NSW 1234

Telephone: +61 1300 554 474
(toll free within Australia)

Fax: +61 2 9287 0303

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Dalrymple Bay Infrastructure

dbinfrastructure.com.au