



**Aurizon Holdings Limited**  
ABN 14 146 335 622

ASX Market Announcements  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

**BY ELECTRONIC LODGEMENT**

12 February 2024

**Aurizon Network Pty Ltd Half Year Report**

Please find attached for release a copy of the Aurizon Network Pty Ltd Half Year Report for the period ended 31 December 2023, which is also being filed with the Singapore Stock Exchange.

Yours faithfully

A handwritten signature in purple ink, appearing to read "Nicole Alder".

**Nicole Alder**  
Company Secretary

*Authorised for lodgement by the Aurizon Holdings Limited Board of Directors*

# **Aurizon Network Pty Ltd**

ABN 78 132 181 116

## **Interim Financial Report**

**for the six months ended 31 December 2023**

# Aurizon Network Pty Ltd

ABN 78 132 181 116

## Interim Financial Report - 31 December 2023

Page

Interim Financial Report	
Condensed consolidated income statement	2
Condensed consolidated statement of comprehensive income	3
Condensed consolidated balance sheet	4
Condensed consolidated statement of changes in equity	5
Condensed consolidated statement of cash flows	6
Notes to the condensed consolidated financial statements	7
Directors' declaration	20
Independent auditor's review report to the members	21

Aurizon Network Pty Ltd is a company limited by shares, incorporated and domiciled in Australia.

Its registered office and principal place of business is:

Aurizon Network Pty Ltd  
Level 8  
900 Ann Street  
Fortitude Valley QLD 4006

**Aurizon Network Pty Ltd**  
**Condensed consolidated income statement**  
**For the six months ended 31 December 2023**

	Notes	31 December 2023 \$m	31 December 2022 \$m
<b>Revenue from continuing operations</b>	1	<b>758.5</b>	613.7
Employee benefits expense		(93.7)	(76.1)
Energy and fuel		(83.8)	(109.8)
Consumables		(96.1)	(63.9)
Depreciation and amortisation		(168.9)	(168.1)
Other expenses		(4.7)	(7.4)
<b>Operating profit</b>		<b>311.3</b>	188.4
Finance income		0.1	0.1
Finance expenses		(110.6)	(63.6)
<b>Net finance costs</b>		<b>(110.5)</b>	(63.5)
<b>Profit before income tax</b>		<b>200.8</b>	124.9
Income tax expense		(61.3)	(38.0)
<b>Profit after tax for the six months</b>		<b>139.5</b>	86.9
<b>Profit for the six months attributable to the owners of Aurizon Network Pty Ltd</b>		<b>139.5</b>	86.9

*The above condensed consolidated income statement should be read in conjunction with the accompanying notes.*

**Aurizon Network Pty Ltd**  
**Condensed consolidated statement of comprehensive income**  
**For the six months ended 31 December 2023**

	<b>31 December 2023</b>	31 December 2022
	<b>\$m</b>	<b>\$m</b>
<b>Profit for the six months</b>	<b>139.5</b>	86.9
<b>Other comprehensive income</b>		
<i>Items that may be reclassified to profit or loss</i>		
Changes in the fair value of cash flow hedges	<b>(42.8)</b>	(21.0)
Income tax relating to changes in fair value of cash flow hedges	<b>12.8</b>	6.3
<b>Other comprehensive income/(expense) for the six months, net of tax</b>	<b>(30.0)</b>	(14.7)
<b>Total comprehensive income for the six months attributable to the owners of Aurizon Network Pty Ltd</b>	<b>109.5</b>	72.2

*The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.*

**Aurizon Network Pty Ltd**  
**Condensed consolidated balance sheet**  
**As at 31 December 2023**

		31 December 2023 \$m	30 June 2023 \$m
	Notes		
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents		4.3	30.2
Trade and other receivables		227.3	272.3
Inventories		56.5	70.1
Derivative financial instruments	4	81.8	-
Other assets		9.2	2.8
<b>Total current assets</b>		<b>379.1</b>	<b>375.4</b>
<b>Non-current assets</b>			
Inventories		11.7	11.9
Derivative financial instruments	4	0.4	89.3
Property, plant and equipment		5,248.3	5,215.6
Intangible assets		63.5	69.5
<b>Total non-current assets</b>		<b>5,323.9</b>	<b>5,386.3</b>
<b>Total assets</b>		<b>5,703.0</b>	<b>5,761.7</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Trade and other payables		138.9	144.2
Borrowings	3	1,234.3	460.3
Provisions		61.1	57.3
Other liabilities		92.4	97.5
<b>Total current liabilities</b>		<b>1,526.7</b>	<b>759.3</b>
<b>Non-current liabilities</b>			
Borrowings	3	2,384.4	3,171.8
Derivative financial instruments	4	168.1	181.5
Deferred tax liabilities		709.4	721.0
Provisions		4.1	3.5
Other liabilities		71.3	81.4
<b>Total non-current liabilities</b>		<b>3,337.3</b>	<b>4,159.2</b>
<b>Total liabilities</b>		<b>4,864.0</b>	<b>4,918.5</b>
<b>Net assets</b>		<b>839.0</b>	<b>843.2</b>
<b>EQUITY</b>			
Contributed equity		404.8	404.5
Reserves		(37.0)	(7.0)
Retained earnings		471.2	445.7
<b>Total equity</b>		<b>839.0</b>	<b>843.2</b>

The above condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

**Aurizon Network Pty Ltd**  
**Condensed consolidated statement of changes in equity**  
**For the six months ended 31 December 2023**

	Notes	Attributable to owners of Aurizon Network Pty Ltd			Total equity \$m
		Contributed equity \$m	Reserves \$m	Retained earnings \$m	
<b>Balance at 1 July 2023</b>		<b>404.5</b>	<b>(7.0)</b>	<b>445.7</b>	<b>843.2</b>
Profit for the six months		-	-	139.5	139.5
Other comprehensive income		-	(30.0)	-	(30.0)
<b>Total comprehensive income/(expense) for the six months</b>		<b>-</b>	<b>(30.0)</b>	<b>139.5</b>	<b>109.5</b>
<b>Transactions with owners in their capacity as owners:</b>					
Dividends paid	2	-	-	(114.0)	(114.0)
Capital contribution from the parent for share-based payments		0.3	-	-	0.3
		<b>0.3</b>	<b>-</b>	<b>(114.0)</b>	<b>(113.7)</b>
<b>Balance at 31 December 2023</b>		<b>404.8</b>	<b>(37.0)</b>	<b>471.2</b>	<b>839.0</b>
Balance at 1 July 2022		1,004.1	17.5	417.8	1,439.4
Profit for the six months		-	-	86.9	86.9
Other comprehensive income		-	(14.7)	-	(14.7)
Total comprehensive income/(expense) for the six months		-	(14.7)	86.9	72.2
<b>Transactions with owners in their capacity as owners:</b>					
Dividends paid	2	-	-	(109.0)	(109.0)
Return of capital to the parent		(350.0)	-	-	(350.0)
Capital distribution from the parent for share-based payments		(0.2)	-	-	(0.2)
		<b>(350.2)</b>	<b>-</b>	<b>(109.0)</b>	<b>(459.2)</b>
Balance at 31 December 2022		653.9	2.8	395.7	1,052.4

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

**Aurizon Network Pty Ltd**  
**Condensed consolidated statement of cash flows**  
**For the six months ended 31 December 2023**

	<b>31 December 2023</b>	31 December 2022
	\$m	\$m
<b>Cash flows from operating activities</b>		
Receipts from customers (inclusive of GST)	927.2	683.5
Payments to suppliers and employees (inclusive of GST)	(368.1)	(345.7)
Interest received	0.1	0.1
Income taxes paid	(41.0)	(92.0)
<b>Net cash inflow from operating activities</b>	<b>518.2</b>	<b>245.9</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(202.1)	(164.9)
Proceeds from sale of property, plant and equipment	0.3	0.4
Payment to related parties under the Intra Group Loan Agreement	(56.0)	-
<b>Net cash outflow from investing activities</b>	<b>(257.8)</b>	<b>(164.5)</b>
<b>Cash flows from financing activities</b>		
Proceeds from external borrowings	435.0	466.0
Repayment of external borrowings	(486.0)	-
Repayment to related parties under the Intra Group Loan Agreement	-	(35.0)
Payment of transaction costs related to borrowings	(6.0)	-
Capital distribution to parent for share based payments	(0.5)	-
Interest paid	(114.8)	(59.9)
Dividends paid to Company's shareholder	(114.0)	(109.0)
Capital distribution to parent	-	(350.0)
<b>Net cash outflow from financing activities</b>	<b>(286.3)</b>	<b>(87.9)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(25.9)</b>	<b>(6.5)</b>
Cash and cash equivalents at the beginning of the financial year	30.2	15.0
Effects of exchange rate changes on cash and cash equivalents	-	0.3
<b>Cash and cash equivalents at end of interim reporting period</b>	<b>4.3</b>	<b>8.8</b>



## **About this report**

### **Corporate information**

Aurizon Network Pty Ltd ("the Company") is a for-profit entity for the purpose of preparing this interim financial report and is a company limited by shares, incorporated and domiciled in Australia. The consolidated interim financial report comprises the financial statements for the six months ended 31 December 2023 of the Company and its subsidiaries (collectively referred to as the Group or Aurizon Network). Aurizon Network Pty Ltd is a subsidiary of Aurizon Holdings Limited. Aurizon Holdings Limited and its subsidiary entities are referred to as the Aurizon Group.

This interim financial report:

- has been prepared on the going concern basis of accounting;
- has been prepared in accordance with the requirements of Accounting Standard AASB 134 *Interim Financial Reporting*;
- has been prepared under the historical cost convention, as modified by the revaluation of financial assets and liabilities (including derivative instruments) at fair value;
- is presented in Australian dollars with all values rounded to the nearest \$100,000 unless otherwise stated, in accordance with ASIC Corporations (*Rounding in Financial/Directors' Reports*) Instrument 2016/191; and
- does not include all the notes of the type normally included in an annual financial report. Accordingly, this interim financial report is to be read in conjunction with the annual report of the Company for the year ended 30 June 2023. The annual report for the year ended 30 June 2023 is accessible at [www.aurizon.com.au](http://www.aurizon.com.au).

## **Key events and transactions for the reporting period**

### **(a) Access revenue**

#### **2017 Access Undertaking (UT5)**

The 2017 Access Undertaking (UT5) approved by the Queensland Competition Authority (QCA) on 19 December 2019 included a defined process for certain components of allowable revenue and the Weighted Average Cost of Capital (WACC), together the 'Reset Values', to be reset at 1 July 2023 (Preliminary Reset Values) and 1 July 2024 (Final Reset Values). On 25 May 2023, the QCA approved Preliminary Reset Values, including a WACC of 8.18% (applying a risk-free rate of 3.47% and a debt risk premium of 2.60%), which has been incorporated into reference tariffs for FY2024.

On 19 October 2023, the QCA approved the Final Reset Values, including a WACC of 8.51% (applying a risk-free rate of 3.87% and a debt risk premium of 2.48%), to be incorporated into the reference tariffs for the period 1 July 2024 to 30 June 2027 (the conclusion of the UT5 regulatory period). The difference between the Preliminary Reset Values of 8.18%, used for the FY2024 reference tariffs and the Final Reset Values of 8.51% will be reconciled through the FY2024 Revenue Adjustment Amount and reflected in reference tariffs for FY2026.

### **(b) Debt financing**

During the period, the Group added additional capacity in unsecured bank debt facilities. In October 2023, the Group established \$150.0 million in unsecured bilateral bank debt facilities that mature 30 October 2028 (\$50.0 million), 30 October 2029 (\$50.0 million), and 30 October 2030 (\$50.0 million). In December 2023, the Group established a \$500.0 million Syndicated Institutional Term Facility including a \$115.0 million revolving facility maturing December 2028, a \$145.0 million term loan facility maturing December 2028 and a \$240.0 million term loan facility maturing December 2029. The additional capacity will replace borrowings due to mature in the next 12 months.

### **(c) Comparative Period**

Key events and transactions affecting the performance of the Group in the comparative period are disclosed within the Annual Report for the year ended 30 June 2023.

# Results for the six months

**IN THIS SECTION**

Results for the six months provides segment information and a breakdown of individual line items in the condensed consolidated income statement that the Directors consider most relevant.

1 Revenue

Page 9

---

## 1 Revenue

The Group derives the following types of revenue from the provision of services over time:

	<b>31 December 2023</b>	31 December 2022
	\$m	\$m
<b>Revenue from continuing operations</b>		
Services revenue		
Track access	<b>693.8</b>	583.1
Other services	<b>48.4</b>	13.6
Other revenue	<b>16.3</b>	17.0
<b>Total revenue from continuing operations</b>	<b>758.5</b>	613.7

# Capital management

## IN THIS SECTION

Capital management provides information about the capital management practices of the Group and shareholder returns for the six month period and the Group's fair value disclosure for financial instruments.

2	Dividends	Page 11
3	Borrowings	Page 11
4	Financial instruments	Page 13

## 2 Dividends

	<b>\$m</b>
<b>Declared and paid during the period</b>	
<b>For the six months ended 31 December 2023</b>	
Final dividend for 2023 (unfranked)	<b>114.0</b>
For the six months ended 31 December 2022	
Final dividend for 2022 (unfranked)	109.0
<b>Proposed and unrecognised at period end</b>	
<b>For the six months ended 31 December 2023</b>	
Interim dividend for 2024 (unfranked)	<b>140.4</b>
For the six months ended 31 December 2022	
Interim dividend for 2023 (unfranked)	84.0

## 3 Borrowings

	<b>31 December 2023 \$m</b>	30 June 2023 \$m
<b>Current - Unsecured</b>		
Bank debt facilities	12.0	33.0
Medium-Term Notes	<u>1,222.3</u>	<u>427.3</u>
	<b>1,234.3</b>	<b>460.3</b>
<b>Non-current - Unsecured</b>		
Medium-Term Notes	1,413.3	2,164.9
US Private Placement Notes	302.1	303.2
Bank debt facilities	295.0	710.0
Syndicated Institutional Term Facility	385.0	-
Capitalised borrowing costs	<u>(11.0)</u>	<u>(6.3)</u>
	<b>2,384.4</b>	<b>3,171.8</b>
<b>Total borrowings</b>	<u><b>3,618.7</b></u>	<u><b>3,632.1</b></u>

The Group's bank debt facilities and US Private Placement Notes (USPP) contain financial covenants. The bank debt facilities, Medium-Term Notes and USPP contain general undertakings including negative pledge clauses which restrict the amount of security that the Group can provide over assets in certain circumstances. The Group has complied with all required covenants and undertakings throughout the reporting period.

At balance date, the Group has a net current liability position of \$1,147.6 million due to the classification of the Australian Dollar Medium-Term Note (AMTN 2) (notional amount of A\$425.0 million) maturing June 2024 and the Euro denominated Medium-Term Note (EMTN 1) (notional amount of A\$710.6 million) maturing September 2024 as current liabilities. The AMTN 2 and EMTN 1 capacity of \$1,135.6 million maturing will be replaced by undrawn bank debt of \$1,119.5 million and any other debt issuances over the next 12 month period.

The Group may also draw upon funds from Aurizon Operations Limited (related party) pursuant to the Intra Group Loan Agreement.

### 3 Borrowings (continued)

#### Financing arrangements

The table below summarises the financing arrangements the Group had access to at the end of the period. The facilities are unsecured.

	Maturity	Utilised <sup>1</sup>		Facility limit	
		31 December		31 December	
		2023	30 June 2023	2023	30 June 2023
		\$m	\$m	\$m	\$m
Working capital facility	Jun-24	15.5	36.5	75.0	75.0
Bilateral facility	Jan-26	205.0	575.0	575.0	575.0
Bilateral facility	Jan-27	40.0	135.0	310.0	310.0
Bilateral facility	Jan-28	-	-	205.0	205.0
Bilateral facility	Oct-28	50.0	-	50.0	-
Bilateral facility	Oct-29	-	-	50.0	-
Bilateral facility	Oct-30	-	-	50.0	-
Revolver loan facility	Dec-28	-	-	115.0	-
Term loan facility	Dec-28	145.0	-	145.0	-
Term loan facility	Dec-29	240.0	-	240.0	-
AMTN 2	Jun-24	425.0	425.0	425.0	425.0
AMTN 3	Mar-30	82.0	82.0	82.0	82.0
AMTN 4	Sep-30	500.0	500.0	500.0	500.0
AMTN 5	Dec-31	75.0	75.0	75.0	75.0
AMTN 6	Dec-32	80.0	80.0	80.0	80.0
AMTN 7	Dec-34	20.0	20.0	20.0	20.0
EMTN 1	Sep-24	710.6	710.6	710.6	710.6
EMTN 2	Jun-26	778.2	778.2	778.2	778.2
USPP	Jun-33	184.4	184.4	184.4	184.4
USPP	Jun-35	122.2	122.2	122.2	122.2
<b>Total Group financing arrangements</b>		<b>3,672.9</b>	<b>3,723.9</b>	<b>4,792.4</b>	<b>4,142.4</b>

<sup>1</sup> Amount utilised includes bank guarantees of \$3.5 million (30 June 2023: \$3.5 million) and excludes capitalised borrowing costs of \$11.0 million (30 June 2023: \$6.3 million), discounts on AMTNs and EMTNs of \$2.7 million (30 June 2023: \$3.7 million) and accumulated fair value adjustments on AMTNs, EMTNs and USPPs of \$36.9 million (30 June 2023: \$78.5 million).

## 4 Financial instruments

### (a) Fair values of financial instruments

The carrying amounts and fair values of the Group's financial instruments are materially the same, except for:

	<b>31 December 2023</b>	30 June 2023
	<b>\$m</b>	<b>\$m</b>
<b>Borrowings</b>		
Carrying amount	<b>3,618.7</b>	3,632.1
Fair value	<b>3,662.0</b>	3,663.1

### (b) Fair value measurements

The fair value of borrowings is estimated by discounting future contractual cash flows at the current market interest rates that are available to the Group for similar financial instruments. The market interest rates were determined to be between 3.9% and 8.2% (30 June 2023: 5.1% to 7.1%) depending on the type of facility.

The Group measures the fair value of financial instruments using market observable data where possible. Fair values are categorised into three levels with each of these levels indicating the reliability of the inputs used in determining fair value. The levels of the fair value hierarchy are:

- Level 1: Quoted prices for an identical asset or liability in an active market
- Level 2: Directly or indirectly observable market data
- Level 3: Unobservable market data.

The fair value of forward exchange contracts are determined as the unrealised gains/(loss) with reference to market rates. The fair value of interest rate swaps is determined as the net present value of contracted cash flows. The existing exposure method, which estimates future cash flows to present value using credit adjusted discount factors after counterparty netting arrangements, has been adopted for both forward foreign exchange contracts and interest rate swaps.

The fair value of cross-currency interest rate swaps is determined as the net present value of contract cash flows. The future probable exposure method is applied to the estimated future cash flows to reflect the credit risk of the Group and relevant counterparties.

The Group's derivative financial instruments are classified as Level 2 (30 June 2023: Level 2). During the interim reporting period to 31 December 2023, there were no transfers between Level 1, Level 2 or Level 3 in the fair value hierarchy (30 June 2023: nil).

#### 4 Financial instruments (continued)

	31 December 2023 \$m	30 June 2023 \$m
<b>Current assets</b>		
CCIRS - EMTN 1	81.8	-
<b>Non-current assets</b>		
Interest rate swaps	0.4	11.5
CCIRS - EMTN 1	-	77.8
	0.4	89.3
<b>Total derivative financial instrument assets</b>	82.2	89.3
<b>Non-current liabilities</b>		
Interest rate swaps	26.7	0.6
Interest rate swaps - AMTN 3	9.5	12.0
Interest rate swaps - AMTN 4	86.6	103.7
Interest rate swaps - AMTN 5	11.0	13.5
Interest rate swaps - AMTN 6	0.5	2.6
Interest rate swaps - AMTN 7	0.2	0.9
Interest rate swaps - USPP	0.4	4.2
CCIRS - EMTN 2	26.6	38.5
CCIRS - USPP	6.6	5.5
	168.1	181.5
<b>Total derivative financial instrument liabilities</b>	168.1	181.5



# Other notes

## IN THIS SECTION

Other notes provide information on other items which require disclosure to comply with Australian Accounting Standards and other regulatory pronouncements, however are not considered critical in understanding the financial performance of the Group.

5	Related party transactions	Page 16
6	Summary of significant accounting policies	Page 16
7	Critical accounting estimates and judgements	Page 17

## 5 Related party transactions

Related parties include other entities in the Aurizon Group and Key Management Personnel. There were no Key Management Personnel related party transactions during the financial year (31 December 2022: \$nil). The following transactions occurred and balances are recognised with other entities in the Aurizon Group:

### (a) Transactions with related parties

	<b>31 December 2023 \$'000</b>	31 December 2022 \$'000
Trade and other receivables from related parties	<b>41,345</b>	51,829
Trade and other payables to related parties	<b>20,779</b>	13,380
Loans payable to related parties	-	58,000
Loans receivable from related parties	<b>56,000</b>	-
Tax loan payable to the parent entity	<b>61,507</b>	25,859
Access revenue received from related parties	<b>243,639</b>	190,568
Other revenue received from related parties	<b>5,434</b>	4,793
Expense paid to related parties	<b>45,432</b>	45,508
Interest expense paid to related parties	<b>398</b>	574

Expenses paid to other entities within the Aurizon Group include maintenance, facilities charges and general corporate overheads. Details of the terms and conditions of transactions with related parties are disclosed in the annual report for the year ended 30 June 2023.

## 6 Summary of significant accounting policies

The accounting policies adopted in the preparation of this consolidated interim financial report are consistent with those of the previous financial year except for the adoption of new and amended standards as set out below. These policies have been consistently applied to both periods presented, unless otherwise stated.

### (a) New and amended standards adopted by the Group

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for the current reporting period.

AASB 17 *Insurance Contracts* (AASB 17) became effective for the Group from 1 July 2023. The Aurizon Group Insurance Program includes certain placements with a related party captive insurance company, Iron Horse Insurance Company Pte Ltd (incorporated in the Republic of Singapore). The captive insurance company only underwrites the Aurizon Group and its subsidiaries for property and liability insurance. As the Group does not have any contracts that meet the definition of an insurance contract under AASB 17, the new standard does not have a material impact on the Group. A provision is recognised for the estimated liability of known claims and an allowance for Incurred But Not Reported claims for property and liability insurance. Estimates are based on expected claim costs.

## **7 Critical accounting estimates and judgements**

The preparation of the interim financial report requires management to exercise judgement in applying the Group's accounting policies. It also requires the use of estimates and assumptions of assets, liabilities, income and expense.

The areas involving a higher degree of judgement or complexity and the estimates and assumptions applied are consistent with those disclosed in the annual report for the year ended 30 June 2023.

# Unrecognised items and events after reporting date

## IN THIS SECTION

Unrecognised items provides information 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. This section also includes events occurring after the reporting date.

8	Commitments and contingencies	Page 19
9	Events occurring after the reporting period	Page 19

## **8 Commitments and contingencies**

Issues relating to common law claims, product warranties and regulatory breaches are dealt with as they arise. There have been no material changes in contingent assets or liabilities since 30 June 2023.

At 31 December 2023, the Group has capital commitments contracted but not provided for in respect of the acquisition of property, plant and equipment of \$71.3 million (30 June 2023: \$83.8 million) which are due within one year and \$1.2 million (30 June 2023: \$1.1 million) which are due between one and five years.

## **9 Events occurring after the reporting period**

No matter or circumstance, other than those matters disclosed in key events and transactions for the period, has occurred subsequent to the interim reporting period that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, the state of affairs of the Group or economic entity in subsequent reporting periods.

In accordance with a resolution of the Directors of the Company, I state that:

In the opinion of the Directors of the Company:

- (a) the interim financial statements and notes set out on pages 2 to 19:
  - (i) comply with Accounting Standards; and
  - (ii) give a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the six months ended on that date, and
- (b) there are reasonable grounds to believe that Aurizon Network Pty Ltd will be able to pay its debts as and when they become due and payable.

A handwritten signature in black ink, appearing to be 'L Strambi', with a stylized, cursive script.

L Strambi  
Chairman

Brisbane  
12 February 2024

## Independent Auditor's Review Report to the Members of Aurizon Network Pty Ltd

### *Conclusion*

We have reviewed the interim financial report of Aurizon Network Pty Ltd (the "Company") and its subsidiaries (the "Group"), which comprises the condensed consolidated balance sheet as at 31 December 2023, the condensed consolidated income statement, the condensed consolidated statement of comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of material accounting policy information and other explanatory information, and the directors' declaration as set out on pages 7 to 20.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying interim financial report of the Group does not present fairly, in all material respects, the Group's financial position as at 31 December 2023 and of its financial performance and its cash flows for the half-year ended on that date, in accordance with the accounting policies as described in the notes to the financial statements.

### *Basis for Conclusion*

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

### *Directors' Responsibilities for the Interim Financial Report*

The directors of the Company are responsible for the preparation of the interim 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 interim financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibilities for the Review of the Interim Financial Report*

Our responsibility is to express a conclusion on the interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report does not present fairly, in all material respects, the financial position of the Group as at 31 December 2023 and of its financial performance and its cash flows for the half-year ended on that date in accordance with the accounting policies as described in the notes to the financial statements.

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



DELOITTE TOUCHE TOHMATSU



Matthew Donaldson  
Partner  
Chartered Accountants

Brisbane, 12 February 2024