ASX Announcement
26 August 2024

2024 Half Year Financial Results

Dalrymple Bay Infrastructure Limited (**ASX:DBI**) ('**DBI**', '**the Company**' or '**the Group**') is pleased to announce its results for the 6 months ended 30 June 2024 (**H1-24**).

Highlights

- Delivered a TY-24/25[1] Terminal Infrastructure charge (**TIC**) of \$3.59 per tonne, a 4.2% increase on TY-23/24
- Announced a Q2-24 distribution of 5.375 cents per security, in line with guidance
- In May 2024, DBI announced distribution guidance for the year commencing 1 July 2024 (**TY-24/25**) of 22.5 cps, to be paid quarterly, reflecting a 4.65% increase over TY-23/24.

H1-24 Results

- Total Income[2] of \$377.9m with TIC Revenue of \$145.0m
- Statutory net profit after tax of \$36.8m
- Investment grade balance sheet maintained.

Operational Performance

H1-24 operating highlights include:

- Dalrymple Bay Terminal (**DBT**) shipped 29.9Mt of coal in H1-24 (29.8Mt in H1-23)
- 81% of DBI's H1-24 revenue was derived from mines that ship predominantly metallurgical coal (82% in H1-23)[3]
- Key export destinations during H1-24 were Japan, South Korea, India, Taiwan and China accounting for approximately 71% of exports (68% in H1-23). Exports to India were 30% higher than in H1-23
- DBI has a total of ~\$395.5m in non-expansionary capital (**NECAP**) projects underway which will be progressively completed over the next 2-3 years. NECAP spend will contribute to future TIC increases
- During H1-24, there were no fatalities or incidents causing permanent disabilities or serious injuries or illness.[4] The rolling 12-month HPI[5] count was five, and the HPIFR[6] was 2.57[7]
- Zero reportable environmental incidents or exceedances during the period.

[1] TY is the TIC year commencing on 1 July and ending on 30 June (i.e. TY-24/25 is 1 July 2024 to 30 June 2025).
[2] Includes Interest income, recorded in the financial statements as Other Income
[3] Based on each source mine's total shipping mix over a 3 year rolling period.
[4] Serious injury or illness is as defined in Work Health and Safety Act 2011 (Qld).
[5] A High Potential Incident (**HPI**) is an incident that has the potential to cause a fatality or permanent disability or serious injury or illness of a person(s).
[6] The High Potential Incident Frequency Rate (**HPIFR**) is the number of High Potential Incidents per million manhours worked.
[7] HPI and HPIFR figures reflect an aggregate of results for DBI, Dalrymple Bay Coal Terminal Pty Ltd (the independent DBT Operator) and all contractors at DBT. The DBT Operator is owned by a majority of DBT's customers (by contracted tonnage) and is responsible for the day-to-day operations and maintenance of DBT under a renewable Operations and Maintenance Contract (OMC).

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Dalrymple Bay Infrastructure CEO, Michael Riches said:

> *"The Dalrymple Bay Terminal is a critical link in the global steel supply chain and a key contributor to the Queensland and Australian economies.*
>
> *The increase in the Terminal Infrastructure Charge for TY-24/25 reflects DBI's robust access pricing framework and has resulted in a 4.65% increase in our distribution guidance.*
>
> *Our access pricing framework provides significant cashflow certainty which allows DBI to plan with confidence to implement our program of non-expansionary works, with NECAP projects of ~$395.5m underway. With this strong foundation, DBI continues to explore options to grow our business to provide enhanced total securityholder returns."*

Distribution

The Company has today announced a Q2-24 distribution of 5.375 cents per security, taking the total announced distributions for H1-24 to 10.75 cents per security. The Q2-24 distribution will have a record date of 30 August 2024 and a payment date of 17 September 2024. The distribution will be paid in part as a fully franked dividend and in part as a partial repayment of loan note principal.

On 22 May 2024, DBI announced distribution guidance for the year commencing 1 July 2024 (TY-24/25) totaling 22.5 cps, a 4.65% uplift over the previous period. DBI re-affirmed its distribution per security growth target of 3-7% per annum for the foreseeable future, subject to business developments and market conditions. DBI will continue to target a distribution payout ratio of between 60-80% of Funds from Operations (**FFO**).[8]

Distributions for TY-24/25 are expected to comprise both payments of dividends on DBI's stapled securities and partial repayment of DBI loan notes attaching to DBI's stapled securities.

Terminal Infrastructure Charge for TY-24/25[9]

The TIC applicable during H1-24 was $3.44 per tonne. The TIC for TY-24/25 is $3.59 per tonne, representing a 4.2% increase on TY-23/24 as a result of inflation applied to the Base TIC component, an increase in the NECAP charge as a result of the cost of commissioned projects being added to the NECAP asset base, and accounting for the QCA Levy adjustment.

TIC Component	TY-22/23 ($/t) Actual	TY-23/24 ($/t) Actual	TY-24/25 ($/t) Actual
Base TIC	3.10	3.32	3.44
NECAP Charge	0.06	0.12	0.16
QCA Levy[10]	0.02	-	(0.01)
TIC	**3.18**	**3.44**	**3.59**

[8] Funds From Operations (FFO) is defined as Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) less Net Cash Interest and Cash Tax.

[9] Dalrymple Bay Infrastructure Management Pty Ltd (DBIM) (DBI's wholly owned subsidiary who provides the services at DBT) levies the TIC on each tonne of contracted capacity at DBT, with the terminal fully contracted on a 100% take-or-pay basis at 84.2Mtpa to 30 June 2028 with evergreen renewal options for customers.

[10] Negative adjustment to the TIC due to QCA over-recovery of QCA fees in prior period.

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Financial Review

During the period, the Group made a net operating profit after income tax of $36.8m (H1-23 $34.0m).

$ million	H1-24 Statutory Results	H1-23 Statutory Results
TIC revenue	145.0	133.8
Handling revenue	188.2	153.9
Revenue from capital works performed	33.1	18.3
Other income (excluding interest income)	0.2	-
Total income (excluding interest income)[11]	**366.5**	**306.0**
Terminal operator's handling costs	(188.2)	(153.9)
G&A expenses	(8.7)	(8.1)
Capital work costs	(33.1)	(18.3)
EBITDA (non-statutory)[12]	**136.5**	**125.7**
Net finance costs[13]	(60.5)	(54.5)
Depreciation and amortisation	(20.1)	(19.7)
Profit before tax	55.9	51.6
Income tax expense	(19.1)	(17.6)
Net profit after tax	**36.8**	**34.0**

When comparing statutory results for H1-24 to the comparative period H1-23:

- The Terminal Infrastructure Charge applicable at DBT for TY-23/24 was $3.44 per tonne compared to the TIC for TY-22/23 of $3.18 per tonne. The TIC for TY-23/24 represented an 8.4% increase on TY-22/23 and reflected the impact of inflation, NECAP charges and the QCA Levy.
- Net finance costs include interest on DBI's external borrowing net of interest income, plus non-cash interest on stapled loan notes, non-cash amortisation of fair value adjustments to debt and unrealised gains or losses on hedging (refer to note 8 of the Interim Financial Report). Interest on external borrowings, net of interest income, increased by $9.8m compared to H1-23 primarily as a result of higher rates applicable on float-rate debt and the carry costs borne from holding the funded 2023 USPP Notes on term deposit until utilised to repay USPP Notes maturing in September 2024. Non-cash finance costs decreased by $3.8m.

Balance Sheet

Liquidity in the Group as at 30 June 2024 comprised $450.0m in undrawn bank facilities (31 December 2023: $480.0m), and $452.5m of unrestricted cash at bank and term deposits (31 December 2023: $422.8m).

The Group's debt book comprises bonds issued in the US Private Placement market, with a weighted average tenor based on drawn debt of 7.2 years (31 December 2023: 7.7 years).

[11] Interest income is included in Net finance costs.
[12] Earnings Before Interest, Tax, Depreciation and Amortisation
[13] Includes Interest expense and fair value adjustments on Stapled Loan Notes. This is net of interest income.

$ million	Statutory 30 June 2024	Non-statutory[1] 30 June 2024	Statutory 31 December 2023	Non-statutory[1] 31 December 2023
Short Term Debt				
Bank Facilities	-	-	-	-
USPP Note Facilities	461.9	337.6	448.0	337.6
Long Term Debt				
USPP Note Facilities	1,645.3	1,821.7	1,648.7	1,821.7
Total Borrowings[2]	**2,107.2**	**2,159.3**	**2,096.7**	**2,159.3**
Unrestricted Cash[3]	122.5	122.5	42.8	42.8
Term Deposits	330.0	330.0	380.00	380.00
Total net debt[4]	**1,654.7**	**1,706.8**	**1,673.9**	**1,736.5**

Notes:

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 $9.7m at 30 June 2024 (31 December 2023: $10.3m).
3. Unrestricted cash includes cash at bank and cash equivalents.
4. Total net debt is total borrowings less unrestricted cash and term deposits.

Outlook

The Company's strategic priorities over the next 12 months include:

- Delivering organic revenue growth through the implementation of approved NECAP Projects
- Progressing opportunities to capture long-term Bowen Basin metallurgical coal production via our continued review of terminal capacity, including optimisation of existing capacity utilisation and our economic assessments of the 8X Project
- Identifying opportunities for diversification through acquisition of assets that have a similar risk profile to the existing DBI business
- Retaining an investment grade credit rating through optimisation of the debt capital structure – tenor, pricing and diversity of source
- Continuing to explore and assess opportunities for future alternative uses of DBT, particularly in relation to new energy sources, such as hydrogen and associated products
- Delivering whole-of-terminal ESG and sustainability initiatives.

-ENDS-

Authorised for release 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 for metallurgical coal, DBI intends to deliver value to security holders through stable cashflows and ongoing investment to support distributions and 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.