ASX Release

24 February 2025

FY 2024 RESULTS

Key points

- Full year 2024 Group Replacement Cost Operating Profit (RCOP) Earnings Before Interest and Tax (EBIT) of $715.2 million and RCOP EBITDA of $1.2 billion, as reported in January 2025
- Statutory Net Profit After Tax (NPAT) (Attributable to Parent) of $122.5 million
- Growth in earnings from Convenience Retail and resilient performances from New Zealand and F&I Australia in challenging economic environments
- Declared a final dividend of 5 cents per share, fully franked. This takes the total ordinary dividends to 65 cents per share, fully franked, representing a 66% payout ratio of RCOP NPAT[1]

	Full year ending 31 December^		
Financial Results[2]	**2024 ($M)**	**2023 ($M)**	**Variance**
Group RCOP EBITDA (excluding Significant Items)	**1,199.4**	**1,755.5**	**(32%)**
Depreciation and Amortisation	(484.2)	(458.9)	5.5%
Lytton EBIT	*(42.3)*	*362.3*	*nm[3]*
Fuels and Infrastructure Australia (Ex-Lytton) EBIT	*251.6*	*280.0*	*(10%)*
Fuels and Infrastructure International EBIT	*26.3*	*138.7*	*(81%)*
Energy Solutions EBIT	*(49.3)*	*(44.4)*	*11%*
Fuels and Infrastructure EBIT	186.3	736.5	(75%)
Convenience Retail EBIT	356.6	354.6	0.6%
New Zealand EBIT	231.8	263.5	(12%)
Corporate EBIT	(59.5)	(58.0)	2.7%
Group RCOP EBIT (excluding Significant Items)	**715.2**	**1,296.6**	**(45%)**
Interest	(337.6)	(278.6)	21%
Non-controlling interest	(53.1)	(51.0)	4.2%
Tax	(89.7)	(226.9)	(60%)
RCOP NPAT[1] (excluding Significant Items)	**234.8**	**740.1**	**(68%)**
Inventory Gain/(Loss) after tax (incl. externalities realised FX)	(137.5)	(126.6)	8.6%
Significant Items Gain/(Loss) after tax	25.2	(64.4)	nm
Statutory NPAT (Attributable to Parent)	**122.5**	**549.1**	**(78%)**

Notes: ^ Adjusted for rounding. The applicable AUD/USD exchange rate for FY 2023 was 0.6644 and for FY 2024 was 0.6592

Ampol Limited (ASX:ALD) today announces its financial results for the 12 months ending 31 December 2024.

CEO Comments

Matt Halliday, Managing Director and CEO, said: “The 2024 financial year was one of challenging global refining and commodity markets that impacted both our Lytton refinery and Trading and Shipping operations.

“While these conditions were compounded by operational disruptions at Lytton, we took advantage of the softer conditions to complete necessary repairs. This has enabled us to start 2025 with the refinery resuming normal operations and to defer the major FCCU[4] maintenance shutdown into 2026.

“Our retail businesses were the highlight with Convenience Retail growing earnings again this year, while Z Energy delivered another resilient performance, both against the backdrop of economic environments where higher interest rates and inflation increased cost of living pressures on consumers.

"The performances of our retail business in both key markets, and of our Australian commercial fuels business, underscores the increased resilience of our business today. Not only has it enabled relatively strong core earnings to be delivered during the period, it has also meant we could take the decisions necessary in the refinery during the softer margin environment to set us up for a clear run in 2025."

Convenience Retail (CR)

Convenience Retail has continued to grow earnings with RCOP EBIT up $2.0 million to $356.6 million. Our strategy to position the Ampol company owned network at the premium end of the fuel and convenience market continues to prove effective. In fuel, the combination of brand and network quality has led to an increase in premium fuel mix and growth in average fuel margins. So, while fuel volumes were down 3.5%, this was mostly in base grades which is lower margin and where demand is more susceptible to movements in the price board.

In the shop, network shop sales, excluding tobacco, grew 2.0% as key categories of beverages, food service, confectionary and snacks continued to grow. We launched monthly targeted 'Crave 'N Save' promotions during 2024 in response to a tougher consumer environment that focused on delivering value to our customers. Meanwhile efforts to reduce our exposure to tobacco in recent years has meant we have been less impacted by the significant shift of these products into illicit markets. The combination of these strategies has led to Ampol holding Average Basket Value and growth in shop gross margin[5] to 37.3% post waste and shrink.

We continue to invest in the network with increasing segmentation of our offer being a key strategic focus. We have progressed our investment in highway sites with completion of the NSW M1 sites and commencement of the rebuild of the NSW M4 sites at Eastern Creek. We are exploring options for our food services strategy including initial pilots of a rejuvenated offer for our hot kitchens while our franchised QSR operations expanded further with two of Australia's largest Hungry Jack's stores at the NSW M1 and seven new Boost Juice counters across the network.

New Zealand (including Z Energy)

The New Zealand segment exhibited similar trends to Convenience Retail, albeit in a more difficult economy. RCOP EBIT was $231.8 million, broadly in line with the 2023 result after adjusting for the one-off benefits of the fuel excise duty being reinstated (from a temporary reduction in 2022) in the 2023 comparative year.

Fuel sales volumes declined 1.4%, on a like for like basis, once adjusted for the exit of the bitumen and avgas businesses in 2023. The New Zealand business benefited from improved segmentation of its offer, with Z's premium offer and network being complemented by a clear offer in the discount end of the market through the relationship with Foodstuffs. The latter benefited from an uptick in volume as consumers sought discount fuel offers in response to cost of living pressures.

In the shop, the investment in the retail refresh program has delivered benefits with total sales, excluding tobacco, growing by 3.5% year on year, including in key higher margin food and beverage categories. A total of 58 Z retail refresh upgrades have been completed with a further 25 stores planned for 2025.

Z has also continued to execute on its energy transition strategy, growing its public charging network to 171 charge bays at 53 sites by the end of 2024.

Fuels and Infrastructure (F&I)

Fuels and Infrastructure RCOP EBIT for the 2024 financial year was $186.3 million, including a loss of $39.7 million in the second half due to a material deterioration in global refining conditions and due to a series of planned and unplanned impacts to production at Lytton.

The combination of these factors led to the full year 2024 Lytton Refiner Margin (LRM) of US$7.08 per barrel compared with US$12.81 per barrel in 2023. Total refinery production was 5,261 million litres and high value production also declined to 4,846 million litres, partially contributing to the lower realised LRM. After two years of above cycle earnings, the refinery reported a loss of $42.3 million including the impact of planned and unplanned events of approximately $140 million. Ampol did not receive any Fuel Security Services Payment during the year.

F&I Australia (Ex-Lytton) earnings were $251.6 million. Having performed strongly across much of the year, the unplanned events at the refinery led to higher one-off costs to maintain supply to our customers. These include higher costs for replacement product sourced from other domestic market participants and additional costs for coastal freight and product freight demurrage, estimated at approximately $25 million. Total Australian sales volumes were 15.4 billion litres, down 1.3% as growth in diesel sales partially offset the decline in aviation fuel sales to Defence.

As outlined in previous trading updates throughout the year, the F&I International business saw limited value creating opportunities in a regional market that was well supplied with relatively low levels of volatility during the period. RCOP EBIT declined to $26.3 million compared with the record $138.7 million earned in 2023, a period which benefited from high volatility in refined product markets. International fuel sales (excluding New Zealand) were 8,116 million litres, down 4.0% on the prior year.

Energy Solutions (formerly Future Energy) continued the rollout of the AmpCharge on-the-go electric vehicle (EV) charging network in Australia. By the end of December 2024, 144 charging bays at 59 sites have been delivered in Australia. We have extended the public charging network beyond Ampol's convenience network and into third party sites including Mirvac Shopping Centres. We continue to explore other low carbon[6] transport solutions including renewable fuels[7] for hard to abate sectors. The Brisbane Renewable Fuels project has transitioned into pre-FEED and through the Memorandum of Understanding with IFM and GrainCorp we are working together to explore the establishment of an integrated renewable fuels industry in Australia.

Balance sheet

Net borrowings at 31 December 2024 were $2,766 million, compared with $2,195 million at 31 December 2023, the increase was largely driven by combined final and special dividend for the 2023 financial year, paid in the first half of 2024, a period that subsequently delivered reduced earnings and included a higher than average capital expenditure program ($642 million[8] versus $521 million in 2023).

Leverage at 31 December 2024 was 2.6 times Adj. Net Debt / RCOP EBITDA (last 12 months) and is expected to move back into the target range of 2.0 to 2.5 times during 2025.

Final dividend

The Board has declared a final ordinary dividend of 5 cents per share, fully franked. This takes full year ordinary dividends to 65 cents per share, fully franked, representing a 66% payout ratio of 2024 RCOP NPAT (Attributable to Parent) excluding Significant Items.

The record and payment dates for the ordinary dividend are 10 March 2025 and 3 April 2025 respectively.

Current trading conditions and outlook

Convenience Retail commenced the year solidly, albeit in a rising fuel price environment. Green shoots of improved trading conditions are evident in New Zealand as the benefits of the rate cutting cycle take effect.

The Lytton Refiner Margin for January was US$6.31 per barrel, above the LRM for December 2024, but below historical averages due to lagging crude premiums and short-term compression of the freight differential. During February, Singapore product cracks have continued to strengthen by approximately US$2 per barrel. The refinery is operating normally which should also benefit F&I Australia due to lower cost of product supply and demurrage.

Overall markets have seen an uplift in uncertainty due to global political dynamics and trade policy speculation. While it is too early to be conclusive on the implications, the integrated nature of Ampol's value chain means we are well placed to navigate changing conditions through our Trading and Shipping operations which should benefit F&I International.

We have made good progress on our productivity program to deliver $50 million in (nominal) cost reduction benefits in 2025. As part of this, operating expenditure investment in Energy Solutions peaked in 2024 and is expected to reduce over the coming years.

Beyond the short term, Ampol is progressing the Ultra Low Sulfur Fuels project and expects to commission the facility towards the end of 2025 with 10ppm sulfur gasoline expected to trade at a premium to the current Australian specification, over time. We continue to pursue our segmentation strategy in convenience retail offers in both Australia and New Zealand. These networks and our fuel supply chain, underpinned by the strength of our infrastructure, will provide Ampol with the flexibility to adapt its approach to the energy transition as it evolves.

Webcast and conference call

Ampol is hosting an investor call to discuss its FY 2024 results at 10.00am (AEDT) on 24 February 2025. To participate in the call, pre-registration is available via https://s1.c-conf.com/diamondpass/10043968-jk8uy7.html or investors can listen in via the webcast on our website: https://www.ampol.com.au/about-ampol/investor-centre.

Authorised for release by: the Board of Ampol Limited.

Notes:

1. *Attributable to equity holders of the Parent and excluding Significant Items, where Parent is Ampol Limited*
2. *References to RCOP EBITDA and RCOP EBIT are excluding Significant Items unless otherwise stated. A reconciliation between the statutory and RCOP results can be found in note B3 of the Financial Statements. See table below for breakdown of RCOP EBITDA*
3. *Not meaningful*
4. *Fluidised Catalytic Cracking Unit*
5. *Shop gross margin (post waste and shrink) includes our quick service restaurant (QSR) operations*
6. *Low carbon refers to lower levels of greenhouse gas (GHG) emissions when compared to the current state. Where used in relation to Ampol's actions, products or portfolio, it refers to enhancement of existing methods, practices and technologies to lower the level of embodied GHG emissions as compared to the current state*
7. *Renewable fuels is an industry term used for liquid hydrocarbons made from non-petroleum based renewable feedstocks such as purpose grown biomass, or from waste material such as tallow or used cooking oil. It captures Sustainable Aviation Fuel (SAF) and Renewable Diesel*
8. *Net capital expenditure includes proceeds from divestments and the benefit of grants and subsidies but excludes capitalised interest*

RCOP EBITDA BREAKDOWN

	Full year ending 31 December^		
Financial Results	**2024 ($M)**	**2023 ($M)**	**Variance**
Lytton EBITDA	*23.4*	*423.6*	*(95%)*
Fuels and Infrastructure Australia EBITDA	*344.0*	*371.0*	(7.3%)
Fuels and Infrastructure International EBITDA	*27.3*	*139.4*	(80%)
Energy Solutions EBITDA	*(45.5)*	*(43.0)*	6.0%
Fuels and Infrastructure EBITDA	349.1	891.0	(61%)
Convenience Retail EBITDA	544.6	538.0	1.2%
New Zealand EBITDA	351.4	372.8	(5.7%)
Corporate EBITDA	(45.7)	(46.3)	(1.3%)
Group RCOP EBITDA (excluding Significant Items)	**1,199.4**	**1,755.5**	**(32%)**

Notes: ^ Adjusted for rounding. The applicable AUD/USD exchange rate for FY 2023 was 0.6644 and for FY 2024 was 0.6592

AMPOL LIMITED
ACN 004 201 307

29-33 BOURKE ROAD
ALEXANDRIA NSW 2015

INVESTOR CONTACT
FRAN VAN REYK
GENERAL MANAGER INVESTOR
RELATIONS AND SUSTAINABILITY
M +61 419 871138
FRANCES.VANREYK@AMPOL.COM.AU

MEDIA CONTACT
MATT PATERSON
EXTERNAL COMMUNICATIONS MANAGER
M +61 402 140757
MPATERS@AMPOL.COM.AU