

ASX/NZX Release



25 October 2023

3Q 2023 TRADING UPDATE

Key points

- Third Quarter unaudited Group Replacement Cost Operating Profit (RCOP) EBIT of \$438.2 million, up 65 per cent on the prior corresponding period
- Group total fuel sales volume up¹ 26 per cent with Australian fuel sales volume growing by 11 per cent, Z Energy sales volume up 8.5 per cent and stronger international third-party spot sales compared to the third quarter last year
- Lytton Refiner Margin (LRM)² of US\$19.69 per barrel for the third quarter remained above long-term averages

	3Q 2023	3Q 2022	Variance (%)
LRM	US\$19.69/bbl	US\$15.46/bbl	27%
Refinery production	1,569 ML	1,546 ML	1.5%
Convenience Retail fuel sales volume	920 ML	980 ML ³	(6.2%)/(6.0%) LFL ⁴
Australian wholesale fuel sales volume	3,147 ML	2,680 ML	17%
Subtotal Australian fuel sales volume	4,067 ML	3,661 ML	11%
International fuel sales volume	1,934 ML	985 ML	96%
Z Energy fuel sales volume	1,052 ML	969 ML	8.5%
Total fuel sales volume (Ampol Group)	7,054 ML	5,615 ML	26%

Ampol Limited (ASX/NZX:ALD) today provides an update on trading conditions and operational performance for the third quarter of its 2023 financial year.

The unaudited Group RCOP EBIT for the third quarter of 2023 was \$438.2 million, up 65 per cent on the prior corresponding period driven by strong refiner margins and a strong result in Fuels and Infrastructure (F&I) (Ex-Lytton) as a result of Trading and Shipping gains during the quarter.

LRM for the third quarter of 2023 was US\$19.69 per barrel with strength in both gasoline and diesel product cracks. This compares favourably to the US\$15.46 per barrel realised in the third quarter of 2022 and the US\$10.29 per barrel realised for the first half of this year. Refinery production for the quarter was 1,569 ML including a return to the normal mix of high value product following the restart of the Fluidised Catalytic Cracking Unit in May. Since the end of September, gasoline cracks have softened, while middle distillate (diesel and jet) cracks have also eased but remain well above historic averages.

In F&I (Ex-Lytton), Australian fuel sales volume grew by 11 per cent compared to the prior corresponding period with growth across diesel and jet as the post-COVID recovery in aviation continued. International sales volume for the quarter increased by 96 per cent due to lower third-party spot sales in the prior corresponding period. The Trading and Shipping team delivered a particularly strong performance in the quarter, in terms of both physical supply and associated price risk management. The realisation of these gains in 3Q 2023 helps to underpin the second half result for F&I (Ex-Lytton).

Convenience Retail sales volumes were broadly in line with the second quarter and down 6.0 per cent on a like for like basis compared to the third quarter last year which benefited from particularly strong demand ahead of the reintroduction of full fuel excise on 29 September 2022. July fuel margins softened due to rapidly rising wholesale product prices and the lag in flowing these higher costs to retail board prices. Fuel margins improved later in the quarter as input costs stabilised. Shop sales (ex-tobacco) were up¹ 0.8 per cent on a like for like basis and average basket value increased compared to the same time last year despite the reduction in tobacco sales.

Z Energy grew¹ third quarter fuel sales volumes by 8.5 per cent compared to the same period last year, largely through wholesale supply channels. Like Australia, New Zealand retail fuel margins were also impacted early in the quarter as the pass through to retail board prices lagged the rising input costs but improved later in the quarter as input costs stabilised.

Authorised for release by: the Board of Ampol Limited.

Notes

1. Compared to third quarter of 2022.
2. Lytton Refiner Margin (LRM) represents the difference between the market value of importing a standard Lytton Refinery basket of products and the cost of importing the crude oil required to make that product basket.

The LRM is calculated in the following manner:

Weighted Singapore product prices (for a standard Lytton Refinery basket of products)

Less:	Reference crude price (the Ampol reference crude marker is Dated Brent)
Equals:	Singapore Weighted Average Margin (Dated Brent basis)
Plus:	Product quality premium
	Crude discount
	Product freight
Less:	Crude & Feedstock premium
	Crude freight
	Other related hydrocarbon costs
	Yield Loss
Equals:	Lytton Refiner Margin

The Lytton Refiner Margin is converted to an Australian dollar basis using the prevailing average monthly exchange rate.

3. Includes the benefit of strong demand prior to the reintroduction of full fuel excise on 29 September 2022.
4. Like for like basis adjusting for network changes.

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