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20 January 2021

Z Energy quarterly operating data

Operating results for 3QFY21

Z Group total marketing volume was 879 million litres (ml), down 16.5% versus PCP. Jet volume was 78ml, down 65.4% versus PCP with reduced international travel due to COVID-19.

Total marketing volume (ml)	3QFY21	3QFY20	%
Petrol	317	318	(0.3)
Diesel	437	419	4.3
Other (inc. Jet)	125	316	(60.4)
Total	879	1,053	(16.5)

Convenience store average weekly sales, on a like for like basis, increased 5.9% versus PCP. Investments in technology platforms, like pre-order coffee and continued expansion of the consumer convenience store offer have contributed to the positive result.

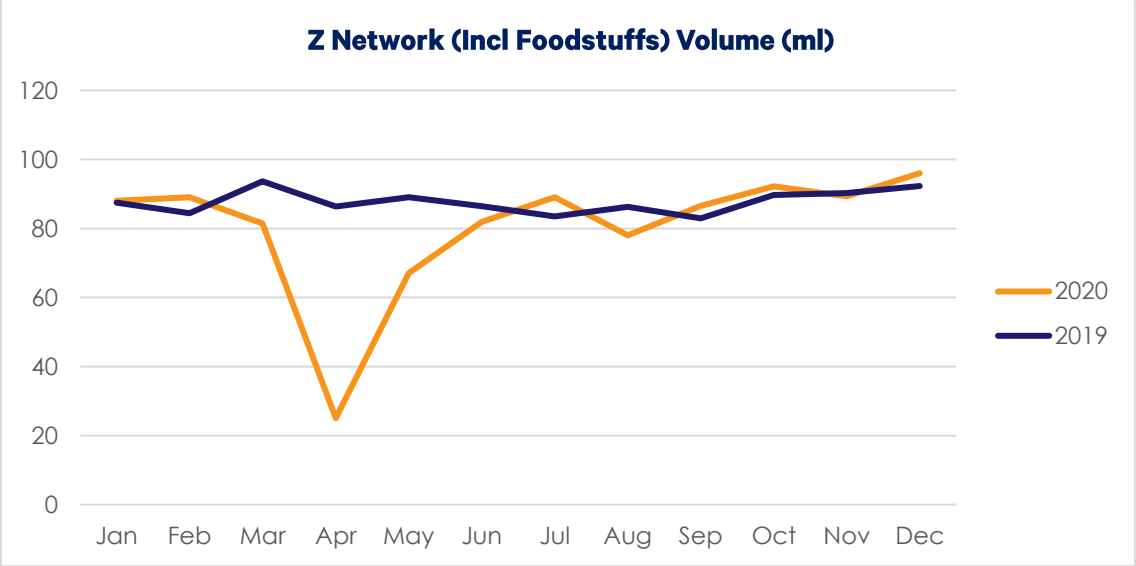
Commenting on the quarter's performance, Z Chief Executive Mike Bennetts said, "Z's volume throughout the quarter remained solid. We continue to see increased retail volume compared to the previous year in both Z and Caltex networks, despite not having the usual numbers of overseas tourists during the quarter.

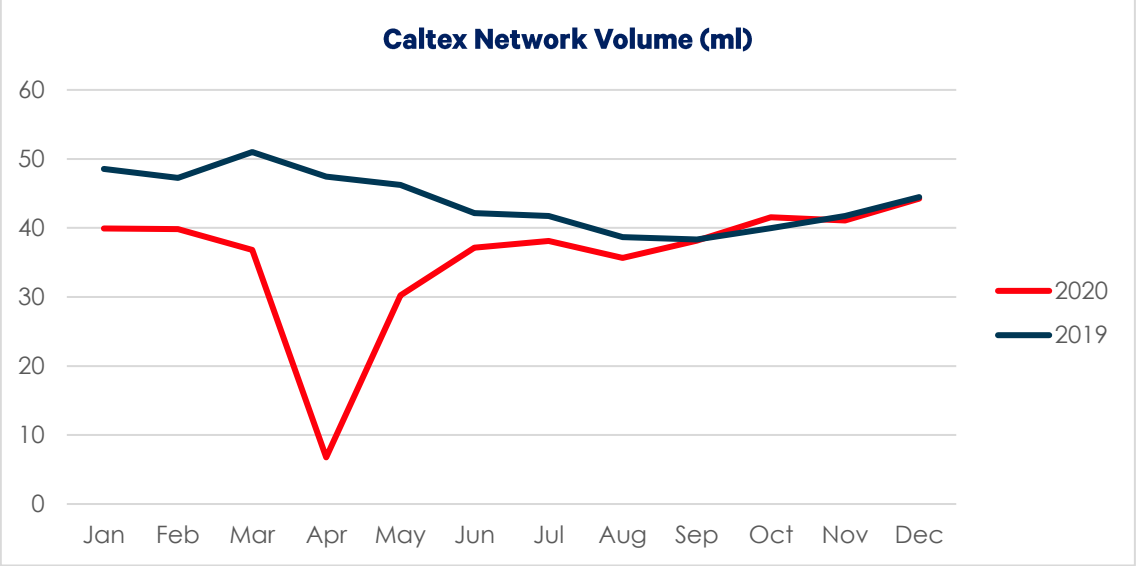
Retail competition remains intense. Rising crude oil input costs in December were only partially offset by the strength in the New Zealand dollar, which have contracted margins. However, our current volume-focused strategy is delivering to our expectations and our continued cost-out program means we can reaffirm our full year guidance," he added.

Current Trading Conditions

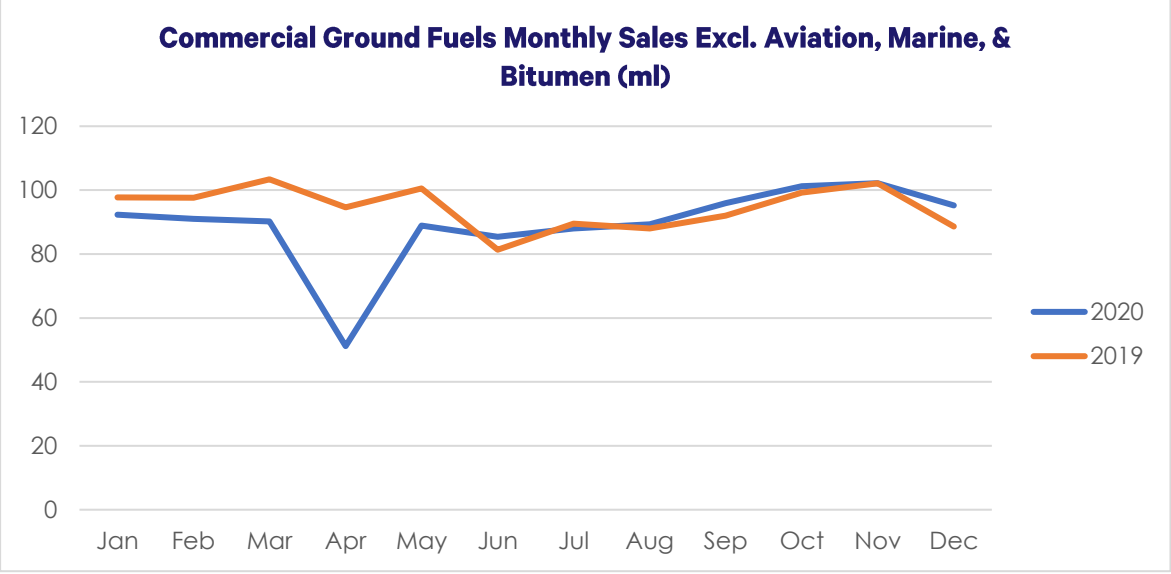
During the third quarter the Z retail network, including Foodstuffs, reported a YoY increase of 1.9% and the Caltex network increased volumes 0.6% over the same period. Caltex retail volumes for petrol and diesel were down 0.5% for December 2020 versus 2019 PCP and up 7.7% versus November 2020. Three Caltex sites were rebranded to Z sites in the second half of FY20. On a same-site basis, Caltex volume was up 1.1% versus 2019 PCP. Z continues to look at opportunities to optimise both networks with two more Caltex sites to be rebranded to Z in 4QFY21.

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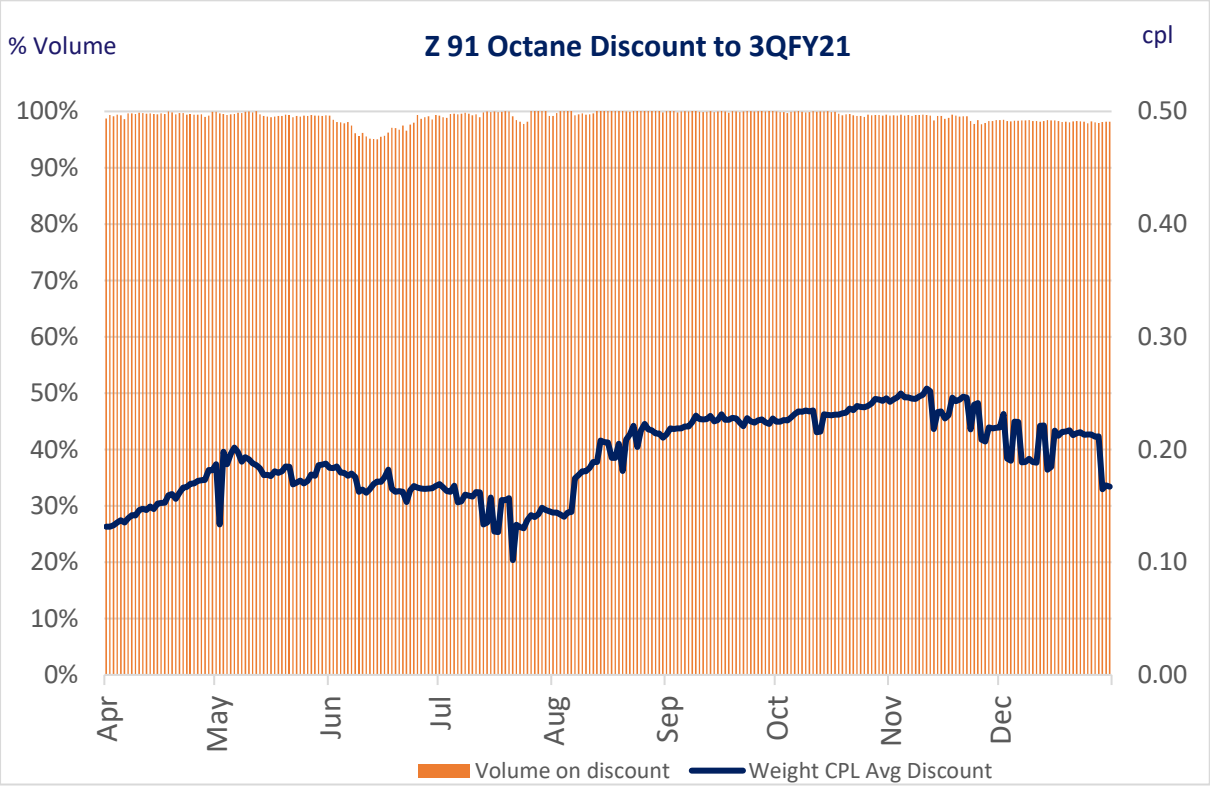
Commercial Ground Fuels volume was 3.0% above PCP. The investments made in Z for Business and a continued focus on customer needs have contributed to the strong result. Z BioD, at a B5 mix, was introduced to the Z Highbrook Truckstop in the quarter.



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Discounting

Discounting continues to be a significant factor in retail trading with well-over 90% of 91 Octane retail fuel volume, the most popular retail fuel by volume in New Zealand, being sold on a discount to Notional Main Port Price (NMPP). The weighted cents per litre discount to NMPP during the third quarter ranged between ~15cpl and ~25cpl.



Terminal Gate Sales

During the fourth quarter FY20 Z executed on its decision to maintain its own private stocks of product in Whakatū / Nelson outside of the 'Declared Shared Storage' system (more commonly referred to as 'Borrow and Loan') under the National Inventory Agreement. For the third quarter of FY21 Z supplied ~40 million litres of fuel to industry participants and customers from the Nelson terminal.

FY21 Guidance

Z reaffirms its FY21 RC EBITDAF guidance to be in the range of $235m to $265m. The impact on fuels margin of rising crude oil costs and continued retail discounting have been partially offset by a stronger New Zealand dollar and increased retail volume. Z remains on track to deliver the $48m structural cost-out program.

Monthly Volume Data

All volume in million litres (ml)	Nov 20	Dec 19	Dec 20
Petrol			
- Z Retail[1]	62.682	66.560	68.864
- Caltex Retail	28.202	31.232	30.719
Diesel[2]			
- Z Retail	26.707	25.768	27.165
- Caltex Retail	12.900	13.235	13.530
- Commercial	69.709	60.809	65.072
Other Commercial Fuels			
- Jet	24.463	82.502	26.891
- Marine Fuel Oil	1.231	14.304	0.684
- Bitumen	14.491	12.684	10.098
- Other	1.783	1.472	1.755
Supply			
- Domestic Petrol[3]	10.653	12.839	12.129
- Domestic Diesel[3]	36.730	33.847	34.879
- Industry & Export[4]	7.244	0.108	1.916
- Terminal Gate Sales	12.322	0.000	13.339

(1) Z retail includes the Foodstuffs network
(2) Diesel commercial includes Z and Caltex branded Truckstops, private Truckstops, Mini-Tankers and Marine diesel
(3) Supply Domestic Petrol & Diesel is the total bulk fuel delivered to distributor customers
(4) Supply Industry & Export includes domestic supply at Z terminals outside the NIA

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Operational data

For the quarter ended 31 December 2020

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Safety & Wellbeing (S&W)	December 2020	December 2019	September 2020
Lost time injuries	3	7	7
Spills to ground	0	2	0
Robberies[1]	1	3	2
Fuel quality incidents	0	0	0
Tier 1 / 2 Process safety incidents	0	0	0
Food safety incidents	0	0	0
Total recordable case frequency	0.81	1.76	1.6
Motor vehicle incidents frequency	2.45	0	0

Refining	December 2020	December 2019	September 2020
USD GRM per barrel	1.15[2]	2.62	(4.18)[3]
NZD GRM per barrel[4]	1.73	4.04	(6.34)

1 Robberies reported only relates to Z Retail sites. Caltex sites are owned and operated by independent retailers
2 This number is from Refining NZ published data for the September/October period
3 This number is from Refining NZ published data for the July/August period
4 The NZD conversion is calculated by Z

Operational data

For the quarter ended 31 December 2020

Fuels - All fuels in millions of litres	December 2020	December 2019	September 2020
Total NZ Fuel consumption[5]	-	-	1,900
Z Group total fuel volumes	931	1,092	834
Petrol - Z Retail[6]	196	194	177
- Caltex Retail	87	88	76
Diesel - Z Retail	81	78	77
- Caltex Retail	40	38	36
- Commercial	208	194	199
Other fuels	125	316	93
Supply - Domestic	142	145	127
- Industry & Export	14	39	12
- Terminal Gate sales	38	-	37

5 Based on MBIE Oil supply, transformation and consumption data tables excluding LPG. Data in not yet available for December 2020 quarter. This replaces Industry volumes previously reported as this is no longer available due to the Commerce Commission inquiry. Total NZ Fuel consumption does not include Bitumen and Lubricants

6 Z Retail volumes include volumes from 53 Foodstuffs sites

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Operational data

For the quarter ended 31 December 2020

Customer Experience	December 2020	December 2019	September 2020
Z Retail customer satisfaction[7]	92%	93%	92%
Total Z Retail transaction count	15.1 million	14.8 million	13.0 million
Z Retail: fuel-only transactions	7.3 million	7.4 million	6.4 million
Z Retail: fuel and store transactions	1.5 million	1.6 million	1.3 million
Z Retail: store only transactions	6.3 million	5.8 million	5.3 million
Z Average weekly store sales	$43,087	$40,906	$39,544
Z Average weekly store sales like-for-like	$43,639	$41,208	$40,218
Number of Z branded service stations	197	202	198
Number of EV charging stations	7	8	7
Caltex Retail customer satisfaction[7]	80%	84%	82%
Number of Caltex branded service stations	136	136	136
Number of truck stops[8]	151	154	152

7 Customer satisfaction determined using ongoing internal customer measurement
8 This figure represents the combined Z and Caltex branded truck stops

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