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Ms Yushra Haniff

Senior Adviser, ASX Compliance

ASX Limited

20 Bridge Street

Sydney NSW 2000

[ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@asx.com.au)**By email**

22 August 2025

Dear Ms Haniff

**AGL Energy Limited (AGL): ASX Aware Letter**

We refer to your letter dated 14 August 2025 (**Letter**). Please see our responses below to each of the questions in the Letter, which use the same numbering and definitions as the Letter.

- 1 **Does AGL consider that any measure of its statutory or underlying earnings for Financial Year ended 30 June 2025 as disclosed in the Results Announcements ('Earnings Information') differed materially from the market's expectations, having regard to the following three base indicators (in decreasing order of relevance and reliability):**
- 1.1 **If AGL had published earnings guidance, that guidance.**
  - 1.2 **If AGL is covered by sell-side analysts, the earnings forecasts of those analysts.**
  - 1.3 **If paragraphs 1.1 and 1.2 are not applicable, AGL's earnings for the prior corresponding period, being the financial year ended 20 June 2024.**

*Underlying EBITDA and Underlying NPAT*

AGL publishes earnings guidance in relation to Underlying EBITDA and Underlying Net Profit After Tax (**Underlying NPAT**). While AGL's sell-side analysts also provide forecasts across a broad range of measures, AGL publishes guidance on Underlying EBITDA and Underlying NPAT because they are the most relevant earnings metrics for AGL's analysts and investors in assessing AGL's performance and therefore are the primary focus of sell-side analysts.

AGL's dividend policy is also determined by reference to Underlying NPAT.

As further detailed in response to question 2 below, AGL does not consider that its Earnings Information for the year ended 30 June 2025 differed materially from the market's expectations based on AGL's published earnings guidance and the forecasts of sell-side analysts.

*Statutory performance*

AGL also announced a Statutory Profit after tax (**Statutory NPAT**) of \$(98) million, including significant items of \$(596) million (post-tax), which included an increase in onerous contracts of \$(398) million and Retail Transformation costs of \$(87) million, and a negative movement in the fair value of financial instruments of \$(142) million.

For the reasons detailed in response to question 2 below, AGL does not consider Statutory NPAT to be a reliable indicator of our earnings performance or a driver of analyst's valuations.

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2 Please explain the basis for the view provided in response to question 1. In doing so, please specify how AGL determined the market's expectations in relation to each relevant measure of its earnings, including:

- 2.1 If AGL had published earnings guidance, details of:
- 2.1.1 that guidance and when it was released to the market; and
  - 2.1.2 the date when the entity first became aware with a reasonable degree of certainty that its expected earnings for the relevant reporting period would vary from, or be in line with, that guidance.
- 2.2 If AGL used sell-side analyst forecasts to estimate the market's expectations of its earnings, details of:
- 2.2.1 the method that AGL used to translate sell-side analyst forecasts into its estimate of market expectations for each measure of earnings referred to in the Earnings Information and, in particular, whether or not AGL used a 'consensus estimate' or an 'adjusted consensus estimate' or a different specified approach for determining this estimate;
  - 2.2.2 the entity's estimate of market expectations using that method; and
  - 2.2.3 the date when the entity first became aware with a reasonable degree of certainty that its expected earnings for the relevant reporting period would vary from, or be in line with, its estimate of these expectations.

#### *Underlying EBITDA and Underlying NPAT*

AGL's most recent earnings guidance for FY25 was disclosed as part of its half-year results on 12 February 2025 as follows:

- FY25 Underlying EBITDA between \$1,935 and \$2,135 million; and
- FY25 Underlying NPAT between \$580 and \$710 million.

In the Results Announcements, AGL announced FY25 Underlying EBITDA of \$2,010 million and FY25 Underlying NPAT of \$640 million, both in line with, and at the midpoint of, the above guidance.

AGL's uses a 'consensus estimate' to estimate the market's expectations of its earnings. The estimate is based on the average of Underlying NPAT and Underlying EBITDA across the published reports of its 10 sell-side analysts. In tracking market consensus, AGL relies on the published reports of its analysts. AGL's estimate of market expectations using this method was FY25 Underlying NPAT of \$661 million and FY25 Underlying EBITDA of \$2,066 million, each being a 3% variation from the Earnings Information disclosed in the Results Announcements.

AGL undertakes a regular forecasting process, which confirms expectations for full year performance against earnings guidance and the consensus estimate. From the issue of AGL's revised guidance on 12 February 2025, AGL's regular forecasting process confirmed that AGL was performing materially in line with its published earnings guidance and the sell-side consensus estimate.

#### *Statutory performance*

AGL's statutory performance is subject to large variances year-on-year, including movements in the fair value of financial instruments and provisions that are non-cash in nature (from fluctuations in the mark-to-market impacts of future energy and green certificate pricing) and one-off items. For example, AGL's FY24 Statutory NPAT was \$711 million, and in FY23 AGL reported a Statutory NPAT of \$(1,264) million.



These large year-on-year variances, and the fact that they are driven by a range of market factors, mean that AGL does not consider that Statutory NPAT to be an earnings indicator that is meaningful to, or relied on by, analysts or investors.

Consistent with this, AGL does not publish guidance regarding its statutory performance.

Of the analysts that did include an estimate of Statutory NPAT in their published reports, the average of those estimates was \$372m. While the variation between this number and the reported Statutory NPAT seems significant in percentage terms, for the reasons outlined above, AGL:

- did not consider at any point during the finalisation of its Results Announcements when the work undertaken to update fair value estimates, non-cash provisions and other one-off items was coming together, that its statutory performance differed materially from market expectations; and
- remains of the view, including having regard to the broker reports have been issued since the release of the Earnings Information and feedback received during the Investor Roadshow, that the Statutory NPAT outcome has not driven recent share price movement.

**3 Does AGL consider that, at any point prior to the release of the Results Announcements, there was a variance between its expected earnings and its estimate of market expectations for the relevant reporting period of such a magnitude that a reasonable person would expect information about the variance to have a material effect on the price or value of AGL's securities?**

No.

**4 If the answer to question 3 is 'no', please provide the basis for that view.**

For the reasons detailed in response to question 2 above, AGL was operating well within its published earnings guidance and materially in line with market consensus at all relevant times since 12 February 2025 until the Results Announcements.

**5 If the entity first became aware of the variance before the release of Results Announcements, did AGL make any announcement prior to the release of the Results Announcements which disclosed the relevant variance? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe AGL was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps AGL took to ensure that the information was released promptly and without delay.**

Not applicable.

**6 Please provide details of any other explanation AGL may have for the trading in its securities following the release of the Results Announcements.**

AGL considers that there may be a variety of factors which may have influenced trading in its securities following the Results Announcements. Since the release of the Results Announcements, a number of broker reports have been issued and AGL has also been actively engaging with market participants as part of an Investor Roadshow.

Based on those reports and discussions, it appears that one key factor in the share price movement was AGL's FY26 Guidance. In addition, some analysts and investors have noted AGL's expectation of higher depreciation and coal and gas expenses in the future, which they believe may impact underlying profitability and dividends. While AGL's FY25 half-year reporting provided forward-looking information on expected depreciation and expenses, the Results Announcements built on this further.

**7 Please confirm that AGL is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.**

Confirmed.



- 8 **Please confirm AGL's responses to the above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its Board or an officer of AGL with delegated authority from the Board to respond to ASX on disclosure matters.**

This response has been approved and authorised by AGL's Market Disclosure Committee, in accordance with AGL's Market Disclosure Policy.

Yours sincerely

A handwritten signature in dark ink, appearing to read 'Melinda Hunter', with a long, sweeping horizontal flourish extending to the right.

Melinda Hunter  
General Counsel & Company Secretary

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14 August 2025

Reference: 111694

Ms Melinda Hunter  
Company Secretary  
AGL Energy Limited  
Level 24, 200 George St  
Sydney NSW 2000

By email

Dear Ms Hunter

**AGL Energy Limited('AGL'): ASX Aware Letter**

ASX refers to the following:

- A. AGL's announcements released on the ASX Market Announcements Platform on 13 August 2025 in connection with its full year results for the period ended 30/06/2025 (together, 'Results Announcements'), being:
- 1.1 'Appendix 4E and 2025 Annual Report', released at 8:27 AM AEST.
  - 1.2 'Dividend/Distribution – AGL', released at 8:29 AM AEST.
  - 1.3 'FY25 Results Announcement and FY26 Guidance', released at 8:34 AM AEST.
  - 1.4 'FY25 Results Presentation', released at 8:36 AM AEST.
  - 1.5 'Appendix 4G and 2025 Corporate Governance Statement', released at 08:42 AM AEST.
- B. The change in the price of AGL's securities from \$10.22 immediately prior to the release of the Results Announcements to a low of \$8.70 following the release of the Results Announcements.
- C. Listing Rule 3.1, which requires a listed entity to immediately give ASX any information concerning it that a reasonable person would expect to have a material effect on the price or value of the entity's securities.
- D. The definition of 'aware' in Chapter 19 of the Listing Rules, which states that:
- an entity becomes aware of information if, and as soon as, an officer of the entity (or, in the case of a trust, an officer of the responsible entity) has, or ought reasonably to have, come into possession of the information in the course of the performance of their duties as an officer of that entity.*
- E. Section 4.4 in *Guidance Note 8 Continuous Disclosure: Listing Rules 3.1 – 3.1B* titled 'When does an entity become aware of information?'
- F. Listing Rule 3.1A, which sets out exceptions from the requirement to make immediate disclosure as follows.
- 3.1A *Listing rule 3.1 does not apply to particular information while each of the following is satisfied in relation to the information:*
- 3.1A.1 *One or more of the following 5 situations applies:*
- *It would be a breach of a law to disclose the information;*
  - *The information concerns an incomplete proposal or negotiation;*

- *The information comprises matters of supposition or is insufficiently definite to warrant disclosure;*
- *The information is generated for the internal management purposes of the entity; or*
- *The information is a trade secret; and*

3.1A.2 *The information is confidential and ASX has not formed the view that the information has ceased to be confidential; and*

3.1A.3 *A reasonable person would not expect the information to be disclosed.*

- G. ASX's policy position on 'market sensitive earnings surprises', which is detailed in section 7.3 of Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. In particular:

*...If an entity becomes aware that its earnings for the current reporting period will differ materially (downwards or upwards) from market expectations, it needs to consider carefully whether it has a legal obligation to notify the market of that fact...*

*...An earnings surprise will need to be disclosed to the market under Listing Rule 3.1 if it is market sensitive – that is, it is of such a magnitude that a reasonable person would expect information about the earnings surprise to have a material effect on the price or value of the entity's securities...*

#### **Request for information**

Having regard to the above, ASX asks AGL to respond separately to each of the following questions and requests for information:

1. Does AGL consider that any measure of its statutory or underlying earnings for Financial Year ended 30 June 2025 as disclosed in the Results Announcements ('Earnings Information') differed materially from the market's expectations, having regard to the following three base indicators (in decreasing order of relevance and reliability):
  - 1.1 If AGL had published earnings guidance, that guidance.
  - 1.2 If AGL is covered by sell-side analysts, the earnings forecasts of those analysts.
  - 1.3 If paragraphs 1.1 and 1.2 are not applicable, AGL's earnings for the prior corresponding period, being the financial year ended 30 June 2024.

Please answer separately for each measure of earnings referred to in the Earnings Information. In your response, please have regard to ASX's commentary in paragraphs 4(a) and 4(b) of section 7.3 of Guidance Note 8 about when a variation from market expectations may be material.

2. Please explain the basis for the view provided in response to question 1. In doing so, please specify how AGL determined the market's expectations in relation to each relevant measure of its earnings, including:
  - 2.1 If AGL had published earnings guidance, details of:
    - 2.1.1 that guidance and when it was released to the market; and
    - 2.1.2 the date when the entity first became aware with a reasonable degree of certainty that its expected earnings for the relevant reporting period would vary from, or be in line with, that guidance.
  - 2.2 If AGL used sell-side analyst forecasts to estimate the market's expectations of its earnings, details of:

- 2.2.1 the method that AGL used to translate sell-side analyst forecasts into its estimate of market expectations for each measure of earnings referred to in the Earnings Information and, in particular, whether or not AGL used a 'consensus estimate' or an 'adjusted consensus estimate' or a different specified approach for determining this estimate;
  - 2.2.2 the entity's estimate of market expectations using that method; and
  - 2.2.3 the date when the entity first became aware with a reasonable degree of certainty that its expected earnings for the relevant reporting period would vary from, or be in line with, its estimate of these expectations.
- 2.3 If paragraphs 2.1 and 2.2 are not applicable, the date when the entity first became aware with a reasonable degree of certainty that its expected earnings for the relevant reporting period would vary from, or be in line with, AGL's earnings for the prior corresponding period.
3. Does AGL consider that, at any point prior to the release of the Results Announcements, there was a variance between its expected earnings and its estimate of market expectations for the relevant reporting period of such a magnitude that a reasonable person would expect information about the variance to have a material effect on the price or value of AGL's securities?
- Please answer separately for each measure of earnings referred to in the Earnings Information.
4. If the answer to question 3 is 'no', please provide the basis for that view.
  5. If the entity first became aware of the variance before the release of Results Announcements, did AGL make any announcement prior to the release of the Results Announcements which disclosed the relevant variance? If so, please provide details. If not, please explain why this information was not released to the market at an earlier time, commenting specifically on when you believe AGL was obliged to release the information under Listing Rules 3.1 and 3.1A and what steps AGL took to ensure that the information was released promptly and without delay.
  6. Please provide details of any other explanation AGL may have for the trading in its securities following the release of the Results Announcements.
  7. Please confirm that AGL is in compliance with the Listing Rules and, in particular, Listing Rule 3.1.
  8. Please confirm that AGL's responses to the questions above have been authorised and approved in accordance with its published continuous disclosure policy or otherwise by its board or an officer of AGL with delegated authority from the board to respond to ASX on disclosure matters.

#### When and where to send your response

This request is made under Listing Rule 18.7. Your response is required as soon as reasonably possible and, in any event, by no later than **3:30 PM AEST Tuesday, 19 August 2025**.

You should note that if the information requested by this letter is information required to be given to ASX under Listing Rule 3.1 and it does not fall within the exceptions mentioned in Listing Rule 3.1A, AGL's obligation is to disclose the information 'immediately'. This may require the information to be disclosed before the deadline set out above and may require AGL to request a trading halt immediately if trading in AGL's securities is not already halted or suspended.

Your response should be sent by e-mail to [ListingsComplianceSydney@asx.com.au](mailto:ListingsComplianceSydney@asx.com.au). It should not be sent directly to the ASX Market Announcements Office. This is to allow us to review your response to confirm that it is in a form appropriate for release to the market, before it is published on the ASX Market Announcements Platform.

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### **Suspension**

If you are unable to respond to this letter by the time specified above, ASX will likely suspend trading in AGL's securities under Listing Rule 17.3.

### **Listing Rules 3.1 and 3.1A**

In responding to this letter, you should have regard to AGL's obligations under Listing Rules 3.1 and 3.1A and also to Guidance Note 8 *Continuous Disclosure: Listing Rules 3.1 – 3.1B*. It should be noted that AGL's obligation to disclose information under Listing Rule 3.1 is not confined to, nor is it necessarily satisfied by, answering the questions set out in this letter.

### **Release of correspondence between ASX and entity**

We reserve the right to release all or any part of this letter, your reply and any other related correspondence between us to the market under Listing Rule 18.7A. The usual course is for the correspondence to be released to the market.

Yours sincerely

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ASX Compliance