

**AMERIGAS PARTNERS, L.P.
AND SUBSIDIARIES
QUARTERLY REPORT**

for the three and six months ended March 31, 2025 and 2024

AmeriGas Partners, L.P. (“AmeriGas Partners”) is an indirect, wholly owned subsidiary of UGI Corporation (“UGI”), with no class of securities registered under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). As a result, AmeriGas Partners is not subject to the current and periodic reporting requirements of the Exchange Act. This quarterly report is provided to bondholders for informational purposes only pursuant to contractual requirements under certain indentures governing the rights of bondholders, and shall not constitute an offer to sell or the solicitation of an offer to buy any securities. As a result, none of UGI, AmeriGas Partners nor any of their respective affiliates accepts, and each specifically disclaims, any liability under federal securities laws whatsoever in connection with the provision of this quarterly report, including any liability under the Exchange Act or the Securities Act of 1933, as amended.

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GLOSSARY OF TERMS AND ABBREVIATIONS

Terms and abbreviations used in this Quarterly Report are defined below:

AmeriGas Partners, L.P. and Related Entities

AmeriGas Finance Corp. - A wholly owned subsidiary of AmeriGas Partners

AmeriGas OLP - AmeriGas Propane, L.P., the principal operating subsidiary of AmeriGas Partners

AmeriGas Partners - AmeriGas Partners, L.P., a Delaware limited partnership and an indirect wholly owned subsidiary of UGI

Energy Services - UGI Energy Services, LLC, a wholly owned subsidiary of Enterprises

Enterprises - UGI Enterprises, LLC, a wholly owned subsidiary of UGI

General Partner - AmeriGas Propane, Inc., an indirect wholly owned subsidiary of UGI and the general partner of AmeriGas Partners

Partnership - AmeriGas Partners and its consolidated subsidiaries, including AmeriGas OLP

UGI - UGI Corporation or, collectively, UGI Corporation and its consolidated subsidiaries

UGI International - UGI International, LLC, a wholly owned subsidiary of Enterprises

Other Terms and Abbreviations

2024 Annual Report - AmeriGas Partners' Annual Report for the fiscal year ended September 30, 2024

2024 six-month period - Six months ended March 31, 2024

2024 three-month period - Three months ended March 31, 2024

2025 six-month period - Six months ended March 31, 2025

2025 three-month period - Three months ended March 31, 2025

5.50% Senior Notes - An underwritten private offering of senior notes due May 2025, co-issued by AmeriGas Partners and AmeriGas Finance Corp

AmeriGas Senior Secured Revolving Credit Facility - Revolving credit agreement entered into by AmeriGas OLP on August 2, 2024 and scheduled to expire in August 2029

ASC - Accounting Standards Codification

ASC 606 - ASC 606, "Revenue from Contracts with Customers"

FDIC - Federal Deposit Insurance Corporation

Fiscal 2024 - The fiscal year ended September 30, 2024

Fiscal 2025 - The fiscal year ending September 30, 2025

GAAP - U.S. generally accepted accounting principles

MGP - Manufactured gas plant

NOAA - National Oceanic and Atmospheric Administration

NPNS - Normal purchase and normal sale

NYDEC - New York State Department of Environmental Conservation

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PRP - Potentially responsible party

ROD - Record of Decision

U.S. - United States of America

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES
FINANCIAL INFORMATION
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)
(Millions of dollars)

	March 31, 2025	September 30, 2024	March 31, 2024
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 44	\$ 6	\$ 108
Accounts receivable (less allowances for doubtful accounts of \$24, \$20 and \$27, respectively)	329	203	319
Inventories	148	141	162
Prepaid expenses and other current assets	74	71	68
Total current assets	595	421	657
Property, plant and equipment (less accumulated depreciation of \$1,742, \$1,697 and \$1,653, respectively)	910	951	989
Goodwill	1,141	1,141	1,354
Intangible assets, net	54	69	85
Other assets	369	372	367
Total assets	<u>\$ 3,069</u>	<u>\$ 2,954</u>	<u>\$ 3,452</u>
LIABILITIES AND PARTNER'S CAPITAL			
Current liabilities:			
Current maturities of long-term debt	\$ —	\$ 218	\$ —
Short-term borrowings	—	51	—
Accounts payable	152	110	151
Customer deposits and advances	53	80	57
Other current liabilities	225	224	242
Total current liabilities	430	683	450
Long-term debt	1,862	1,659	2,350
Other noncurrent liabilities	356	359	349
Total liabilities	<u>2,648</u>	<u>2,701</u>	<u>3,149</u>
Commitments and contingencies (Note 6)			
Partner's capital	421	253	303
Total liabilities and partner's capital	<u>\$ 3,069</u>	<u>\$ 2,954</u>	<u>\$ 3,452</u>

See accompanying notes to condensed consolidated financial statements.

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)
(Millions of dollars)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2025	2024	2025	2024
Revenues:				
Propane	\$ 784	\$ 726	\$ 1,339	\$ 1,281
Other	64	69	136	143
	<u>848</u>	<u>795</u>	<u>1,475</u>	<u>1,424</u>
Costs and expenses:				
Cost of sales — propane (excluding depreciation and amortization shown below)	383	311	637	581
Cost of sales — other (excluding depreciation and amortization shown below)	16	17	35	36
Operating and administrative expenses	257	264	493	514
Depreciation and amortization	45	44	90	88
Other operating expense (income), net	(10)	(8)	(18)	(19)
	<u>691</u>	<u>628</u>	<u>1,237</u>	<u>1,200</u>
Operating income	157	167	238	224
Interest expense	(37)	(40)	(70)	(81)
Income before income taxes	120	127	168	143
Income tax benefit (expense)	1	(1)	—	(1)
Net income	<u>\$ 121</u>	<u>\$ 126</u>	<u>\$ 168</u>	<u>\$ 142</u>

See accompanying notes to condensed consolidated financial statements.

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(Millions of dollars)

	Six Months Ended March 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 168	\$ 142
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	90	88
Provision for uncollectible accounts	18	20
Change in unrealized gains and losses on derivatives instruments	(10)	(28)
Other, net	(5)	(2)
Net change in:		
Accounts receivable	(144)	(93)
Inventories	(7)	(7)
Accounts payable	42	6
Derivative instruments collateral deposits received (paid)	1	2
Other current assets	1	3
Other current liabilities	(22)	(26)
Net cash provided by operating activities	<u>132</u>	<u>105</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditures for property, plant and equipment	(39)	(44)
Proceeds from disposals of assets	14	17
Net cash provided (used) by investing activities	<u>(25)</u>	<u>(27)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Capital contributions	—	20
Increase (decrease) in short-term borrowings	(51)	—
Issuances of long-term debt, net of issuance costs	221	—
Repayments of long-term debt, including redemption premiums	(239)	(38)
Net cash provided (used) by financing activities	<u>(69)</u>	<u>(18)</u>
Cash and cash equivalents increase (decrease)	<u>\$ 38</u>	<u>\$ 60</u>
CASH AND CASH EQUIVALENTS		
Cash and cash equivalents at end of period	\$ 44	\$ 108
Cash and cash equivalents at beginning of period	6	48
Cash and cash equivalents increase (decrease)	<u>\$ 38</u>	<u>\$ 60</u>

See accompanying notes to condensed consolidated financial statements.

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF PARTNER'S CAPITAL
(unaudited)
(Millions of dollars)

	Three Months Ended March 31,		Six Months Ended March 31,	
	2025	2024	2025	2024
Balance, beginning of period	\$ 300	\$ 157	\$ 253	\$ 141
Net income	121	126	168	142
Capital contributions	—	20	—	20
Balance, end of period	<u>\$ 421</u>	<u>\$ 303</u>	<u>\$ 421</u>	<u>\$ 303</u>

See accompanying notes to condensed consolidated financial statements.

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

(unaudited)

(Millions of dollars, except where indicated otherwise)

Note 1 — Nature of Operations

AmeriGas Partners conducts a national propane distribution business through its principal operating subsidiary AmeriGas OLP. AmeriGas Partners and AmeriGas OLP are Delaware limited partnerships. AmeriGas OLP is engaged in the distribution of propane and related equipment and supplies. AmeriGas OLP comprises the largest retail propane distribution business in the U.S. based on the volume of propane gallons distributed annually, serving residential, commercial, industrial, motor fuel and agricultural customers in all 50 states.

UGI's wholly owned second-tier subsidiary, AmeriGas Propane, Inc. serves as the general partner of AmeriGas Partners. AmeriGas Propane GP, LLC, a wholly owned subsidiary of AmeriGas Partners, is the general partner of AmeriGas OLP.

AmeriGas Partners and AmeriGas OLP have no employees. Employees of the General Partner conduct, direct and manage our operations. The General Partner is reimbursed monthly for all direct and indirect expenses it incurs on the Partnership's behalf (see Note 9).

Note 2 — Summary of Significant Accounting Policies

The accompanying condensed consolidated financial statements are unaudited and have been prepared in accordance with GAAP. They include all adjustments which we consider necessary for a fair statement of the results for the interim periods presented. Such adjustments consist only of normal recurring items unless otherwise disclosed. The September 30, 2024, Condensed Consolidated Balance Sheet was derived from audited financial statements but does not include all footnote disclosures from the annual financial statements.

These financial statements should be read in conjunction with the financial statements and related notes included in the Partnership's 2024 Annual Report. Weather significantly impacts demand for propane and profitability because many customers use propane for heating purposes. Due to the seasonal nature of the Partnership's propane business, the results of operations for interim periods are not necessarily indicative of the results to be expected for a full year.

Derivative Instruments. Derivative instruments are reported on the Condensed Consolidated Balance Sheets at their fair values, unless the NPNS exception is elected. The accounting for changes in fair value depends upon the purpose of the derivative instrument and whether it qualifies and is designated as a hedge for accounting purposes. We do not currently have derivative instruments that are designated and qualify as cash flow hedges. Changes in the fair values of our commodity derivative instruments that are not subject to the NPNS exception are reflected in "Cost of sales — propane" on the Condensed Consolidated Statements of Operations. Cash flows from commodity derivative instruments are included in cash flows from operating activities on the Condensed Consolidated Statements of Cash Flows.

For a more detailed description of the derivative instruments we use, our accounting for derivatives, our objectives for using them and other information, see Note 8.

Goodwill. We do not amortize goodwill, but test it at least annually for impairment at the reporting unit level. A reporting unit is an operating segment, or one level below an operating segment (a component) if it constitutes a business for which discrete financial information is available and regularly reviewed by segment management. Components are aggregated into a single reporting unit if they have similar economic characteristics. A reporting unit with goodwill is required to perform an impairment test annually or whenever events or circumstances indicate that the value of goodwill may be impaired.

As previously disclosed in Note 9 in the Partnership's 2024 Annual Report, a non-cash pre-tax goodwill impairment charge of \$213 was recognized in Fiscal 2024 to reduce the carrying value of the Partnership to its fair value. The Partnership continues to monitor for any changes in facts and circumstances that would indicate it is more likely than not that the fair value of the Partnership is less than its carrying amount. No such indicators were identified at March 31, 2025, however if the Partnership were not able to achieve its anticipated results and/or if its discount rate were to increase, its fair value would be adversely affected, which may result in further impairment. There was \$1.1 billion of goodwill as of March 31, 2025.

The Partnership will continue to monitor goodwill for any possible future non-cash impairment charges.

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

(unaudited)

(Millions of dollars, except where indicated otherwise)

Use of Estimates. The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, expenses and costs. These estimates are based on management’s knowledge of current events, historical experience and various other assumptions that are believed to be reasonable under the circumstances. Accordingly, actual results may be different from these estimates and assumptions.

Subsequent Events. Management has evaluated the impact of subsequent events through May 8, 2025, the date these condensed consolidated financial statements were issued and the effects, if any, of such evaluation have been reflected in the condensed consolidated financial statements and related disclosures.

Note 3 — Revenue from Contracts with Customers

We recognize revenue when control of the promised goods or services is transferred to customers in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services. See Note 3 in the Partnership’s 2024 Annual Report for additional information on our revenues from contracts with customers.

Revenue Disaggregation

The following table presents our disaggregated revenues:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2025	2024	2025	2024
Revenues from contracts with customers:				
Propane:				
Retail	\$ 749	\$ 697	\$ 1,282	\$ 1,230
Wholesale	35	29	57	51
Other	49	51	99	103
Total revenues from contracts with customers	833	777	1,438	1,384
Other revenues (a)	15	18	37	40
Total revenues	\$ 848	\$ 795	\$ 1,475	\$ 1,424

(a) Primarily represents revenues from tank rentals that are not within the scope of ASC 606 and accounted for in accordance with other GAAP.

Contract Balances

The timing of revenue recognition may differ from the timing of invoicing to customers or cash receipts. Contract assets represent the Partnership’s right to consideration after the performance obligations have been satisfied when such right is conditioned on something other than the passage of time. Contract assets were not material for all periods presented. Substantially all of the Partnership’s receivables are unconditional rights to consideration and are included in “Accounts receivable” on the Condensed Consolidated Balance Sheets. Amounts billed are generally due within the following month.

Contract liabilities arise when payment from a customer is received before the performance obligations have been satisfied and represent the Partnership’s obligations to transfer goods or services to a customer for which the Partnership has received consideration from the customer. The balances of contract liabilities were \$45, \$73 and \$48 at March 31, 2025, September 30, 2024 and March 31, 2024, respectively, and are included in “Customer deposits and advances” and “Other current liabilities” on the Condensed Consolidated Balance Sheets. Revenues recognized during the six months ended March 31, 2025 and 2024, from the amounts included in contract liabilities at September 30, 2024 and 2023, were \$43 and \$42, respectively.

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES**Notes to Condensed Consolidated Financial Statements**

(unaudited)

(Millions of dollars, except where indicated otherwise)

Remaining Performance Obligations

The Partnership excludes disclosures related to the aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied as of the end of the reporting period because these contracts have an initial expected term of one year or less or we have a right to bill the customer in an amount that corresponds directly with the value of services provided to the customer to date.

Note 4 — Inventories

Inventories comprise the following:

	March 31, 2025	September 30, 2024	March 31, 2024
Propane gas	\$ 110	\$ 102	\$ 119
Materials, supplies and other	38	39	43
Total inventories	\$ 148	\$ 141	\$ 162

Note 5 — Debt

The following significant financing activities occurred during Fiscal 2025.

AmeriGas Partners Senior Notes. On February 4, 2025, the Partnership borrowed \$221 pursuant to an intercompany loan agreement with UGI International as a lender. The intercompany loan agreement has a term of two years, maturing January 29, 2027, and bears interest at a rate of 9.13%. The intercompany loan is unsecured and subordinated to other obligations of the partnership. The Partnership is entitled to prepay all or part of any outstanding borrowings plus accrued interest, at any time as defined in the loan agreement. In March 2025, the Partnership, using the cash on hand from borrowings under the intercompany loan, redeemed all of the \$218 outstanding aggregate principal balance of the 5.50% Senior Notes due May 2025, plus accrued and unpaid interest. As of March 31, 2025, borrowings outstanding on the intercompany loan were \$200 and have been classified as “Long-term debt” on the Condensed Consolidated Balance Sheet.

AmeriGas Senior Secured Revolving Credit Facility. In October 2024, AmeriGas OLP amended the AmeriGas Senior Secured Revolving Credit Facility to increase total commitments from \$200 to a total of \$300. The maximum borrowings permitted to be made at any time under the Credit Agreement is equal to the lesser of (x) the Formula Amount for the borrowing base and (y) the Maximum Revolving Advance Amount, as defined in the agreement.

Note 6 — Commitments and Contingencies

Saranac Lake Environmental Matter. In 2008, the NYDEC notified AmeriGas OLP that the NYDEC had placed property purportedly owned by AmeriGas OLP in Saranac Lake, New York on the New York State Registry of Inactive Hazardous Waste Disposal Sites. A site characterization study performed by the NYDEC disclosed contamination related to a former MGP. AmeriGas OLP responded to the NYDEC in 2009 to dispute the contention it was a PRP as it did not operate the MGP and appeared to only own a portion of the site. In 2017, the NYDEC communicated to AmeriGas OLP that the NYDEC had previously issued three RODs related to remediation of the site totaling approximately \$28 and requested additional information regarding AmeriGas OLP’s purported ownership. AmeriGas OLP renewed its challenge to designation as a PRP and identified potential defenses. The NYDEC subsequently identified a third party PRP with respect to the site.

The NYDEC commenced implementation of the remediation plan in the spring of 2018. In Fiscal 2024, the NYDEC informed AmeriGas OLP that the remediation plan had been completed at a total cost of approximately \$19. The New York Office of the Attorney General, as counsel for the NYDEC, invited AmeriGas OLP to participate in settlement discussions. Based on our evaluation of the available information as of March 31, 2025, the Partnership has an undiscounted environmental remediation liability of \$8 related to the site. Our share of the actual remediation costs could be significantly more or less than the accrued amount.

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Notes to Condensed Consolidated Financial Statements

(unaudited)

(Millions of dollars, except where indicated otherwise)

In addition to the matter described above, there are other pending claims and legal actions arising in the normal course of our business. Although we cannot predict the final results of these pending claims and legal actions, we believe, after consultation with counsel, that the final outcome of these matters will not have a material effect on our financial statements.

Note 7 — Fair Value Measurements

Recurring Fair Value Measurements

The following table presents on a gross basis our derivative assets and liabilities including both current and noncurrent portions, that are measured at fair value on a recurring basis within the fair value hierarchy:

	Asset (Liability)			
	Level 1	Level 2	Level 3	Total
March 31, 2025:				
Assets:				
Commodity contracts	\$ —	\$ 4	\$ —	\$ 4
September 30, 2024:				
Assets:				
Commodity contracts	\$ —	\$ 1	\$ —	\$ 1
Liabilities:				
Commodity contracts	\$ —	\$ (7)	\$ —	\$ (7)
March 31, 2024:				
Assets:				
Commodity contracts	\$ —	\$ 7	\$ —	\$ 7
Liabilities:				
Commodity contracts	\$ —	\$ (4)	\$ —	\$ (4)

The fair values of our non-exchange traded commodity derivative contracts included in Level 2 are based upon indicative price quotations available through brokers, industry price publications or recent market transactions and related market indicators.

Other Financial Instruments

The carrying amounts of other financial instruments included in current assets and current liabilities (except for current maturities of long-term debt) approximate their fair values because of their short-term nature. We estimate the fair value of long-term debt by using current market rates and by discounting future cash flows using rates available for similar type debt (Level 2). The carrying amounts and estimated fair values of our long-term debt (including current maturities but excluding unamortized debt issuance costs) were as follows:

	March 31, 2025	September 30, 2024	March 31, 2024
Carrying amount	\$ 1,869	\$ 1,887	\$ 2,362
Estimated fair value	\$ 1,843	\$ 1,901	\$ 2,369

Financial instruments other than derivative instruments, such as short-term investments and trade accounts receivable, could expose us to concentrations of credit risk. We limit credit risk from short-term investments by investing only in investment-grade commercial paper, money market mutual funds, securities guaranteed by the U.S. Government or its agencies and FDIC insured bank deposits. The credit risk arising from concentrations of trade accounts receivable is limited because we have a large customer base that extends across many different U.S. markets. See Note 8 for information regarding concentrations of credit risk associated with our derivative instruments.

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES**Notes to Condensed Consolidated Financial Statements**

(unaudited)

(Millions of dollars, except where indicated otherwise)

Note 8 — Derivative Instruments and Hedging Activities

The Partnership is exposed to certain market risks associated with its ongoing business operations. Management uses derivative financial and commodity instruments, among other things, primarily to manage commodity price risk. Although we use derivative financial and commodity instruments to reduce market risk associated with forecasted transactions, we do not use derivative financial and commodity instruments for speculative or trading purposes. The use of derivative instruments is controlled by our risk management and credit policies which govern, among other things, the derivative instruments the Partnership can use, counterparty credit limits and contract authorization limits. Although our commodity derivative instruments extend over a number of years, a significant portion of our commodity derivative instruments economically hedge commodity price risk during the next twelve months. See Note 2 for additional information on the accounting for our derivative instruments.

Commodity Price Risk

In order to manage market risk associated with the Partnership's fixed-price programs, the Partnership uses over-the-counter derivative commodity instruments, principally price swap contracts. In addition, the Partnership, from time to time, enters into price swap agreements to reduce the effects of short-term commodity price volatility. At March 31, 2025, September 30, 2024 and March 31, 2024, total volumes associated with propane commodity derivatives totaled 56 million gallons, 132 million gallons and 119 million gallons, respectively. At March 31, 2025, the maximum period over which we are economically hedging propane market price risk is through May 31, 2026.

To mitigate short-term market volatility associated with commodity instruments, the Partnership from time to time enters into diesel swap contracts for a portion of diesel volumes expected to be used in the operation of vehicles and equipment. The volumes associated with diesel swap and steel hedge contracts were not material for all periods presented.

Derivative Instruments Credit Risk

The Partnership is exposed to credit loss in the event of nonperformance by our derivative instrument counterparties. Our derivative instrument counterparties principally comprise major energy companies and major U.S. financial institutions. We maintain credit policies with regard to our counterparties that we believe reduce overall credit risk. These policies include evaluating and monitoring our counterparties' financial condition, including their credit ratings, and entering into agreements with counterparties that govern credit limits. Certain of these agreements call for the posting of collateral by the counterparty or by the Partnership in the forms of letters of credit, parental guarantees or cash.

We have concentrations of credit risk associated with derivative instruments and we evaluate the creditworthiness of our derivative counterparties on an ongoing basis. As of March 31, 2025, the maximum amount of loss, based upon the gross fair values of the derivative instruments, we would incur if these counterparties failed to perform according to the terms of their contracts was not material. At March 31, 2025, the Partnership had received no cash collateral from derivative instrument counterparties. In addition, we may have offsetting derivative liabilities and certain accounts payable balances with certain of these counterparties, which further mitigates the previously mentioned maximum amount of losses. Certain of our derivative contracts have credit-risk-related contingent features that may require the posting of additional collateral in the event of a downgrade in the Partnership's debt rating. At March 31, 2025, if the credit-risk-related contingent features were triggered, the amount of collateral required to be posted would not be material.

Offsetting Derivative Assets and Liabilities

Derivative assets and liabilities are presented net by counterparty on the Condensed Consolidated Balance Sheets if the right of offset exists. Our derivative instruments comprise over-the-counter transactions. Over-the-counter contracts are bilateral contracts that are transacted directly with a third party. Certain over-the-counter contracts contain contractual rights of offset through master netting arrangements and contract default provisions. In addition, the contracts are subject to conditional rights of offset through counterparty nonperformance, insolvency, or other conditions.

In general, many of our over-the-counter transactions are subject to collateral requirements. Types of collateral generally include cash or letters of credit. Cash collateral paid by us to our over-the-counter derivative counterparties, if any, is reflected in the table below to offset derivative liabilities. Cash collateral received by us from our over-the-counter derivative

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Notes to Condensed Consolidated Financial Statements

(unaudited)

(Millions of dollars, except where indicated otherwise)

counterparties, if any, is reflected in the table below to offset derivative assets. Certain other accounts receivable and accounts payable balances recognized on the Condensed Consolidated Balance Sheets with our derivative counterparties are not included in the table below but could reduce our net exposure to such counterparties because such balances are subject to master netting or similar arrangements.

Fair Value of Derivative Instruments

The following table presents our derivative assets and liabilities by type, as well as the effects of offsetting:

	March 31, 2025	September 30, 2024	March 31, 2024
Derivative assets:			
Derivative assets not designated as hedging instruments:			
Commodity contracts	\$ 4	\$ 1	\$ 7
Total derivative assets — gross	4	1	7
Gross amounts offset in the balance sheet	—	(1)	(3)
Total derivative assets — net (a)	<u>\$ 4</u>	<u>\$ —</u>	<u>\$ 4</u>
Derivative liabilities:			
Derivative liabilities not designated as hedging instruments:			
Commodity contracts	\$ —	\$ (7)	\$ (4)
Total derivative liabilities — gross	—	(7)	(4)
Gross amounts offset in the balance sheet	—	1	3
Cash collateral pledged	—	1	—
Total derivative liabilities — net (a)	<u>\$ —</u>	<u>\$ (5)</u>	<u>\$ (1)</u>

(a) Derivative assets or liabilities with maturities less than one year, if any, are included in “Prepaid expenses and other current assets” or “Other current liabilities”, respectively, on the Condensed Consolidated Balance Sheets. Derivative assets or liabilities with maturities over one year, if any, are included in “Other assets” or “Other noncurrent liabilities,” respectively, on the Condensed Consolidated Balance Sheets.

Effects of Derivative Instruments

Derivative instruments net gains (losses) reflected on the Condensed Consolidated Statements of Operations comprise the following:

	Three Months Ended March 31,		Six Months Ended March 31,		Location of Gain (Loss) Recognized in Income
	2025	2024	2025	2024	
Derivatives Not Designated as Hedging Instruments:					
Commodity contracts	\$ 10	\$ 35	\$ 16	\$ 15	Cost of sales — propane

We are also a party to a number of contracts that have elements of a derivative instrument. These contracts include, among others, binding purchase orders, contracts that provide for the purchase and delivery of propane and service contracts that require the counterparty to provide commodity storage or transportation service to meet our normal sales commitments. Although certain of these contracts have the requisite elements of a derivative instrument, these contracts qualify for NPNS accounting under GAAP because they provide for the delivery of products or services in quantities that are expected to be used in the normal course of operating our business and the price in the contract is based on an underlying that is directly associated with the price of the product or service being purchased or sold.

AMERIGAS PARTNERS, L.P. AND SUBSIDIARIES

Notes to Condensed Consolidated Financial Statements

(unaudited)

(Millions of dollars, except where indicated otherwise)

Note 9 — Related Party Transactions

Partnership and Management Services Agreement. The General Partner is entitled to reimbursement for all direct and indirect expenses incurred or payments it makes on behalf of the Partnership. These costs include employee compensation and benefit expenses of employees of the General Partner and general and administrative expenses.

Administrative Services. UGI provides certain financial and administrative services to the General Partner. UGI bills the General Partner monthly for all direct and indirect corporate expenses incurred in connection with providing these services and the General Partner is reimbursed by the Partnership for these expenses. The allocation of indirect UGI corporate expenses to the Partnership utilizes a weighted, three-component formula based on the relative percentage of the Partnership’s revenues, operating expenses and net assets employed to the total of such items for all UGI operating subsidiaries for which general and administrative services are provided. The General Partner believes that this allocation method is reasonable and equitable to the Partnership.

In addition, UGI and certain of its subsidiaries provide office space, stop loss medical coverage and automobile liability insurance to the Partnership. These costs were not material during the three and six months ended March 31, 2025 and 2024.

Propane Purchases and Sales. AmeriGas OLP purchases propane on an as needed basis from Energy Services. The price of the purchases is generally based on market price at the time of purchase. The purchases of propane by AmeriGas OLP from Energy Services during the three and six months ended March 31, 2025 and 2024 were not material.

In addition, AmeriGas OLP sells propane to affiliates of UGI. These sales of propane to affiliates of UGI during the three and six months ended March 31, 2025 and 2024 were not material.

Intercompany Loan. On February 4, 2025, the Partnership borrowed \$221 pursuant to an intercompany loan agreement with UGI International as a lender. As of March 31, 2025, borrowings outstanding on the intercompany loan were \$200 and have been classified as “Long-term debt” on the Condensed Consolidated Balance Sheet. Interest accrued on the intercompany loan is included in “Other current liabilities” on the Condensed Consolidated Balance Sheet. See Note 5 for additional information on our intercompany loan agreement.

Contribution from Parent. During the six months ended March 31, 2024, UGI, through its operating subsidiaries, contributed \$20 in cash to the Partnership. The Partnership used these contributions to fund a portion of the repurchases of the senior notes and for other corporate purposes.

The following related party transactions are included in “Accounts receivable” and “Accounts payable” on the Condensed Consolidated Balance Sheets:

	March 31, 2025	September 30, 2024	March 31, 2024
Accounts receivable - related parties	\$ 6	\$ 6	\$ 6
Accounts payable - related parties	\$ 6	\$ 9	\$ 6

The following related party transactions are included in “Operating and administrative expenses” on the Condensed Consolidated Statements of Operations:

	Three Months Ended March 31,		Six Months Ended March 31,	
	2025	2024	2025	2024
Partnership and Management Services Agreement:				
Direct and indirect expenses incurred on behalf of the Partnership	\$ 134	\$ 136	\$ 261	\$ 269
Administrative Services:				
Administrative services provided by UGI	\$ 7	\$ 7	\$ 15	\$ 12

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

Information contained in this Quarterly Report contains forward-looking statements. Such statements use forward-looking words such as “believe,” “plan,” “anticipate,” “continue,” “estimate,” “expect,” “may,” or other similar words and terms of similar meaning, although not all forward-looking statements contain such words. These statements discuss plans, strategies, events or developments that we expect or anticipate will or may occur in the future.

A forward-looking statement may include a statement of the assumptions or bases underlying the forward-looking statement. We believe that we have chosen these assumptions or bases in good faith and that they are reasonable. However, we caution you against relying on any forward-looking statement as these statements are subject to risks and uncertainties that may cause actual results to vary from assumed facts or bases, and the differences between actual results and assumed facts or bases can be material, depending on the circumstances. When considering forward-looking statements, you should keep in mind those factors set forth in the Risk Factors section in the Partnership's 2024 Annual Report and the following important factors that could affect our future results and could cause those results to differ materially from those expressed in our forward-looking statements: (1) weather conditions, including increasingly uncertain weather patterns due to climate change, resulting in reduced demand, the seasonal nature of our business, and disruptions in our operations and supply chain; (2) cost volatility and availability of propane, as well as the availability of propane cylinders, and the capacity to transport propane to our customers; (3) changes in laws and regulations, including safety, health, tax, transportation, consumer protection, data privacy, accounting, trade restrictions and policies, such as tariffs and related sanctions, and environmental matters, such as regulatory responses to climate change; (4) competitive pressures from the same and alternative energy sources; (5) failure to acquire new customers or retain current customers thereby reducing or limiting any increase in revenues; (6) liability for environmental claims; (7) increased customer conservation measures due to high propane prices resulting in reduced demand; (8) our ability to attract, develop, retain and engage key employees; (9) customer, counterparty, supplier, or vendor defaults; (10) liability for uninsured claims and for claims in excess of insurance coverage, including those for personal injury and property damage arising from explosions, acts of war, terrorism, natural disasters, pandemics and other catastrophic events that may result from operating hazards and risks incidental to transporting, storing and distributing propane; (11) political, regulatory and economic conditions in the United States, the conflict in the Middle East, and the adoption and expansion of tariffs or other trade restrictions and policies; (12) credit and capital market conditions, including reduced access to capital markets and interest rate fluctuations; (13) changes in commodity market prices resulting in significantly higher cash collateral requirements; (14) the impact of pending and future legal or regulatory proceedings, inquiries or investigations; (15) the success of our strategic initiatives and investments that are intended to advance our business strategy; (16) the interruption, disruption, failure, malfunction, or breach of our information technology systems, and those of our third-party vendors or service providers, including due to cyber attack; (17) the impact of a material impairment of our assets; (18) uncertainties related to global pandemics; (19) the impact of changes in governmental policies related to tariffs, reciprocal and retaliatory tariffs, and other tariff-related measures, trade agreements, or policies; (20) our ability to protect our intellectual property; (21) our ability to overcome supply chain issues that may result in delays or shortages in, as well as increased costs of, equipment, materials or other resources that are critical to our business operations; and (22) our ability to control operating costs and realize cost savings.

These factors, and those factors set forth in the Risk Factors section in the Partnership's 2024 Annual Report are not necessarily all of the important factors that could cause actual results to differ materially from those expressed in any of our forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results. Any forward-looking statement speaks only as of the date on which such statement is made. We undertake no obligation (and expressly disclaim any obligation) to update any forward-looking statement whether as a result of new information or future events.

ANALYSIS OF RESULTS OF OPERATIONS

The following analyses compare the Partnership's results of operations for the 2025 three-month period with the 2024 three-month period and the 2025 six-month period with the 2024 six-month period.

Our results are significantly influenced by temperatures in our service territories particularly during the heating season months of October through March. As a result, our operating results, after adjusting for the effects of gains and losses on commodity derivative instruments not associated with current-period transactions as further discussed below, are significantly higher in our first and second fiscal quarters.

Non-GAAP Financial Measures

AmeriGas Partners’ management presents the non-GAAP measures “adjusted net income,” “adjusted total margin,” and “adjusted operating income” in order to assist in the evaluation of the Partnership’s overall performance. Management believes that these non-GAAP measures provide meaningful information to investors about AmeriGas Partners’ performance because they eliminate the impact of (1) changes in unrealized gains and losses on commodity derivative instruments not associated with current-period transactions and (2) other significant discrete items that can affect the comparison of period-over-period results. Non-GAAP financial measures are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not as a substitute for, the comparable GAAP measures.

AmeriGas Partners does not designate its commodity derivative instruments as hedges under GAAP. As a result, volatility in net income can occur as gains and losses on commodity derivative instruments not associated with current-period transactions, principally comprising non-cash changes in unrealized gains and losses, are reflected in cost of sales. However, we expect that such gains and losses on derivative instruments will be largely offset by gains and losses on anticipated future commodity purchases.

The following table includes reconciliations of adjusted total margin, adjusted operating income, and adjusted net income to the most directly comparable financial measures calculated and presented in accordance with GAAP for the periods presented:

(Dollars in millions)	Three Months Ended March 31,		Six Months Ended March 31,	
	2025	2024	2025	2024
Adjusted total margin:				
Total revenues	\$ 848	\$ 795	\$ 1,475	\$ 1,424
Cost of sales — propane	(383)	(311)	(637)	(581)
Cost of sales — other	(16)	(17)	(35)	(36)
Total margin	\$ 449	\$ 467	\$ 803	\$ 807
(Subtract net gains) add net losses on commodity derivative instruments not associated with current-period transactions	(3)	(34)	(10)	(28)
Adjusted total margin	\$ 446	\$ 433	\$ 793	\$ 779
Adjusted operating income:				
Operating income	\$ 157	\$ 167	\$ 238	\$ 224
(Subtract net gains) add net losses on commodity derivative instruments not associated with current-period transactions	(3)	(34)	(10)	(28)
AmeriGas operations enhancement for growth project	—	6	—	13
Adjusted operating income	\$ 154	\$ 139	\$ 228	\$ 209
Adjusted net income:				
Net income	\$ 121	\$ 126	\$ 168	\$ 142
(Subtract net gains) add net losses on commodity derivative instruments not associated with current-period transactions	(3)	(34)	(10)	(28)
AmeriGas operations enhancement for growth project	—	6	—	13
Adjusted net income	\$ 118	\$ 98	\$ 158	\$ 127

Executive Overview

2025 three-month period compared with 2024 three-month period

Net income for the 2025 and 2024 three-month periods was \$121 million and \$126 million, respectively. These results reflect net unrealized gains on commodity derivative instruments not associated with current-period transactions of \$3 million and \$34 million, respectively. 2024 three-month period also includes external advisory fees of \$6 million associated with AmeriGas operations enhancement for growth project.

Adjusted net income for the 2025 three-month period was \$118 million compared with \$98 million in the prior-year period. The increase in adjusted net income principally reflects higher adjusted total margin and, to a lesser extent, lower interest expense during the 2025 three-month period compared to the prior-year period.

2025 six-month period compared with 2024 six-month period

Net income for the 2025 and 2024 six-month periods was \$168 million and \$142 million, respectively. These results reflect net unrealized gains on commodity derivative instruments not associated with current-period transactions of \$10 million and \$28 million, respectively. 2024 six-month period also includes external advisory fees of \$13 million associated with AmeriGas operations enhancement for growth project.

Adjusted net income for the 2025 six-month period was \$158 million compared with \$127 million in the prior-year period. The increase in adjusted net income principally reflects higher adjusted total margin, lower interest expense and lower operating and administrative expenses during the 2025 six-month period compared to the prior-year period.

ANALYSIS OF RESULTS OF OPERATIONS

2025 three-month period compared with the 2024 three-month period

Three Months Ended March 31,	2025	2024	Increase (Decrease)	
(Dollars and gallons in millions)				
Gallons sold:				
Retail	269	261	8	3 %
Wholesale	29	26	3	12 %
	298	287	11	4 %
Revenues:				
Retail propane	\$ 749	697	\$ 52	7 %
Wholesale propane	35	29	6	21 %
Other	64	69	(5)	(7)%
	\$ 848	\$ 795	\$ 53	7 %
Total margin (a)	\$ 449	\$ 467	\$ (18)	(4)%
Operating and administrative expenses	\$ 257	\$ 264	\$ (7)	(3)%
Depreciation and amortization	\$ 45	\$ 44	\$ 1	2 %
Operating income	\$ 157	\$ 167	\$ (10)	(6)%
Net income	\$ 121	\$ 126	\$ (5)	(4)%
Non-GAAP financial measures (b):				
Adjusted total margin	\$ 446	\$ 433	\$ 13	3 %
Adjusted operating income	\$ 154	\$ 139	\$ 15	11 %
Adjusted net income	\$ 118	\$ 98	\$ 20	20 %
Heating degree days—% colder (warmer) than normal (c)	2.8 %	(8.6)%	—	—

- (a) Total margin represents total revenues less “Cost of sales — propane” and “Cost of sales — other.” Total margin for the 2025 and 2024 three-month periods includes the impact of net unrealized gains of \$3 million and \$34 million, respectively, on commodity derivative instruments not associated with current-period transactions.
- (b) These financial measures are non-GAAP financial measures and are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not a substitute for, the comparable GAAP measures. See section “Non-GAAP Financial Measures” above.
- (c) Deviation from average heating degree days is determined on a rolling 10-year period utilizing volume-weighted weather data based on weather statistics provided by NOAA for 344 regions in the United States, excluding Alaska and Hawaii.

Average temperatures during the 2025 three-month period were 2.8% colder than normal and 10.5% colder than the prior-year period. Total retail gallons sold increased 3% during the 2025 three-month period primarily due to the impact from the colder weather, partially offset by continuing customer attrition.

Average daily wholesale propane commodity prices during the 2025 three-month period at Mont Belvieu, Texas, one of the major supply points in the U.S., were approximately 7% higher than such prices during the 2024 three-month period. Total revenues increased \$53 million during the 2025 three-month period largely reflecting the effects of higher average retail propane selling prices (\$30 million), higher retail volumes sold (\$21 million) and higher wholesale revenues (\$6 million), partially offset by lower fee income (\$4 million).

Total cost of sales increased \$71 million during the 2025 three-month period compared to the prior-year period. Cost of sales in the 2025 and 2024 three-month periods include net unrealized gains of \$3 million and \$34 million, respectively, on commodity derivative instruments not associated with current-period transactions. Excluding the effects on cost of sales of these commodity derivative instruments, total cost of sales increased \$40 million during the 2025 three-month period largely reflecting the higher retail propane product costs (\$22 million), the higher volumes sold (\$10 million) and the higher wholesale cost of sales (\$8 million).

Total margin decreased \$18 million during the 2025 three-month period compared to the prior-year period. Adjusted total margin increased \$13 million during the 2025 three-month period largely attributable to the higher retail propane volumes sold (\$12 million) and higher average retail propane unit margins (\$7 million), partially offset by lower fee income (\$4 million).

Operating income decreased \$10 million during the 2025 three-month period compared to the prior-year period. Adjusted operating income increased \$15 million during the 2025 three-month period primarily reflecting the increase in adjusted total margin (\$13 million) and higher gains on asset sales (\$4 million). Operating and administrative expenses were comparable to the prior-year period as lower compensation expenses were substantially offset by higher general insurance expenses.

Net income decreased \$5 million during the 2025 three-month period compared to the prior-year period. Adjusted net income increased \$20 million during the 2025 three-month period, primarily reflecting the increase in adjusted operating income (\$15 million) and, to a much lesser extent, slightly lower interest expense (\$3 million).

2025 six-month period compared with the 2024 six-month period

Six Months Ended March 31,	2025	2024	Increase (Decrease)	
(Dollars and gallons in millions)				
Gallons sold:				
Retail	473	467	6	1 %
Wholesale	51	49	2	4 %
	<u>524</u>	<u>516</u>	<u>8</u>	<u>2 %</u>
Revenues:				
Retail propane	\$ 1,282	\$ 1,230	\$ 52	4 %
Wholesale propane	57	51	6	12 %
Other	136	143	(7)	(5)%
	<u>\$ 1,475</u>	<u>\$ 1,424</u>	<u>\$ 51</u>	<u>4 %</u>
Total margin (a)	\$ 803	\$ 807	\$ (4)	— %
Operating and administrative expenses	\$ 493	\$ 514	\$ (21)	(4)%
Depreciation and amortization	\$ 90	\$ 88	\$ 2	2 %
Operating income	\$ 238	\$ 224	\$ 14	6 %
Net income	\$ 168	\$ 142	\$ 26	18 %
Non-GAAP financial measures (b):				
Adjusted total margin	\$ 793	\$ 779	\$ 14	2 %
Adjusted operating income	\$ 228	\$ 209	\$ 19	9 %
Adjusted net income	\$ 158	\$ 127	\$ 31	24 %
Heating degree days—% (warmer) than normal (b)	(1.1)%	(7.7)%	—	—

- (a) Total margin represents total revenues less “Cost of sales — propane” and “Cost of sales — other.” Total margin for the 2025 and 2024 six-month periods include the impact of net unrealized gains of \$10 million and \$28 million, respectively, on commodity derivative instruments not associated with current-period transactions.
- (b) These financial measures are non-GAAP financial measures and are not in accordance with, or an alternative to, GAAP and should be considered in addition to, and not a substitute for, the comparable GAAP measures. See section “Non-GAAP Financial Measures” above.
- (c) Deviation from average heating degree days is determined on a rolling 10-year period utilizing volume-weighted weather data based on weather statistics provided by NOAA for 344 regions in the U.S., excluding Alaska and Hawaii.

Average temperatures during the 2025 six-month period were 1.1% warmer than normal and 6.1% colder than the prior-year period. Total retail gallons sold increased 1% during the 2025 six-month period, primarily due to the impact from the colder weather, partially offset by continuing customer attrition.

Average daily wholesale propane commodity prices during the 2025 six-month period at Mont Belvieu, Texas, one of the major supply points in the U.S., were approximately 11% higher than such prices during the 2024 six-month period. Total revenues increased \$51 million during the 2025 six-month period reflecting the effects of higher average retail propane selling prices (\$36 million), higher retail volumes sold (\$16 million) and higher wholesale revenues (\$6 million), partially offset by lower fee income (\$7 million).

Total cost of sales increased \$55 million during the 2025 six-month period compared to the prior-year period. Cost of sales in the 2025 and 2024 six-month periods include net unrealized gains of \$10 million and \$28 million, respectively, on commodity derivative instruments not associated with current-period transactions. Excluding the effects on cost of sales of these commodity derivative instruments, total cost of sales increased \$37 million during the 2025 six-month period largely reflecting higher retail propane product costs (\$22 million), the higher volumes sold (\$7 million) and the higher wholesale cost of sales (\$8 million).

Total margin decreased \$4 million during the 2025 six-month period compared to the prior-year period. Adjusted total margin in the 2025 six-month period increased \$14 million reflecting higher average retail propane unit margins (\$14 million) and the higher retail propane volumes sold (\$9 million), partially offset by lower fee income (\$7 million).

Operating income increased \$14 million during the 2025 six-month period compared to the prior-year period. Adjusted operating income increased \$19 million during the 2025 six-month period, primarily reflecting the increase in adjusted total margin (\$14 million) and lower operating and administrative expenses (\$8 million). The decrease in operating and administrative expenses primarily reflects lower compensation expenses.

Net income increased \$26 million during the 2025 six-month period compared to the prior-year period. Adjusted net income increased \$31 million during the 2025 six-month period primarily reflecting the increase in adjusted operating income (\$19 million) and lower interest expense (\$11 million) mainly from lower average long-term debt outstanding during the 2025 six-month period.

FINANCIAL CONDITION AND LIQUIDITY

The Partnership expects to have sufficient liquidity, including cash on hand and available credit agreement borrowings, to continue to support long-term commitments and ongoing operations. The Partnership does not have any near-term senior note maturities. The Partnership was in compliance with all of its debt covenants as of March 31, 2025.

The Partnership’s cash and cash equivalents at March 31, 2025 and September 30, 2024 were \$44 million and \$6 million, respectively. The Partnership’s debt outstanding at March 31, 2025 totaled \$1,862 million. The Partnership’s debt outstanding at September 30, 2024 totaled \$1,928 million (including short-term borrowings of \$51 million). Total long-term debt outstanding at March 31, 2025, primarily comprises \$1,669 million of AmeriGas Partners’ senior notes and is net of \$7 million of unamortized debt issuance costs.

Information about the Partnership’s credit agreement is presented in the following table, as of:

(Millions of dollars)	Total Capacity	Borrowings Outstanding	Letters of Credit and Guarantees Outstanding	Available Borrowing Capacity
March 31, 2025 (a)	\$ 299	\$ —	\$ 1	\$ 298
March 31, 2024	\$ 400	\$ —	\$ 2	\$ 398

(a) The maximum amount available for borrowing at any time under the AmeriGas Senior Secured Revolving Credit Facility is limited to the borrowing base valuation, as defined by the agreement.

The average daily and peak short-term borrowings under the Partnership’s credit agreement is as follows:

(Millions of dollars)	Average	Peak
For the six months ended March 31, 2025	\$ 41	\$ 85
For the six months ended March 31, 2024	\$ —	\$ 25

Significant Financing Activities

The following significant financing activities occurred during Fiscal 2025.

AmeriGas Partners Senior Notes. On February 4, 2025, the Partnership borrowed \$221 million pursuant to an intercompany loan agreement with UGI International as a lender. The intercompany loan agreement has a term of two years, maturing January 29, 2027, and bears interest at a rate of 9.13%. The intercompany loan is unsecured and subordinated to other obligations of the partnership. The Partnership is entitled to prepay all or part of any outstanding borrowings plus accrued interest, at any time as defined in the loan agreement. In March 2025, the Partnership, using the cash on hand from borrowings under the intercompany loan, redeemed all of the \$218 million outstanding aggregate principal balance of the 5.50% Senior Notes due May 2025, plus accrued and unpaid interest. As of March 31, 2025, borrowings outstanding on the intercompany loan were \$200 million and have been classified as “Long-term debt” on the Condensed Consolidated Balance Sheet.

AmeriGas Senior Secured Revolving Credit Facility. In October 2024, AmeriGas OLP amended the AmeriGas Senior Secured Revolving Credit Facility to increase total commitments from \$200 million to a total of \$300 million. The maximum borrowings permitted to be made at any time under the Credit Agreement is equal to the lesser of (x) the Formula Amount for the borrowing base and (y) the Maximum Revolving Advance Amount, as defined in the agreement.

Cash Flows

Operating activities. Due to the seasonal nature of the Partnership’s business, cash flows from operating activities are generally greatest during the second and third fiscal quarters when customers pay for propane consumed during the heating-season months. Conversely, operating cash flows are generally at their lowest levels during the first and fourth fiscal quarters when the Partnership’s investment in working capital, principally accounts receivable and inventories, is generally greatest. The Partnership may use its AmeriGas Senior Secured Revolving Credit Facility to satisfy its seasonal operating cash flow needs.

Cash flow provided by operating activities was \$132 million in the 2025 six-month period compared to \$105 million in the 2024 six-month period. Cash flow from operating activities before changes in operating working capital was \$261 million in the 2025 six-month period compared to \$220 million in the prior-year period. The higher cash flow from operating activities before changes in operating working capital principally reflects the increase in operating results in the 2025 six-month period. Cash used to fund changes in operating working capital was \$129 million in the 2025 six-month period compared to cash used of \$115 million in the 2024 six-month period. Changes in operating working capital during the 2025 six-month period reflect, among other things, increases in cash used to fund accounts receivable partially offset by an increase in cash from accounts payable.

Investing activities. Investing activity cash flow principally comprises expenditures for property, plant and equipment and proceeds from disposals of assets. Cash flow used by investing activities was \$25 million in the 2025 six-month period compared with cash used of \$27 million in the prior-year period. Cash proceeds from sales of assets were higher in the prior year reflecting in large part higher cash proceeds from sales of real estate.

Financing activities. Financing activity cash flow principally comprises cash contributions, repayments of long-term debt, and short-term borrowings/repayments. Cash used by financing activities during the 2025 six-month period was \$69 million compared \$18 million in the prior-year period. During the 2025 six-month period financing activity cash flow principally reflects, among other things, an increase in net repayments of short-term borrowings, an increase in cash provided by the issuance of an intercompany loan from UGI International, and an increase in cash used to repurchase the outstanding aggregate principal balance of the 5.50% Senior Notes due May 2025. The 2024 six-month period primarily reflects cash provided by contributions received by the Partnership which was largely offset by net repayments of long-term debt.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our primary financial market risks include commodity prices for propane. Although we use derivative financial and commodity instruments to reduce market price risk associated with forecasted transactions, we do not use derivative financial and commodity instruments for speculative or trading purposes.

Commodity Price Risk

The risk associated with fluctuations in the prices the Partnership pays for propane is principally a result of market forces reflecting changes in supply and demand for propane and other energy commodities. The Partnership's profitability is sensitive to changes in propane supply costs and the Partnership generally passes on increases in such costs to customers. The Partnership may not, however, always be able to pass through product cost increases fully, or on a timely basis, particularly when product costs rise rapidly. In order to reduce the volatility of the Partnership's propane market price risk, we use contracts for the forward purchase or sale of propane, propane fixed-price supply agreements, and over-the-counter derivative commodity instruments including price swap contracts. Over-the-counter derivative commodity instruments utilized by the Partnership to hedge forecasted purchases of propane are generally settled at expiration of the contract. These derivative financial instruments contain collateral provisions.

In addition, the Partnership from time to time enters into diesel swap contracts for a portion of diesel volumes expected to be used in the operation of vehicles and equipment. The volumes associated with diesel contracts were not material for all periods presented.

The fair value of unsettled commodity price risk sensitive instruments at March 31, 2025, was a net gain of \$4 million. A hypothetical 10% adverse change in the market price of certain commodities would result in a decrease in such fair value of approximately \$6 million.

Derivative Instruments Credit Risk

The Partnership is exposed to credit loss in the event of nonperformance by our derivative instrument counterparties. Our derivative instrument counterparties principally comprise major energy companies and major U.S. financial institutions. We maintain credit policies with regard to our counterparties that we believe reduce overall credit risk. These policies include evaluating and monitoring our counterparties' financial condition, including their credit ratings, and entering into agreements with counterparties that govern credit limits. Certain of these agreements call for the posting of collateral by the counterparty or by the Partnership in the forms of letters of credit, parental guarantees or cash.

We have concentrations of credit risk associated with derivative instruments and we evaluate the creditworthiness of our derivative counterparties on an ongoing basis. As of March 31, 2025, the maximum amount of loss, based upon the gross fair values of the derivative instruments, we would incur if these counterparties failed to perform according to the terms of their contracts was not material. At March 31, 2025, the Partnership had received no cash collateral from derivative instrument counterparties. In addition, we may have offsetting derivative liabilities and certain accounts payable balances with certain of these counterparties, which further mitigates the previously mentioned maximum amount of losses. Certain of our derivative contracts have credit-risk-related contingent features that may require the posting of additional collateral in the event of a downgrade in the Partnership's debt rating. At March 31, 2025, if the credit-risk-related contingent features were triggered, the amount of collateral required to be posted would not be material.

CONTROLS AND PROCEDURES

(a) Evaluation of Disclosure Controls and Procedures

The General Partner’s disclosure controls and procedures are designed to provide reasonable assurance that the information required to be disclosed by the Partnership in this Quarterly Report is (i) recorded, processed, summarized, and reported within the time periods specified in the indentures, and (ii) accumulated and communicated to our management, including the President, as appropriate to allow timely decisions regarding required disclosure. The General Partner’s management, with the participation of the General Partner’s President, evaluated the effectiveness of the Partnership’s disclosure controls and procedures as of the end of the period covered by this report. Based on that evaluation, the President concluded that the Partnership’s disclosure controls and procedures, as of the end of the period covered by this report, were not effective because of the material weakness in our internal control over financial reporting that was previously disclosed in our Annual Report for the year ended September 30, 2024.

Notwithstanding the material weakness, we have concluded that the Partnership’s unaudited interim consolidated financial statements included in this report are fairly stated in all material respects in accordance with U.S. generally accepted accounting principles for each of the periods presented.

Internal Control over Financial Reporting

As previously disclosed in our Annual Report for the year ended September 30, 2024, management concluded that our internal control over financial reporting was not effective due to the material weakness. As of March 31, 2025, management is in the process of designing and implementing additional controls to timely validate cash flows used in the goodwill impairment test. Through March 31, 2025, management has engaged a third-party specialist who has begun to assist in the development of valuation models and in establishing sound and reasonable assumptions.

The material weakness identified in our Annual Report for the year ended September 30, 2024, cannot be considered remediated until the applicable controls have operated for a sufficient period of time and management has concluded, through testing, that these controls are designed and operating effectively. Accordingly, we will continue to monitor and evaluate the effectiveness of our internal control over financial reporting.

(b) Change in Internal Control over Financial Reporting

Except for the material weakness as described above, during the most recent fiscal quarter, no change in the Partnership’s internal control over financial reporting occurred that has materially affected, or is reasonably likely to materially affect, the Partnership’s internal control over financial reporting.

LEGAL PROCEEDINGS

The information set forth in Note 6 to Condensed Consolidated Financial Statements included in this Report, is incorporated herein by reference.

RISK FACTORS

In addition to the information presented in this Report, you should carefully consider the factors discussed in “Risk Factors” in our 2024 Annual Report, which could materially affect our business, financial condition or future results. The risks described in our 2024 Annual Report are not the only risks facing the Partnership. Other unknown or unpredictable factors could also have material adverse effects on future results.

EXHIBIT INDEX

- 31.1 Certification by the President.
- 31.2 Certification by the Chief Financial Officer.
- 32 Certification by the President and Chief Financial Officer.

SIGNATURES

The Partnership has duly caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

AMERIGAS PARTNERS, L.P.

By: AmeriGas Propane, Inc.
Its General Partner

Date: May 8, 2025

By: /s/ Michael Sharp
Michael Sharp
President and Chief Executive Officer

CERTIFICATION

I, Michael Sharp, certify that:

1. I have reviewed this quarterly report of AmeriGas Partners, L.P. (the "Company");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
4. The Company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for the Company and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The Company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors:
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: May 8, 2025

/s/ Michael Sharp

Michael Sharp

President and Chief Executive
Officer

CERTIFICATION

I, Jean Felix Tematio Dontsop, certify that:

1. I have reviewed this quarterly report of AmeriGas Partners, L.P. (the "Company");
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the Company as of, and for, the periods presented in this report;
4. The Company's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures and internal control over financial reporting for the Company and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the Company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal quarter (the Company's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting; and
5. The Company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Company's auditors:
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Company's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control over financial reporting.

Date: May 8, 2025

/s/ Jean Felix Tematio Dontsop

Jean Felix Tematio Dontsop

Chief Accounting Officer

**Certification by the President and Chief Financial Officer
Relating to a Periodic Report Containing Financial Statements**

I, Michael Sharp, President and Chief Executive Officer, and I, Jean Felix Tematio Dontsop, Chief Accounting Officer, of AmeriGas Propane, Inc., a Pennsylvania corporation, the General Partner of AmeriGas Partners, L.P. (the “Company”), hereby certify that to our knowledge:

- (1) The Company’s quarterly for the period ended March 31, 2025 (the “Quarterly Report”) fully complies, in all material respects, with the requirements of the indentures; and
- (2) The information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

PRESIDENT AND CHIEF EXECUTIVE OFFICER

CHIEF ACCOUNTING OFFICER

/s/ Michael Sharp

/s/ Jean Felix Tematio Dontsop

Michael Sharp

Jean Felix Tematio Dontsop

Date May 8, 2025

Date: May 8, 2025