

# MURPHY USA INC.

## FORM 10-Q (Quarterly Report)

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Sector	Energy
Fiscal Year	12/31

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-Q

(Mark one)

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

**For the quarterly period ended March 31, 2025**

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number 001-35914



**MURPHY USA INC.**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of incorporation or organization)  
200 Peach Street  
El Dorado, Arkansas  
(Address of principal executive offices)

46-2279221  
(I.R.S. Employer Identification No.)  
71730-5836  
(Zip Code)

(870) 875-7600  
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class  
Common Stock, \$0.01 Par Value

Trading Symbol(s)  
MUSA

Name of each exchange on which registered  
New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

Number of shares of Common Stock, \$0.01 par value, outstanding at March 31, 2025 was 19,761,644.

MURPHY USA INC.

TABLE OF CONTENTS

	<u>Page</u>
<u>Part I – Financial Information</u>	
<u>Item 1. Financial Statements (Unaudited)</u>	
Consolidated Balance Sheets as of March 31, 2025 (unaudited) and December 31, 2024	<u>2</u>
Consolidated Statements of Income for the three months ended March 31, 2025 and 2024 (unaudited)	<u>3</u>
Consolidated Statements of Comprehensive Income for the three months ended March 31, 2025 and 2024 (unaudited)	<u>4</u>
Consolidated Statements of Cash Flows for the three months ended March 31, 2025 and 2024 (unaudited)	<u>5</u>
Consolidated Statements of Changes in Equity for the three months ended March 31, 2025 and 2024 (unaudited)	<u>6</u>
Notes to Consolidated Financial Statements (unaudited)	<u>7</u>
<u>Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations</u>	<u>27</u>
<u>Item 3. Quantitative and Qualitative Disclosures About Market Risk</u>	<u>36</u>
<u>Item 4. Controls and Procedures</u>	<u>37</u>
<u>Part II – Other Information</u>	
<u>Item 1. Legal Proceedings</u>	<u>38</u>
<u>Item 1A. Risk Factors</u>	<u>38</u>
<u>Item 2. Unregistered Sales of Equity Securities and Use of Proceeds</u>	<u>38</u>
<u>Item 5. Other Information</u>	<u>38</u>
<u>Item 6. Exhibits</u>	<u>38</u>
<u>Signatures</u>	<u>39</u>

**ITEM 1. FINANCIAL STATEMENTS**Murphy USA Inc.  
Consolidated Balance Sheets

(Millions of dollars, except share amounts)

	March 31, 2025 (unaudited)	December 31, 2024
<b>Assets</b>		
Current assets		
Cash and cash equivalents	\$ 49.4	\$ 47.0
Accounts receivable—trade, less allowance for doubtful accounts of \$0.7 and \$0.3 at 2025 and 2024, respectively	272.1	268.5
Inventories, at lower of cost or market	364.4	401.6
Prepaid expenses and other current assets	30.5	31.0
Total current assets	716.4	748.1
Property, plant and equipment, at cost less accumulated depreciation and amortization of \$1,988.5 and \$1,931.4 at 2025 and 2024, respectively	2,808.1	2,813.2
Operating lease right of use assets, net	490.3	492.9
Intangible assets, net of amortization	139.5	139.5
Goodwill	328.0	328.0
Other assets	20.2	19.9
Total assets	\$ 4,502.5	\$ 4,541.6
<b>Liabilities and Stockholders' Equity</b>		
Current liabilities		
Current maturities of long-term debt	\$ 15.6	\$ 15.7
Trade accounts payable and accrued liabilities	855.6	874.4
Income taxes payable	20.6	57.8
Total current liabilities	891.8	947.9
Long-term debt, including capitalized lease obligations	1,974.2	1,832.7
Deferred income taxes	342.0	343.4
Asset retirement obligations	49.3	49.1
Non-current operating lease liabilities	494.4	496.3
Deferred credits and other liabilities	31.2	32.1
Total liabilities	3,782.9	3,701.5
Stockholders' Equity		
Preferred Stock, par \$0.01 (authorized 20,000,000 shares, none outstanding)	—	—
Common Stock, par \$0.01 (authorized 200,000,000 shares, 46,767,164 shares issued at 2025 and 2024, respectively)	0.5	0.5
Treasury stock (27,005,520 and 26,750,846 shares held at 2025 and 2024, respectively)	(3,534.1)	(3,391.3)
Additional paid in capital (APIC)	466.5	487.5
Retained earnings	3,786.7	3,743.4
Total stockholders' equity	719.6	840.1
Total liabilities and stockholders' equity	\$ 4,502.5	\$ 4,541.6

See notes to consolidated financial statements.

Murphy USA Inc.  
Consolidated Statements of Income  
(unaudited)

	Three Months Ended March 31,	
	2025	2024
<i>(Millions of dollars, except share and per share amounts)</i>		
<b>Operating Revenues</b>		
Petroleum product sales <sup>1</sup>	\$ 3,489.8	\$ 3,811.7
Merchandise sales	999.4	1,000.7
Other operating revenues	36.2	31.3
<b>Total operating revenues</b>	<b>4,525.4</b>	<b>4,843.7</b>
<b>Operating Expenses</b>		
Petroleum product cost of goods sold <sup>1</sup>	3,238.3	3,556.1
Merchandise cost of goods sold	803.5	809.1
Store and other operating expenses	266.1	252.1
Depreciation and amortization	68.2	58.7
Selling, general and administrative	60.1	62.1
Accretion of asset retirement obligations	0.9	0.8
<b>Total operating expenses</b>	<b>4,437.1</b>	<b>4,738.9</b>
Gain (loss) on sale of assets	(0.3)	0.4
<b>Income (loss) from operations</b>	<b>88.0</b>	<b>105.2</b>
<b>Other income (expense)</b>		
Investment income (expense)	(0.1)	1.2
Interest expense	(25.4)	(24.9)
Other nonoperating income (expense)	(0.6)	0.4
<b>Total other income (expense)</b>	<b>(26.1)</b>	<b>(23.3)</b>
Income before income taxes	61.9	81.9
Income tax expense (benefit)	8.7	15.9
<b>Net Income</b>	<b>\$ 53.2</b>	<b>\$ 66.0</b>
<b>Basic and Diluted Earnings Per Common Share:</b>		
Basic	\$ 2.67	\$ 3.17
Diluted	\$ 2.63	\$ 3.12
<b>Weighted-Average Common Shares Outstanding (in thousands):</b>		
Basic	19,929	20,814
Diluted	20,204	21,162
Supplemental information:		
<sup>1</sup> Includes excise taxes of:	\$ 551.8	\$ 558.8

See notes to consolidated financial statements.

Murphy USA Inc.  
Consolidated Statements of Comprehensive Income (Loss)  
(unaudited)

<i>(Millions of dollars)</i>	Three Months Ended March 31,	
	2025	2024
Net income	\$ 53.2	\$ 66.0
Other comprehensive income (loss), net of tax		
Interest rate swap:		
Reclassifications:		
Other comprehensive income (loss)	—	—
Comprehensive income	\$ 53.2	\$ 66.0

See notes to consolidated financial statements.

Murphy USA Inc.  
Consolidated Statements of Cash Flows  
(unaudited)

(Millions of dollars)

	Three Months Ended March 31,	
	2025	2024
<b>Operating Activities</b>		
Net income	\$ 53.2	\$ 66.0
Adjustments to reconcile net income (loss) to net cash provided (required) by operating activities		
Depreciation and amortization	68.2	58.7
Deferred and noncurrent income tax charges (benefits)	(1.4)	(0.5)
Accretion of asset retirement obligations	0.9	0.8
Amortization of discount on marketable securities	—	(0.1)
(Gains) losses from sale of assets	0.3	(0.4)
Net (increase) decrease in noncash operating working capital	0.3	4.2
Other operating activities - net	7.0	7.3
Net cash provided (required) by operating activities	128.5	136.0
<b>Investing Activities</b>		
Property additions	(87.8)	(76.2)
Proceeds from sale of assets	0.3	1.0
Redemptions of marketable securities	—	1.0
Other investing activities - net	(0.2)	(0.7)
Net cash provided (required) by investing activities	(87.7)	(74.9)
<b>Financing Activities</b>		
Purchase of treasury stock	(150.0)	(86.4)
Dividends paid	(9.8)	(8.8)
Borrowings of debt	670.0	—
Repayments of debt	(530.0)	(3.9)
Amounts related to share-based compensation	(18.6)	(23.1)
Net cash provided (required) by financing activities	(38.4)	(122.2)
Net increase (decrease) in cash, cash equivalents, and restricted cash	2.4	(61.1)
Cash, cash equivalents, and restricted cash at beginning of period	47.0	117.8
Cash, cash equivalents, and restricted cash at end of period	\$ 49.4	\$ 56.7

See notes to consolidated financial statements.

Murphy USA Inc.  
Consolidated Statements of Changes in Equity  
(unaudited)

	Common Stock							
(Millions of dollars, except share amounts)	Shares	Par	Treasury Stock	APIC	Retained Earnings	AOCI	Total	
Balance as of December 31, 2023	46,767,164	\$ 0.5	\$ (2,957.8)	\$ 508.1	\$ 3,278.1	\$ —	\$ 828.9	
Net income	—	—	—	—	66.0	—	66.0	
Cash dividends declared (\$0.42 per share)	—	—	—	—	(8.8)	—	(8.8)	
Dividend equivalent units accrued	—	—	—	0.1	(0.1)	—	—	
Purchase of treasury stock	—	—	(86.9)	—	—	—	(86.9)	
Issuance of treasury stock	—	—	11.0	(11.1)	—	—	(0.1)	
Amounts related to share-based compensation	—	—	—	(23.1)	—	—	(23.1)	
Share-based compensation expense	—	—	—	5.6	—	—	5.6	
Balance as of March 31, 2024	46,767,164	\$ 0.5	\$ (3,033.7)	\$ 479.6	\$ 3,335.2	\$ —	\$ 781.6	

	Common Stock							
(Millions of dollars, except share amounts)	Shares	Par	Treasury Stock	APIC	Retained Earnings	AOCI	Total	
Balance as of December 31, 2024	46,767,164	\$ 0.5	\$ (3,391.3)	\$ 487.5	\$ 3,743.4	\$ —	\$ 840.1	
Net income	—	—	—	—	53.2	—	53.2	
Cash dividends declared (\$0.49 per share)	—	—	—	—	(9.8)	—	(9.8)	
Dividend equivalent units accrued	—	—	—	0.1	(0.1)	—	—	
Purchase of treasury stock	—	—	(151.2)	—	—	—	(151.2)	
Issuance of treasury stock	—	—	8.4	(8.4)	—	—	—	
Amounts related to share-based compensation	—	—	—	(18.6)	—	—	(18.6)	
Share-based compensation expense	—	—	—	5.9	—	—	5.9	
Balance as of March 31, 2025	46,767,164	\$ 0.5	\$ (3,534.1)	\$ 466.5	\$ 3,786.7	\$ —	\$ 719.6	

See notes to consolidated financial statements.



**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(unaudited)**

**Note 1 — Description of Business and Basis of Presentation**

*Description of business* — Murphy USA Inc. and its consolidated subsidiaries ("Murphy USA", "we", "our", "us", or the "Company") markets refined products through a network of retail gasoline stores and to unbranded wholesale customers. In addition, we operate non-fuel convenience stores in select markets. The Company owns and operates a chain of retail stores under the brand names of Murphy USA® and Murphy Express, most of which are located in close proximity to Walmart stores, and also has a mix of convenience stores with and without retail gasoline that operate under the brand name of QuickChek®. At March 31, 2025, the Company had a total of 1,761 Company stores of which 1,607 were branded as Murphy and 154 were the QuickChek brand. The Company also has certain product supply and wholesale assets, including product distribution terminals and pipeline positions.

*Basis of Presentation* — Murphy USA was incorporated in March 2013 and, in connection with its incorporation, Murphy USA issued 100 shares of common stock, par value \$0.01 per share, to Murphy Oil Corporation ("Murphy Oil") for \$1.00. On August 30, 2013, Murphy USA was separated from Murphy Oil through the distribution of 100% of the common stock of Murphy USA to holders of Murphy Oil stock. Murphy USA Inc., Murphy Oil USA, Inc. and certain of its subsidiaries operate on a calendar year basis, while the QuickChek subsidiary uses a weekly retail calendar where each quarter has 13 weeks. For the three month period ended March 31, 2025, the QuickChek results covered the period December 28, 2024 to March 28, 2025. For the three month period ended March 31, 2024, the QuickChek results covered the period December 30, 2023 to March 29, 2024. The difference in timing of the period ends is immaterial to the overall consolidated results.

In preparing the financial statements of Murphy USA in conformity with accounting principles generally accepted in the United States, management has made a number of estimates and assumptions related to the reporting of assets, liabilities, revenues, expenses and the disclosure of contingent assets and liabilities. Actual results may differ from these estimates.

*Interim Financial Information* — The interim period financial information presented in these consolidated financial statements is unaudited and includes all known accruals and adjustments, in the opinion of management, necessary for a fair presentation of the consolidated financial position of Murphy USA and its results of operations and cash flows for the periods presented. All such adjustments are of a normal and recurring nature.

These interim consolidated financial statements should be read together with our audited financial statements for the years ended December 31, 2024, 2023 and 2022, included in our Annual Report on Form 10-K (File No. 001-35914), as filed with the Securities and Exchange Commission under the Securities Exchange Act of 1934 on February 20, 2025.

*Recently Issued Accounting Standards—*

In December 2023, the FASB issued ASU 2023-09, "Improvements to Income Tax Disclosures." This ASU intends to enhance income tax disclosures, under Topic 740, to address investor requests for more transparency about income tax information through improvements to income tax disclosures primarily related to the rate reconciliation and income taxes paid information. The amendments in this Update improve the transparency of income tax disclosures by requiring (1) consistent categories and greater disaggregation of information in the rate reconciliation and (2) income taxes paid disaggregated by jurisdiction. The amendments in this Update are effective for the Company for annual periods beginning after December 15, 2024, with early adoption permitted. The amendments should be applied on a prospective basis, with retrospective application permitted. The Company has determined this will not have a material impact on the Company's consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, "Disaggregation of Income Statement Expenses." This ASU addresses investor requests for more granular information about an entity's expenses, allowing investors to better understand performance, prospects for future cash flows, and comparability over time and with other entities. The primary goal is to improve the decision-usefulness of expense information on public companies' income statements through disaggregation of relevant expense captions in the notes to the financial statements. The amendments in this Update are effective for the Company for annual periods beginning after December 15, 2026,

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

and interim periods in the year beginning after December 15, 2027. Early adoption is permitted. The amendments should be applied either prospectively or retrospectively. The Company is assessing the impact of the standard on the Company's consolidated financial statements.

**Note 2 — Revenues**

*Revenue Recognition*

Revenue is recognized when obligations under the terms of a contract with our customers are satisfied; generally, this occurs with the transfer of control of our petroleum products, convenience merchandise, Renewable Identification Numbers ("RINs") and other assets to our third-party customers. Revenue is measured as the amount of consideration we expect to receive in exchange for transferring goods or providing services. Excise and sales tax that we collect where we have determined we are the principal in the transaction have been recorded as revenue on a jurisdiction-by-jurisdiction basis.

The Company enters into buy/sell and similar arrangements when petroleum products are held at one location but are needed at a different location. The Company often pays or receives funds related to the buy/sell arrangements based on location or quality differences. The Company accounts for such transactions as non-monetary exchanges under existing accounting guidance and typically reports these on a net basis in the Consolidated Statements of Income.

The following tables disaggregate our revenues by major source for the three months ended March 31, 2025 and 2024, respectively:

(Millions of dollars)	Three Months Ended March 31, 2025			Three Months Ended March 31, 2024		
	Marketing	Corporate and Other Assets	Consolidated	Marketing	Corporate and Other Assets	Consolidated
Petroleum product sales (at retail) <sup>1</sup>	\$ 3,154.9	\$ —	\$ 3,154.9	\$ 3,427.6	\$ —	\$ 3,427.6
Petroleum product sales (at wholesale) <sup>1</sup>	334.9	—	334.9	384.1	—	384.1
Total petroleum product sales	3,489.8	—	3,489.8	3,811.7	—	3,811.7
Merchandise sales	999.4	—	999.4	1,000.7	—	1,000.7
Other operating revenues:						
RINs	34.9	—	34.9	29.4	—	29.4
Other revenues <sup>2</sup>	1.2	0.1	1.3	1.8	0.1	1.9
Total revenues	<u>\$ 4,525.3</u>	<u>\$ 0.1</u>	<u>\$ 4,525.4</u>	<u>\$ 4,843.6</u>	<u>\$ 0.1</u>	<u>\$ 4,843.7</u>

<sup>1</sup> Includes excise and sales taxes that remain eligible for inclusion under Topic 606

<sup>2</sup> Primarily includes collection allowance on excise and sales taxes combined with other miscellaneous items

**Marketing segment**

*Petroleum product sales (at retail).* For our retail store locations, the revenue related to petroleum product sales is recognized as the fuel is pumped to our customers. The transaction price at the pump typically includes some portion of sales or excise taxes as levied in the respective jurisdictions. Those taxes that are collected for remittance to governmental entities on a pass-through basis are not recognized as revenue and they are recorded to a liability account until they are paid. Our customers typically use a mixture of cash, checks, credit cards and debit cards to pay for our products as they are received. We have accounts receivable from the various credit/debit card providers at any point in time related to product sales made on credit cards and debit cards. These receivables are typically collected in two to seven days, depending on the terms with the particular credit/debit card providers. Payment fees retained by the credit/debit card providers are recorded as Store and other operating expenses in the Consolidated Statements of Income.

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(unaudited)**

*Petroleum product sales (at wholesale).* Our sales of petroleum products at wholesale are generally recorded as revenue when the deliveries have occurred and legal ownership of the product has transferred to the customer. Title transfer for bulk refined product sales typically occurs at pipeline custody points and upon trucks loading at product terminals. For bulk pipeline sales, we record receivables from customers that are generally collected within a week from custody transfer date. For our rack product sales, the majority of our customers' accounts are drafted by us within 10 days from product transfer.

*Merchandise sales.* For our retail store locations, the revenue related to merchandise sales is recognized as the customer completes their purchase at our locations. The transaction price typically includes some portion of sales tax as levied in the respective jurisdictions. Those taxes that are collected for remittance to governmental entities on a pass-through basis are not recognized as revenue and they are recorded to a liability account until they are paid. As noted previously, a mixture of payment types are used for these revenues and the same terms for credit/debit card receivables are realized.

With respect to merchandise sales revenue we must determine whether we are the principal or agent for some categories of merchandise such as scratch-off lottery tickets, lotto tickets, newspapers and other small categories of merchandise. For scratch-off lottery tickets, we have determined we are the principal in the majority of the jurisdictions and therefore we record those sales on a gross basis. We have some categories of merchandise (such as lotto tickets) where we are the agent and the revenues recorded for those transactions are our net commission only.

The Company offers loyalty programs through each of its branded retail locations. The customers earn rewards based on their spending or other promotional activities. These programs create a performance obligation which requires us to defer a portion of sales revenue to the loyalty program participants until they redeem their rewards. The rewards may be redeemed for free or discounted merchandise or cash discounts at all stores and on fuel purchases at Murphy branded stores. Earned rewards expire after an account is inactive for a period of 90 days at Murphy branded stores, while certain QuickChek rewards require use within the month. We recognize loyalty revenue when a customer redeems an earned reward. Deferred revenue associated with both rewards programs are included in Trade accounts payable and accrued liabilities in our Consolidated Balance Sheets. The deferred revenue balances at March 31, 2025 and December 31, 2024 were immaterial.

*RINs sales.* For the sale of RINs, we recognize revenue when the RIN is transferred to the counter-party and the sale is completed. Receivables from our counter-parties related to the RIN sales are typically collected within five days of the sale.

*Other revenues.* Items reported as other operating revenues include collection allowances for excise and sales tax and other miscellaneous items and are recognized as revenue when the transaction is completed.

**Accounts receivable**

Trade accounts receivable on the balance sheet represents both receivables related to contracts with customers and other trade receivables. At March 31, 2025 and December 31, 2024, we had \$126.7 million and \$110.5 million of receivables, respectively, related to contracts with customers recorded. All of the trade accounts receivable related to contracts with customers outstanding at the end of each period were collected during the succeeding quarter. These receivables were generally related to credit and debit card transactions along with short term bulk and wholesale sales to our customers, which have a very short settlement window.

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

**Note 3 — Inventories**

Inventories consisted of the following:

<i>(Millions of dollars)</i>	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Petroleum products - FIFO basis	\$ 337.9	\$ 353.3
Store merchandise for resale - FIFO basis	225.4	226.5
Less LIFO reserve	(209.5)	(189.1)
Total petroleum products and store merchandise inventory	353.8	390.7
Materials and supplies	10.6	10.9
Total inventories	\$ 364.4	\$ 401.6

At March 31, 2025 and December 31, 2024, the replacement cost (market value) of LIFO inventories exceeded the LIFO carrying value for petroleum products by \$209.5 million and \$189.1 million, respectively.

**Note 4 — Marketable Securities**

The Company invests a portion of its excess operational cash in marketable securities. The goal of the Company's investment policy, in order of priority, are as follows: (1) preservation of principal, (2) maintaining a high degree of liquidity to meet cash flow requirements, and (3) deliver competitive returns subject to prevailing market conditions and the Company's stated objectives related to safety and liquidity. Nothing in the policy is intended to indicate that management must invest excess operational cash; it allows it to be subject to specific limitations.

Securities are generally required to have a final maturity of 24 months or less with a weighted average maturity for the portfolio of no longer than 12 months and must have an active secondary market. Investments may include U.S. Treasury bills, notes and bonds, U.S. Agency securities, repurchase agreements, certificates of deposit, institutional, government money market funds that maintain a stable \$1.00 net asset value, domestic and foreign commercial paper, municipal securities, domestic and foreign debt issued by corporations or financial institutions with the primary objective of minimizing the potential risk of principal loss. The Company determines the classification of its marketable securities based on its investment strategy at the time of purchase.

The Company held no marketable securities at March 31, 2025 or December 31, 2024.

**Note 5 — Goodwill and Intangible Assets**

The Company's goodwill is assigned to its Marketing segment and none of the goodwill is deductible for tax purposes.

<i>(Millions of dollars)</i>	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Goodwill	\$ 328.0	\$ 328.0

We amortize intangible assets subject to amortization on a straight-line basis based on the period for which the economic benefits of the asset or liability are expected to be realized. The intangible assets subject to amortization includes pipeline space, which is being amortized over a 40-year life, and the intangible lease liability acquired from QuickChek that is being amortized over the remaining life of the underlying leases.

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

Intangible assets subject to amortization at March 31, 2025 and December 31, 2024 consisted of the following:

	Remaining Useful Life (in years)	March 31, 2025		December 31, 2024	
(Millions of dollars)		Cost	Net	Cost	Net
Intangible assets subject to amortization:					
Pipeline space	30.4	\$ 39.6	\$ 30.4	\$ 39.6	\$ 30.7
Intangible lease liability	9.2	(9.1)	(6.3)	(9.1)	(6.6)
Total intangible assets subject to amortization		30.5	24.1	30.5	24.1
Intangible assets not subject to amortization, indefinite lives:					
Trade name		115.4	115.4	115.4	115.4
Intangible assets, net of amortization		\$ 145.9	\$ 139.5	\$ 145.9	\$ 139.5

**Note 6 — Long-Term Debt**

Long-term debt consisted of the following:

(Millions of dollars)	March 31, 2025	December 31, 2024
5.625% senior notes due 2027 (net of unamortized discount of \$0.8 at March 31, 2025 and \$0.9 at December 31, 2024)	\$ 299.2	\$ 299.1
4.75% senior notes due 2029 (net of unamortized discount of \$2.8 at March 31, 2025 and \$3.0 at December 31, 2024)	497.2	497.0
3.75% senior notes due 2031 (net of unamortized discount of \$3.7 at March 31, 2025 and \$3.8 at December 31, 2024)	496.3	496.2
Term loan due 2028 (effective interest rate of 6.21% at March 31, 2025 and 6.44% at December 31, 2024) net of unamortized discount of \$0.4 at March 31, 2025 and \$0.4 at December 31, 2024	384.6	385.6
Revolving credit facility, due 2026 (weighted average interest rate of 6.59% at March 31, 2025)	200.0	56.0
Capitalized lease obligations, autos and equipment, due through 2028	3.1	3.2
Capitalized lease obligations, buildings, due through 2059	114.0	116.5
Unamortized debt issuance costs	(4.6)	(5.2)
Total long-term debt	1,989.8	1,848.4
Less current maturities	15.6	15.7
Total long-term debt, net of current	\$ 1,974.2	\$ 1,832.7

**Senior Notes**

On April 25, 2017, Murphy Oil USA, Inc. ("MOUSA"), our primary operating subsidiary, issued \$300 million of 5.625% Senior Notes due 2027 (the "2027 Senior Notes") under its existing shelf registration statement. The 2027 Senior Notes are fully and unconditionally guaranteed by the Company and by the Company's subsidiaries that guarantee our Credit Facilities (as defined below). The indenture governing the 2027 Senior Notes contains restrictive covenants that limit, among other things, the ability of the Company, MOUSA, and the restricted subsidiaries to incur additional indebtedness or liens, dispose of assets, make certain restricted payments or investments, enter into transactions with affiliates or merge with or into other entities.

On September 13, 2019, MOUSA, issued \$500 million of 4.75% Senior Notes due 2029 (the "2029 Senior Notes"). The net proceeds from the issuance of the 2029 Senior Notes were used to fund, in part, the tender offer and redemption of a prior note issuance. The 2029 Senior Notes are fully and unconditionally guaranteed by the Company and by the Company's subsidiaries that guarantee our Credit Facilities. The indenture governing the

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(unaudited)**

2029 Senior Notes contains restrictive covenants that are essentially identical to the covenants for the 2027 Senior Notes.

On January 29, 2021, MOUSA, issued \$500 million of 3.75% Senior Notes due 2031 (the "2031 Senior Notes" and, together with the 2027 Senior Notes and the 2029 Senior Notes, the "Senior Notes"). The net proceeds from the issuance of the 2031 Senior Notes were used, in part, to fund the acquisition of QuickChek and other obligations related to that transaction. The 2031 Senior Notes are fully and unconditionally guaranteed by the Company and by the Company's subsidiaries that guarantee our Credit Facilities. The indenture governing the 2031 Senior Notes contains restrictive covenants that are essentially identical to the covenants for the 2027 and 2029 Senior Notes.

The Senior Notes and related guarantees rank equally with all of our and the guarantors' existing and future senior unsecured indebtedness and effectively junior to our and the guarantors' existing and future secured indebtedness (including indebtedness with respect to the Credit Facilities) to the extent of the value of the assets securing such indebtedness. The Senior Notes are structurally subordinated to all of the existing and future third-party liabilities, including trade payables, of our existing and future subsidiaries that do not guarantee the notes.

*Revolving Credit Facility and Term Loan*

The following discussion summarizes the terms of our credit agreement in effect as of March 31, 2025. As disclosed in "Note 17 - Subsequent Events," the Company refinanced its Credit Facilities on April 7, 2025.

Our credit agreement consists of both a cash flow revolving credit facility and a senior secured term loan.

The credit agreement provides for a senior secured term loan in an aggregate principal amount of \$400 million (the "Term Facility") (which was borrowed in full on January 29, 2021) and revolving credit commitments in an aggregate amount equal to \$350 million (the "Revolving Facility", and together with the Term Facility, the "Credit Facilities"). The outstanding balance of the term loan was \$385 million at March 31, 2025 and \$386 million at December 31, 2024. The term loan is due January 2028, and we are required to make quarterly principal payments of \$1 million, which began on July 1, 2021. As of March 31, 2025, we had \$200.0 million of outstanding borrowings under the Revolving Facility and \$6.2 million of outstanding letters of credit (which reduces the amount available to borrow under the Revolving Facility).

Interest payable on the Term Facility is based on either:

- the term secured overnight financing rate, plus the applicable Alternative Reference Rate Committee ("ARRC") recommended credit spread adjustment (the "Adjusted Term SOFR Rate");

or

- the Alternate Base Rate, which is defined as the highest of (a) the rate of interest last quoted by The Wall Street Journal as the "Prime Rate", (b) the greater of the federal funds effective rate and the overnight bank funding rate determined by the Federal Reserve Bank of New York from time to time plus 0.50% per annum and (c) the one-month Adjusted Term SOFR Rate plus 1.00% per annum,

plus, (A) in the case of Adjusted Term SOFR Rate borrowings, a spread of 1.75% per annum and (B) in the case of Alternate Base Rate borrowings, a spread of 0.75% per annum.

Interest payable on the Revolving Facility is based on either:

- the term secured overnight financing rate, plus 0.10% credit spread adjustment for all interest periods (the "Adjusted SOFR Rate"), which is subject to a 0.0% floor;

or

- the Alternate Base Rate, which is defined as the highest of (a) the rate of interest last quoted by The Wall Street Journal as the "Prime Rate", (b) the greater of the federal funds effective rate and the overnight

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(unaudited)**

bank funding rate determined by the Federal Reserve Bank of New York from time to time plus 0.50% per annum and (c) the one-month Adjusted SOFR Rate plus 1.00% per annum,

plus, (A) in the case of Adjusted SOFR Rate borrowings, a spread of 1.75% to 2.25% per annum depending on a total debt to EBITDA ratio and (B) in the case of Alternate Base Rate borrowings, spreads ranging from 0.75% to 1.25% per annum depending on a total debt to EBITDA ratio.

The Term Facility amortizes in quarterly installments, which commenced on July 1, 2021, at a rate of 1.00% per annum. Murphy USA is also required to prepay the Term Facility with a portion of its excess cash flow, a portion of the net cash proceeds of certain asset sales and casualty events (subject to certain reinvestment rights) and the net cash proceeds of issuances of indebtedness not permitted under the Credit Agreement. The Credit Agreement allows Murphy USA to prepay, in whole or in part, the Term Facility outstanding thereunder, together with any accrued and unpaid interest, with prior notice but without premium or penalty other than breakage and redeployment costs.

The credit agreement contains certain covenants that limit, among other things, the ability of the Company and certain of its subsidiaries to incur additional indebtedness or liens, to make certain investments, to enter into sale-leaseback transactions, to make certain restricted payments, to enter into consolidations, mergers or sales of material assets and other fundamental changes, to transact with affiliates, to enter into agreements restricting the ability of subsidiaries to incur liens or pay dividends, or to make certain accounting changes. The Revolving Facility credit agreement also imposes total leverage ratio and secured net leverage ratio financial maintenance covenants which are tested quarterly. Pursuant to the total leverage ratio financial maintenance covenant, the Company must maintain a total leverage ratio of not more than 5.0 to 1.0 with an ability in certain circumstances to temporarily increase that limit to 5.5 to 1.0 and a maximum secured net leverage ratio of not more than 3.75 to 1.0 with an ability in certain circumstances to temporarily increase that limit to 4.25 to 1.0. The Credit Agreement also contains customary events of default.

Pursuant to the credit agreement's covenant limiting certain restricted payments, certain payments in respect of our equity interests, including dividends, when the total leverage ratio, calculated on a pro forma basis, is greater than 3.0 to 1.0 could be limited. At March 31, 2025, our total leverage ratio was 1.96 to 1.0 which meant our ability at that date to make restricted payments was not limited. If our total leverage ratio, on a pro forma basis, exceeds 3.0 to 1.0, any restricted payments made following that time until the ratio is once again, on a pro forma basis, below 3.0 to 1.0 would be limited by the covenant, which contains certain exceptions, including an ability to make restricted payments in cash in an aggregate amount not to exceed the greater of \$120.5 million or 4.5% of consolidated net tangible assets over the life of the credit agreement.

All obligations under the credit agreement are guaranteed by Murphy USA and the subsidiary guarantors party thereto, and all obligations under the credit agreement, including the guarantees of those obligations, are secured by certain assets of Murphy USA, Murphy Oil USA, Inc. and the guarantors party to the guarantee and collateral agreement in respect thereof.

**Note 7 — Asset Retirement Obligations (ARO)**

The majority of the ARO recognized by the Company at March 31, 2025 and December 31, 2024 is related to the estimated costs to dismantle and abandon certain of its retail gasoline stores. The Company has not recorded an ARO for certain of its marketing assets because sufficient information is presently not available to estimate a range of potential settlement dates for the obligation. These assets are consistently being upgraded and are expected to be operational into the foreseeable future. In these cases, the obligation will be initially recognized in the period in which sufficient information exists to estimate the obligation.

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

A reconciliation of the beginning and ending aggregate carrying amount of the ARO is shown in the following table.

<i>(Millions of dollars)</i>	March 31, 2025	December 31, 2024
Balance at beginning of period	\$ 49.1	\$ 46.1
Accretion expense	0.9	3.2
Settlements of liabilities	(0.7)	(3.1)
Liabilities incurred	—	2.9
Balance at end of period	<u>\$ 49.3</u>	<u>\$ 49.1</u>

The estimation of future ARO is based on a number of assumptions requiring professional judgment. The Company cannot predict the type of revisions to these assumptions that may be required in future periods due to the lack of availability of additional information.

**Note 8 — Income Taxes**

The effective tax rate is calculated as the amount of income tax expense (benefit) divided by income before income tax expense (benefit). For the three months ended March 31, 2025 and 2024, the Company's approximate effective tax rates were as follows:

	2025	2024
Three Months Ended March 31,	14.1%	19.4%

In the three months ended March 31, 2025, the Company recognized approximately \$2.6 million of excess tax benefits related to stock compensation for employees, \$3.8 million of benefit for purchased Federal energy tax credits, and \$0.5 million in other discrete tax benefits. For the three months ended March 31, 2024, the Company recognized approximately \$4.2 million of excess tax benefits related to stock compensation for employees and \$0.1 million in other discrete tax benefits.

As of March 31, 2025, the earliest year remaining open for Federal audits and/or settlement is 2021 and for state audits and/or settlement is 2020. Although the Company believes that recorded liabilities for unsettled issues are adequate, additional gains or losses could occur in future periods from resolution of outstanding unsettled matters.

**Note 9 — Incentive Plans**

*Equity Awards*

The MUSA 2013 Plan authorized the Executive Compensation Committee of our Board of Directors ("the Committee") to grant non-qualified or incentive stock options, stock appreciation rights, stock awards (including restricted stock and restricted stock unit awards), dividend equivalent units, cash awards, and performance awards to our employees. No more than 5.5 million shares of MUSA common stock may be delivered under the MUSA 2013 Plan and no more than 1 million shares of common stock may be awarded to any one employee, subject to adjustment for changes in capitalization. The maximum cash amount payable pursuant to any "performance-based" award to any participant in any calendar year is \$5.0 million.

On May 4, 2023, the 2023 Omnibus Incentive Compensation Plan (the "MUSA 2023 Plan") was approved by the Company's shareholders and became effective for all future grants for both employees and directors. The MUSA 2023 Plan replaced the MUSA 2013 Plan and the 2013 Directors Plan, each of which expired on August 8, 2023. The MUSA 2023 Plan authorizes the Committee to grant to non-employee directors, employees, and consultants of the Company, or any of its subsidiaries, stock options (incentive stock options ("ISOs") and nonqualified stock options ("NQSO")), stock appreciation rights ("SARs"), restricted stock, restricted stock units ("RSUs"), performance awards or other cash-based awards and other stock-based awards. The maximum number of



**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(unaudited)**

shares available for issuance under the MUSA 2023 Plan shall not exceed in the aggregate 1.725 million shares (subject to certain adjustments).

Beginning with its initial quarterly dividend in December 2020, the Company issued dividend equivalent units ("DEUs") on all outstanding, unvested equity awards (except stock options) in an amount commensurate with regular quarterly dividends paid on common stock. The terms of the DEUs mirror the underlying awards and will only vest if the related award vests. DEUs issued are included with grants in each respective table as applicable.

**STOCK OPTIONS** – The Committee fixes the option price of each option granted at no less than fair market value ("FMV") on the date of the grant and fixes the option term at no more than 7 years from such date. Most of the nonqualified stock options granted in 2025 to certain employees by the Committee were granted in February 2025. The Black-Scholes valuation for these awards was \$154.07 per option.

Assumptions used to value awards:

Dividend yield	0.39 %
Expected volatility	27.9 %
Risk-free interest rate	4.5 %
Expected life (years)	4.8
Stock price at valuation date	\$ 492.22

Changes in options outstanding for Company employees during the period from December 31, 2024 to March 31, 2025 are presented in the following table:

Options	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (Years)	Aggregate Intrinsic Value (Millions of Dollars)
Outstanding at December 31, 2024	259,750	\$ 180.68		
Granted	28,900	\$ 492.22		
Exercised	(3,450)	\$ 201.46		
Forfeited	(900)	\$ 320.40		
Outstanding at March 31, 2025	284,300	\$ 211.65	3.6	\$ 74.0
Exercisable at March 31, 2025	205,540	\$ 139.32	2.6	\$ 67.9

**RESTRICTED STOCK UNITS** – The Committee has granted time-based RSUs as part of the compensation plan for its executives and certain other employees since its inception. The awards granted in the current year were under the MUSA 2023 Plan, are valued at the grant date fair value, and vest over three years. The Committee has also granted time-based RSUs to the non-employee directors of the Company as part of their overall compensation package for being a member of the Board of Directors, which vest at the end of one year. For annual equity grants to non-employee directors, the directors may elect to defer receipt of their vested RSUs until their service ends. These RSUs are included in the RSU table below, will vest in one year, and will thereafter become deferred stock units.

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

Changes in RSUs outstanding during the period from December 31, 2024 to March 31, 2025 are presented in the following table:

RSUs	Number of Units	Weighted Average Grant Date Fair Value	Total Fair Value (Millions of Dollars)
Outstanding at December 31, 2024	98,214	\$ 285.60	
Granted	12,674	\$ 492.34	
Vested and issued	(35,556)	\$ 201.38	\$ 16.6
Forfeited	(2,362)	\$ 285.06	
Outstanding at March 31, 2025	72,970	\$ 362.23	\$ 34.3

**DIRECTOR DEFERRED STOCK UNITS (MUSA 2023 Plan)** — Non-employee directors can elect to receive their annual cash retainers in the form of Deferred Stock Units ("DSUs"). The DSUs are recognized at their fair value on the date of the grant. Director fees which are deferred into DSUs are calculated and expensed each quarter by taking fees earned during the quarter and dividing by the closing price of our common stock on the last trading day of the quarter. Each DSU represents the right to receive one share of common stock following the completion of a director's service. During the three month period ended March 31, 2025, we granted 192 DSUs and recorded director expense of \$0.1 million related to the grants. At March 31, 2025, there were 1,931 Director DSUs vested and outstanding with an average grant date fair value of \$399.31 per unit under the MUSA 2023 Plan.

**PERFORMANCE-BASED RESTRICTED STOCK UNITS** – The Committee has granted performance-based restricted stock units (performance units or "PSUs") to its executives and certain other employees. In February 2025, the Committee awarded PSUs to certain employees. Half of the PSUs vest based on a three-year return on average capital employed ("ROACE") calculation and the other half vest based on a three-year total shareholder return ("TSR") calculation that compares MUSA to a group of 17 peer companies. The portion of the awards that vest based on TSR qualify as a market condition and must be valued using a Monte Carlo valuation model. For the TSR portion of the awards, the fair value was determined to be \$674.28 per unit. For the ROACE portion of the awards, the valuation was based on the grant date fair value of \$492.22 per unit and the number of awards will be periodically assessed to determine the probability of vesting.

Changes in PSUs outstanding for Company employees during the period from December 31, 2024 to March 31, 2025 are presented in the following table:

Employee PSUs	Number of Units	Weighted Average Grant Date Fair Value	Total Fair Value (Millions of Dollars)
Outstanding at December 31, 2024	77,395	\$ 320.05	
Granted	49,102	\$ 583.25	
Vested and issued	(61,288)	\$ 221.39	\$ 29.7
Forfeited	(1,040)	\$ 385.50	
Outstanding at March 31, 2025	64,169	\$ 441.72	\$ 30.1

**2013 Stock Plan for Non-employee Directors**

Effective August 8, 2013, Murphy USA adopted the 2013 Murphy USA Stock Plan for Non-employee Directors (the "2013 Directors Plan"). The directors for Murphy USA are compensated with a mixture of cash payments and equity-based awards.

**RESTRICTED STOCK UNITS (2013 Directors Plan)** – The Committee has also granted time based RSUs to the non-employee directors of the Company as part of their overall compensation package for being a member of the Board of Directors. Awards prior to 2023 vest at the end of three years and those granted in 2023 vested at the end of one year.

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

Changes in Director RSUs outstanding for Company non-employee directors during the period from December 31, 2024 to March 31, 2025 are presented in the following table:

2013 Plan — Director RSUs	Number of Units	Weighted Average Grant Date Fair Value	Total Fair Value (Millions of Dollars)
Outstanding at December 31, 2024	9,436	\$ 196.38	
Granted	2	\$ 457.52	
Vested and issued	(7,174)	\$ 175.84	\$ 3.5
Outstanding at March 31, 2025	2,264	\$ 261.51	\$ 1.1

**DEFERRED STOCK UNITS (2013 Directors Plan)** — Effective January 1, 2023, non-employee directors could elect to receive their annual cash retainers in the form of DSUs. Each DSU represents the right to receive one share of common stock following the completion of a director's service. At March 31, 2025 there were 425 Director DSUs outstanding with an average grant date fair value of \$258.35 per unit under the 2013 Directors Plan.

Share-based compensation for the three months ended March 31, 2025 and 2024, was \$5.9 million and \$5.6 million, respectively. Total income tax benefits realized from tax deductions related to stock option exercises under share-based payment arrangements was zero and \$0.5 million for the three months ended March 31, 2025 and 2024, respectively.

**Note 10 — Financial Instruments and Risk Management**

**DERIVATIVE INSTRUMENTS** — The Company makes limited use of derivative instruments to manage certain risks related to commodity prices and interest rates. The use of derivative instruments for risk management is covered by operating policies and is closely monitored by the Company's senior management. The Company does not hold any derivatives for speculative purposes, and it does not use derivatives with leveraged or complex features. Derivative instruments are traded primarily with credit worthy major financial institutions or over national exchanges such as the New York Mercantile Exchange ("NYMEX"). For accounting purposes, the Company has not designated commodity derivative contracts as hedges, and therefore, it recognizes all gains and losses on these derivative contracts in its Consolidated Statements of Income. Certain interest rate derivative contracts were accounted for as hedges and gain or loss associated with recording the fair value of these contracts was deferred in AOCI until the anticipated transactions occurred. As of March 31, 2025, all current commodity derivative activity is immaterial.

There were \$0.2 million cash deposits at March 31, 2025 and December 31, 2024 related to commodity derivative contracts reported in Prepaid expenses and other current assets in the Consolidated Balance Sheets. These cash deposits have not been used to increase the reported net assets or reduce the reported net liabilities on the derivative contracts at March 31, 2025 or December 31, 2024.

**Note 11 — Earnings Per Share**

Basic earnings per common share is computed by dividing net income available to common stockholders by the weighted average of common shares outstanding during the period. Diluted earnings per common share adjusts basic earnings per common share for the effects of stock options and restricted stock in the periods where such items are dilutive.

On May 2, 2023, the Board of Directors approved a share repurchase authorization of up to \$1.5 billion that expires December 31, 2028, and excludes excise tax. As of March 31, 2025, approximately \$787.8 million remained under the 2023 authorization. For the three months ended March 31, 2025, the Company repurchased 321,119 shares of common stock for an average price of \$470.80 per share including brokerage fees and excise

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

tax. For the three months ended March 31, 2024, 216,036 shares were repurchased for an average price of \$402.14 per share.

The following tables provide a reconciliation of basic and diluted earnings per share computations for the three months ended March 31, 2025 and 2024:

	Three Months Ended March 31,	
	2025	2024
<i>(Millions of dollars, except share and per share amounts)</i>		
<b>Earnings per common share:</b>		
Net income per share - basic		
Net income attributable to common stockholders	\$ 53.2	\$ 66.0
Weighted average common shares outstanding (in thousands)	19,929	20,814
Earnings per common share	\$ 2.67	\$ 3.17

	Three Months Ended March 31,	
	2025	2024
<i>(Millions of dollars, except share and per share amounts)</i>		
<b>Earnings per common share - assuming dilution:</b>		
Net income per share - diluted		
Net income attributable to common stockholders	\$ 53.2	\$ 66.0
Weighted average common shares outstanding (in thousands)	19,929	20,814
Common equivalent shares:		
Dilutive share-based awards	275	348
Weighted average common shares outstanding - assuming dilution (in thousands)	20,204	21,162
Earnings per common share assuming dilution	\$ 2.63	\$ 3.12

We have excluded from the earnings-per-share calculation certain stock options and shares that are considered to be anti-dilutive under the treasury stock method and are reported in the table below.

	Three Months Ended March 31,	
	2025	2024
<b>Potentially dilutive shares excluded from the calculation as their inclusion would be anti-dilutive</b>		
Stock Options	47,623	16,597
RSUs	4,912	151
PSUs	9,824	5,689
Total anti-dilutive shares	62,359	22,437

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

**Note 12 — Other Financial Information**

**CASH FLOW DISCLOSURES** — Cash income tax payments, net of refunds, were \$41.7 million for the three-month periods ended March 31, 2025 and cash income taxes received were \$0.1 million for the three-month periods ended March 31, 2024. Interest paid, net of amounts capitalized, was \$30.0 million and \$30.4 million for the three-month periods ended March 31, 2025 and 2024, respectively.

**CHANGES IN WORKING CAPITAL:**

<i>(Millions of dollars)</i>	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
Accounts receivable	\$ (3.7)	\$ (45.7)
Inventories	37.2	48.6
Prepaid expenses and other current assets	1.1	(5.7)
Accounts payable and accrued liabilities	2.9	(9.3)
Income taxes payable	(37.2)	16.3
Net (increase) decrease in noncash operating working capital	<u>\$ 0.3</u>	<u>\$ 4.2</u>

**Note 13 — Assets and Liabilities Measured at Fair Value**

The Company carries certain assets and liabilities at fair value in its Consolidated Balance Sheets. The fair value hierarchy is based on the quality of inputs used to measure fair value, with Level 1 being the highest quality and Level 3 being the lowest quality. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are observable inputs other than quoted prices included within Level 1. Level 3 inputs are unobservable inputs which reflect assumptions about pricing by market participants.

The Company's available-for-sale marketable securities consist of high quality, investment grade securities from diverse issuers. We value these securities at the closing price in the principal active markets as of the last business day of the reporting period. The fair values of the Company's marketable securities by asset class are described in Note 4 "Marketable Securities" in these consolidated financial statements for the period ended March 31, 2025. We value the deferred compensation plan assets, which consist of money market and mutual funds, based on quoted prices in active markets at the measurement date. For additional information on deferred compensation plans see also Note 13 "Employee and Retirement Benefit Plans" in the audited consolidated financial statements for the year ended December 31, 2024 included in our Annual Report on Form 10-K for more information.

At the balance sheet date, the fair value of commodity derivatives contracts was determined using NYMEX quoted values. The carrying value of the Company's Cash and cash equivalents, Accounts receivable-trade, Trade accounts payable, and accrued liabilities approximates fair value. See also Note 10 "Financial Instruments and Risk Management" in these consolidated financial statements for the period ended March 31, 2025, for more information.

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

Financial assets and liabilities measured at fair value on a recurring basis

The following tables present the Company's financial assets and liabilities measured at fair value on a recurring basis, as of March 31, 2025 and December 31, 2024:

(Millions of dollars)	March 31, 2025			
	Level 1	Level 2	Level 3	Fair Value
<b>Financial assets</b>				
Prepaid expenses and other current assets:				
Fuel derivative	\$ —	\$ —	\$ 0.2	\$ 0.2
Other assets				
Deferred compensation plan assets	15.2	—	—	15.2
<b>Financial liabilities</b>				
Deferred credits and other liabilities				
Deferred compensation plan liabilities	(25.8)	—	—	(25.8)
	<u>\$ (10.6)</u>	<u>\$ —</u>	<u>\$ 0.2</u>	<u>\$ (10.4)</u>
(Millions of dollars)	December 31, 2024			
	Level 1	Level 2	Level 3	Fair Value
<b>Financial assets</b>				
Prepaid expenses and other current assets:				
Fuel derivative	\$ —	\$ —	\$ 0.2	\$ 0.2
Other assets				
Deferred compensation plan assets	14.9	—	—	14.9
<b>Financial liabilities</b>				
Deferred credits and other liabilities				
Deferred compensation plan liabilities	(26.3)	—	—	(26.3)
	<u>\$ (11.4)</u>	<u>\$ —</u>	<u>\$ 0.2</u>	<u>\$ (11.2)</u>

Fair value of financial instruments not recognized at fair value

The fair value of a financial instrument is the amount at which the instrument could be exchanged in a current transaction between willing parties. The table below excludes Cash and cash equivalents, Accounts receivable-trade, and Trade accounts payable and accrued liabilities, all of which had fair values approximating carrying amounts. The fair value of Current and Long-term debt was estimated based on rates offered to the Company at that time for debt of the same maturities. The Company has off-balance sheet exposures relating to certain financial guarantees and letters of credit. The fair value of these, which represents fees associated with obtaining the instruments, was nominal.

The following table presents the carrying amounts and estimated fair values of financial instruments held by the Company at March 31, 2025 and December 31, 2024.

(Millions of dollars)	At March 31, 2025		At December 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial liabilities</b>				
Current and long-term debt, excluding finance leases	\$ (1,872.7)	\$ (1,867.2)	\$ (1,728.7)	\$ (1,717.5)

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(unaudited)**

**Note 14 — Contingencies**

The Company's operations and earnings have been and may be affected by various forms of governmental action. Examples of such governmental action include, but are by no means limited to: tax increases and retroactive tax claims; import and export controls; price controls; allocation of supplies of crude oil and petroleum products and other goods; laws and regulations intended for the promotion of safety and the protection and/or remediation of the environment; governmental support for other forms of energy; and laws and regulations affecting the Company's relationships with employees, suppliers, customers, stockholders and others. Because governmental actions are often motivated by political considerations, may be taken without full consideration of their consequences, and may be taken in response to actions of other governments, it is not practical to attempt to predict the likelihood of such actions, the form the actions may take or the effect such actions may have on the Company.

**ENVIRONMENTAL MATTERS AND LEGAL MATTERS** — Murphy USA is subject to numerous federal, state and local laws, regulations and permit requirements dealing with the environment. Violation of such environmental laws, regulations and permits can result in the imposition of significant civil and criminal penalties, injunctions and other sanctions. A discharge of hazardous substances into the environment could, to the extent such event is not adequately insured, subject the Company to substantial expense, including the cost to comply with applicable laws and regulations, claims by neighboring landowners, governmental authorities and other third parties for any personal injury, property damage and other losses that might result.

The Company currently owns or leases, and has in the past owned or leased, properties at which hazardous substances have been or are being handled. In connection with these activities, hazardous substances may have been disposed of or released on or under the properties owned or leased by the Company or on or under other locations where they have been taken for disposal. In addition, many of these properties have been operated by third parties whose management of hazardous substances was not under the Company's control. Under existing laws, the Company could be required to remediate contaminated property (including contaminated groundwater) or to perform remedial actions to prevent future contamination. Certain of these contaminated properties are in various stages of negotiation, investigation, and/or cleanup, and the Company is investigating the extent of any related liability and the availability of applicable defenses. With the sale of the U.S. refineries in 2011, Murphy Oil retained certain liabilities related to environmental matters. Murphy Oil also obtained insurance covering certain levels of environmental exposures. With respect to the previously owned refinery properties, Murphy Oil retained those liabilities in the Separation and Distribution agreement that was entered into related to the separation on August 30, 2013. With respect to any remaining potential liabilities, based on information currently available to the Company, the Company believes costs related to these properties will not have a material adverse effect on Murphy USA's net income, financial position or liquidity in a future period.

While it is possible that certain environmental expenditures could be recovered by the Company from other sources, primarily environmental funds maintained by certain states, no assurance can be given that future recoveries from other sources will occur. As such, the Company has not recorded a benefit for likely recoveries at March 31, 2025, however certain jurisdictions provide reimbursement for these expenses which have been considered in recording the net exposure. The U.S. Environmental Protection Agency (EPA) currently considers the Company a Potentially Responsible Party (PRP) at one Superfund site. As to the site, the potential total cost to all parties to perform necessary remedial work at this site may be substantial. However, based on current negotiations and available information, the Company believes that it is a de minimis party as to ultimate responsibility at the Superfund site. Accordingly, the Company has not recorded a liability for remedial costs at the Superfund site at March 31, 2025. The Company could be required to bear a pro rata share of costs attributable to nonparticipating PRPs or could be assigned additional responsibility for remediation at this site or other Superfund sites. Based on information currently available to the Company, the Company believes that its share of the ultimate costs to clean up this site will be immaterial and will not have a material adverse effect on its net income, financial position or liquidity in a future period.

Based on information currently available to the Company, the amount of future remediation costs to be incurred to address known contamination sites is not expected to have a material adverse effect on the Company's future net income, cash flows or liquidity. However, there is the possibility that additional environmental expenditures could be required to address contamination, including as a result of discovering additional contamination or the

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**(unaudited)**

imposition of new or revised requirements applicable to known contamination, and such additional expenditures could be material.

Murphy USA is engaged in a number of other legal proceedings, all of which the Company considers routine and incidental to its business. Currently, the City of Charleston, South Carolina, and the State of Delaware have filed lawsuits against energy companies, including the Company. These lawsuits allege damages as a result of climate change and the plaintiffs are seeking unspecified damages and abatement under various tort theories. At this stage, the ultimate outcome of these matters remains uncertain, and neither the likelihood of an unfavorable outcome nor the ultimate liability, if any, can be determined. Based on information currently available to the Company, the ultimate resolution of those other legal matters is not expected to have a material adverse effect on the Company's net income, financial condition or liquidity in a future period.

**INSURANCE** — The Company maintains insurance coverage at levels that are customary and consistent with industry standards for companies of similar size. Murphy USA maintains statutory workers compensation insurance with a deductible of \$1.0 million per occurrence, general liability insurance with a deductible of \$3.0 million per occurrence, and auto liability insurance with a deductible of \$0.3 million per occurrence. As of March 31, 2025, there were a number of outstanding claims that are of a routine nature. The estimated incurred but unpaid liabilities relating to these claims are included in Trade account payables and accrued liabilities on the Consolidated Balance Sheets. While the ultimate outcome of these claims cannot presently be determined, management believes that the accrued liability of \$57.6 million will be sufficient to cover the related liability and that the ultimate disposition of these claims will have no material effect on the Company's financial position and results of operations.

The Company has obtained insurance coverage as appropriate for the business in which it is engaged but may incur losses that are not covered by insurance or reserves, in whole or in part, and such losses could adversely affect our results of operations and financial position.

**TAX MATTERS** — Murphy USA is subject to extensive tax liabilities imposed by multiple jurisdictions, including income taxes, indirect taxes (excise/duty, sales/use and gross receipts taxes), payroll taxes, franchise taxes, withholding taxes and ad valorem taxes. New tax laws and regulations and changes in existing tax laws and regulations are continuously being enacted or proposed that could result in increased expenditures for tax liabilities in the future. Many of these liabilities are subject to periodic audits by the respective taxing authority. Subsequent changes to our tax liabilities because of these audits may subject us to interest and penalties.

**OTHER MATTERS** — In the normal course of its business, the Company is required under certain contracts with various governmental authorities and others to provide financial guarantees or letters of credit that may be drawn upon if the Company fails to perform under those contracts. At March 31, 2025, the Company had contingent liabilities of \$8.8 million on outstanding letters of credit. The Company has not accrued a liability in its balance sheet related to these financial guarantees and letters of credit because it is believed that the likelihood of having these drawn is remote.

**Note 15 — Lease Accounting**

The Company determines if an arrangement is a lease or contains a lease at inception. Operating lease right-of-use assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. Leases with an initial term of 12 months or less are not recorded on the balance sheet; we recognize lease expense for these leases on a straight-line basis over the lease term. The Company's leases have remaining lease terms of approximately 2 years or less to 35 years, which may include the option to extend the lease when it is reasonably certain the Company will exercise the option. Most leases include one or more options to renew, with renewal terms that can extend the lease term from 5 to 20 years or more. The exercise of lease renewal options is at the Company's sole discretion. Due to the uncertainties of future markets, economic factors, technology changes, demographic shifts and behavior, environmental regulatory requirements and other information that impacts decisions as to store location, management has determined that it was not reasonably certain to exercise contract options and they are not included in the lease term. Additionally, short-term leases and leases with variable lease costs are immaterial. The Company reviews all options to extend, terminate, or otherwise modify its lease agreements to determine if changes are required to the right-of-use assets and liabilities.



**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

As the implicit interest rate is not readily determinable in most of the Company's lease agreements, the Company uses its estimated secured incremental borrowing rate based on the information available at commencement date in determining the present value of lease payments.

**Lessor** — We have various arrangements for certain spaces for food service and vending equipment under which we are the lessor. These leases meet the criteria for operating lease classification. Lease income associated with these leases is immaterial. We also have certain areas where we sublease building and land space to others. This lease income is immaterial.

**Lessee** — We lease land for 453 stores, one terminal, and various equipments. Our lease agreements do not contain any material residual value guarantees and approximately 102 sites leased from Walmart contain restrictive covenants, though the restrictions are deemed to have an immaterial impact.

Leases are reflected in the following balance sheet accounts:

(Millions of dollars)	Classification	March 31, 2025	December 31, 2024
<b>Assets</b>			
Operating (Right-of-use)	Operating lease right-of-use assets, net	\$ 490.3	\$ 492.9
	Property, plant, and equipment, at cost, less accumulated depreciation of \$59.5 at March 31, 2025 and \$56.3 at December 31, 2024	100.8	103.9
Finance		591.1	596.8
<b>Total leased assets</b>		<b>\$ 591.1</b>	<b>\$ 596.8</b>
<b>Liabilities</b>			
<b>Current</b>			
Operating	Trade accounts payable and accrued liabilities	\$ 24.5	\$ 23.7
Finance	Current maturities of long-term debt	11.6	11.7
<b>Noncurrent</b>			
Operating	Non-current operating lease liabilities	494.4	496.3
Finance	Long-term debt, including capitalized lease obligations	105.5	108.0
<b>Total lease liabilities</b>		<b>\$ 636.0</b>	<b>\$ 639.7</b>

(Millions of dollars)	Classification	2025	2024
<b>Lease Cost:</b>			
Operating lease cost	Store and other operating expenses	\$ 15.7	\$ 14.1
Finance lease cost			
Amortization of leased assets	Depreciation and amortization	3.6	3.7
Interest on lease liabilities	Interest expense	2.0	2.1
<b>Net lease costs</b>		<b>\$ 21.3</b>	<b>\$ 19.9</b>

(Millions of dollars)	2025	2024
<b>Cash Flow Information:</b>		
<b>Cash paid for amounts included in the measurement of liabilities</b>		
Operating cash flows required by operating leases	\$ 14.7	\$ 13.1
Operating cash flows required by finance leases	\$ 2.0	\$ 2.1
Financing cash flows required by finance leases	\$ 3.0	\$ 2.9

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

**Maturity of Lease Liabilities at March 31, 2025:**

<i>(Millions of dollars)</i>	Operating leases	Finance leases
2025	\$ 45.5	\$ 14.4
2026	60.6	18.3
2027	59.7	17.2
2028	58.7	16.2
2029	57.1	14.4
After 2029	611.7	92.8
Total lease payments	893.3	173.3
Less: interest	374.4	56.2
Present value of lease liabilities	\$ 518.9	\$ 117.1

Lease Term and Discount Rate:	Three Months Ended March 31, 2025
Weighted average remaining lease term (years)	
Finance leases	11.3
Operating leases	14.8
Weighted average discount rate	
Finance leases	6.8 %
Operating leases	7.0 %

**Note 16 — Business Segments**

We identify reportable segments based on how we manage the company's operations. Our operations include the sale of retail motor fuel products and convenience merchandise along with the wholesale and bulk sale capabilities of our product supply and wholesale group. As the primary purpose of the product supply and wholesale group is to support our retail operations and provide fuel for their daily operation, the bulk and wholesale fuel sales are secondary to the support functions played by these groups. As such, they are all treated as one segment for reporting purposes as they sell the same products and have similar economic characteristics. This Marketing segment contains essentially all of the revenue generating activities of the Company. Results not included in the reportable segment are included in Corporate and Other Assets. The reportable segment was determined based on information reviewed by the Chief Operating Decision Maker (CODM), who is the Chief Executive Officer.

The CODM evaluates performance and allocates resources for its reportable segment using segment income or loss. This metric is used to evaluate the overall financial performance of the Marketing segment, make operational and strategic decisions, prepare our annual plan, and allocate resources.

The accounting policies for the Marketing segment are consistent with those described in the summary of significant accounting policies. No eliminations are required for the presentation below as virtually all corporate and other costs are allocated to the Marketing segment.

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

**Marketing Segment Information**

(Millions of dollars)

	Three Months Ended March 31,	
	2025	2024
Revenues from external customers	\$ 4,525.3	\$ 4,843.6

**Reconciliation of revenue**

Other revenues <sup>1</sup>	0.1	0.1
Total consolidated revenue	\$ 4,525.4	\$ 4,843.7

**Less:<sup>2</sup>**

Cost of goods sold	4,041.8	4,365.2
Store and other operating expenses	266.0	252.1
Selling, general and administrative	60.1	62.1
Depreciation and amortization	61.5	54.9
Other segment items <sup>3</sup>	1.2	0.9
Interest expense	1.9	2.1
Segment income before income taxes	\$ 92.8	\$ 106.3

**Reconciliation of income before income taxes**

Income before income taxes	\$ 61.9	\$ 81.9
Other (revenues) <sup>1</sup>	(0.1)	(0.1)
Other operating expenses	0.1	—
Depreciation and amortization	6.7	3.8
(Gain) loss on sale of assets	—	(0.5)
Investment (income) loss	0.1	(1.2)
Interest expense	23.5	22.8
Other nonoperating (income) expense	0.6	(0.4)
Segment income before income taxes	\$ 92.8	\$ 106.3

<sup>1</sup>Revenues from corporate and other assets not included in the reportable segment results.

<sup>2</sup>The significant expense categories and amounts align with the segment-level information that is regularly provided to the CODM. Intersegment expenses are included within the amounts shown.

<sup>3</sup>Other segment items includes: accretion of asset retirement obligations, impairment of properties, (gain) loss on sale of assets and other nonoperating (income) expense

**Other specified segment disclosures**

(Millions of dollars)

**Three Months Ended March 31, 2025**

	Marketing Totals	Reconciling Items <sup>4</sup>	Consolidated Totals
Accretion of asset retirement obligations	\$ 0.9	\$ —	\$ 0.9
Deferred and noncurrent income taxes (benefits)	\$ (2.0)	\$ 0.6	\$ (1.4)
Additions to property, plant and equipment	\$ 60.8	\$ 3.2	\$ 64.0

(Millions of dollars)

**Three Months Ended March 31, 2024**

	Marketing Totals	Reconciling Items <sup>4</sup>	Consolidated Totals
Accretion of asset retirement obligations	\$ 0.8	\$ —	\$ 0.8
Deferred and noncurrent income taxes (benefits)	\$ (0.5)	\$ —	\$ (0.5)
Additions to property, plant and equipment	\$ 71.2	\$ 11.0	\$ 82.2

**Murphy USA Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

**Reconciliation of Assets**

<i>(Millions of dollars)</i>	<b>March 31, 2025</b>	<b>December 31, 2024</b>
<b>Assets</b>		
Marketing assets	\$ 4,316.6	\$ 4,326.8
All other assets <sup>4</sup>	185.9	214.8
Total consolidated assets	<u>\$ 4,502.5</u>	<u>\$ 4,541.6</u>

<sup>4</sup>Corporate and other assets not included in the reportable segment results.

**Note 17 — Subsequent Events**

On April 7, 2025, the Company refinanced its existing credit facility including both the revolving credit facility and the secured term loan. This amended credit agreement provides for a secured term loan of \$600 million (which was borrowed in full) and revolving credit commitments of \$750 million. The term loan matures seven years from the date of issuance and the revolving credit facility matures in five years. The secured term loan accrues interest at SOFR plus 1.75%, and the revolving credit facility accrues interest, when drawn, at SOFR plus a range of 1.25% to 2.00% depending on a total debt to EBITDA ratio covenant. As part of entering into the amended credit agreement, the amounts drawn under the prior agreement were fully repaid and retired.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*Management's Discussion and Analysis of Financial Condition and Results of Operations ("Management's Discussion and Analysis" or "MD&A") is the Company's analysis of its financial performance and of significant trends that may affect future performance. It should be read in conjunction with the consolidated financial statements and notes included in this Quarterly Report on Form 10-Q. The MD&A contains forward-looking statements and the Company does not undertake to update, revise or correct any of the forward-looking information unless required to do so under the federal securities laws. Readers are cautioned that such forward-looking statements should be read in conjunction with the Company's disclosures under "Forward-Looking Statements" and "Risk Factors" included elsewhere in this Quarterly Report on Form 10-Q.*

*For purposes of this Management's Discussion and Analysis, references to "Murphy USA", the "Company", "we", "us" and "our" refer to Murphy USA Inc. and its subsidiaries on a consolidated basis.*

Management's Discussion and Analysis is organized as follows:

- **Executive Overview** — This section provides an overview of our business and the results of operations and financial condition for the periods presented. It includes information on the basis of presentation with respect to the amounts presented in the Management's Discussion and Analysis and a discussion of the trends affecting our business.
- **Results of Operations** — This section provides an analysis of our results of operations, including the results of our operating segment for the three months ended March 31, 2025 and 2024.
- **Capital Resources and Liquidity** — This section provides a discussion of our financial condition and cash flows as of and for the three months ended March 31, 2025 and 2024. It also includes a discussion of our capital structure and available sources of liquidity.
- **Critical Accounting Policies** — This section describes the accounting policies and estimates that we consider most important for our business and that require significant judgment.

### **Executive Overview**

The following MD&A is intended to help the reader understand our results of operations and financial condition. This section is provided to supplement, and should be read in conjunction with, our consolidated financial statements and the accompanying notes to these financial statements contained elsewhere in this Quarterly Report on Form 10-Q, this MD&A section and the consolidated financial statements in our Annual Report on Form 10-K. Our Form 10-K contains a discussion of matters not included within this document, such as disclosures regarding critical accounting policies and estimates, and contractual obligations.

### **Our Business**

The Company owns and operates a chain of retail stores that market gasoline and other merchandise under the brand names of Murphy USA® and Murphy Express, most of which are located in close proximity to Walmart stores, principally in the Southeast, Midwest and Southwest areas of the United States. We also have a mix of convenience stores and retail gasoline stores located in New Jersey and New York that operate under the QuickChek® brand, comprising our Northeast region. At March 31, 2025, we had a total of 1,761 Company stores in 27 states, of which 1,607 were Murphy branded and 154 were under the QuickChek brand. We also market petroleum products to unbranded wholesale customers through a mixture of Company-owned and third-party terminals.

### **Basis of Presentation**

Murphy USA was incorporated in March 2013, and until the separation from Murphy Oil Corporation was completed on August 30, 2013, it had not commenced operations and had no material assets, liabilities or commitments. The financial information presented in this Management's Discussion and Analysis is derived from the consolidated financial statements of Murphy USA Inc. and its subsidiaries for all periods presented. Our QuickChek subsidiaries use a weekly retail calendar where each quarter typically has 13 weeks. For Q1 2025, the QuickChek results cover the period December 28, 2024 to March 28, 2025. For Q1 2024, the QuickChek results cover the period December 30, 2023 to March 29, 2024. The difference in the timing of the period ends is immaterial to the overall consolidated results.

### **Trends Affecting Our Business**

Our operations are significantly impacted by the gross margins we receive on our fuel and merchandise sales. The fuel gross margins are commodity-based, change daily, and are volatile. While we generally expect our volumes and gross margins to remain stable in a normalized environment, they can change rapidly due to many factors. These factors include, but are not limited to, the price of refined products, geopolitical events that disrupt the global supply including the impact of potential tariffs, overall demand and prices of crude oil, interruptions in our fuel and merchandise supply chain caused by severe weather or pandemics, the effects from pandemics such as travel restrictions and stay-at-home orders imposed during a pandemic, new or changing legislation around nicotine products and e-cigarettes as well as fuel economy and vehicle emission standards, severe refinery mechanical failures for an extended period of time, cyber-attacks against the Company or our vendors, changing economic conditions that lower consumer purchasing power such as inflation, and competition in the local markets in which we operate.

The cost of our main fuel products, gasoline and diesel, is greatly impacted by the cost of crude oil in the United States. Historically, a rising

price environment for crude oil increases the Company's cost for wholesale fuel products purchased, which in turn increases retail fuel prices. Rising prices can cause consumers to reduce discretionary fuel consumption, however our low-price model can also serve as a hedge to draw new customers which can offset the potential loss of discretionary volumes. In Q1 2025, crude oil prices experienced moderate volatility with prices ranging from \$66 per barrel to \$81 per barrel with a average price of \$72 per barrel in Q1 2025, compared to an average price of \$78 per barrel in Q1 2024. Total fuel contribution (retail fuel margin plus product supply and wholesale ("PS&W")) results which include Renewable Identification Numbers ("RINs")) was 25.4 cents per gallon ("cpg") in Q1 2025, compared to 24.8 cpg in Q1 2024. Retail fuel margin dollars increased 7.1% in the current quarter while retail fuel volumes decreased 1.9% when compared to Q1 2024.

Our revenues are impacted by the ability to leverage our diverse supply infrastructure in pursuit of obtaining the lowest cost of fuel supply available; for example, activities such as blending bulk fuel with renewable fuels (ethanol and bio-diesel) to capture and subsequently sell RINs. Under the Energy Policy Act of 2005, the Environmental Protection Agency ("EPA") is authorized to set annual quotas establishing the percentage of motor fuels consumed in the United States that must be attributable to renewable fuels. Obligated parties are required to demonstrate that they have met any applicable quotas by submitting a certain number of RINs to the EPA. RINs in excess of the set quota can be sold in a market for RINs at then-prevailing prices. The market price for RINs fluctuates based on a variety of factors, including but not limited to governmental and regulatory action. There are other market related factors that can impact the revenue received for RINs on a company-wide basis either favorably or unfavorably. The Renewable Fuel Standard ("RFS") program continues to be unpredictable and prices received by us for ethanol RINs averaged \$0.74 per RIN in Q1 2025 compared to \$0.57 per RIN in Q1 2024. Our business model does not depend on our ability to generate revenues from RINs, and we have historically observed that changes in revenue are typically coupled with offsetting changes in cost of goods that minimizes the majority of any revenue movement. Revenue from the sales of RINs is included in "Other operating revenues" in the Consolidated Statements of Income.

As of March 31, 2025, we had \$1.3 billion of Senior Notes, \$200.0 million outstanding under our revolving credit facility and a \$385 million term loan outstanding. We believe that we will generate sufficient cash from operations to fund our ongoing operating requirements and service our debt obligations. We had additional available capacity under our revolving credit facility, which, following a refinancing effective as of April 7, 2025, provides for up to \$750 million of borrowings. We expect to use the credit facilities to provide us with available financing to meet any short-term ongoing cash needs in excess of internally generated cash flows. To the extent necessary, we will borrow under these facilities to fund our ongoing operating requirements and other corporate initiatives. There can be no assurances, however, that we will generate sufficient cash from operations or be able to draw on the credit facilities, obtain commitments for our incremental facility, or obtain and draw upon other credit facilities. For additional information, see Significant Sources of Capital in the Capital Resources and Liquidity section.

The Company currently anticipates total capital expenditures (including land for future developments) for the full year 2025 to range from approximately \$450 million to \$500 million depending on new store construction activity.

We intend to fund the remainder of our capital program in 2025 primarily using operating cash flow but will supplement funding where necessary through borrowings under our revolving credit facility.

We believe that our business will continue to grow in the future as we maintain a pipeline of desirable future store locations for development. The pace of this growth is continually monitored by our management, and these plans can be altered based on operating cash flows generated and the availability of debt facilities. In addition, the Company looks to expand additional capabilities such as food and beverage within our network.

We currently estimate our ongoing effective tax rate to be between 24% and 26% for the remainder of the year.

### ***Seasonality***

Our business has inherent seasonality due to the concentration of our retail stores in certain geographic areas, as well as customer behaviors during different seasons. In general, sales volumes and operating incomes are typically highest in the second and third quarters during the summer-activity months and lowest during the winter months. As a result, operating results for the three months ended March 31, 2025, may not necessarily be indicative of the results that may be expected for the remainder of the year ending December 31, 2025.

### ***Business Segment***

The Company has one operating segment which is Marketing. The Marketing segment includes our retail marketing stores and product supply and wholesale assets. For additional operating segment information, see Note 22 "Business Segments" in the audited combined financial statements for the year ended December 31, 2024 included with our Annual Report on Form 10-K and Note 16 "Business Segments" in the accompanying unaudited consolidated financial statements for the three months ended March 31, 2025.

### ***Results of Operations***

#### **Consolidated Results**

For the three months ended March 31, 2025, the Company reported net income of \$53.2 million, or \$2.63 per diluted share, on revenue of \$4.5 billion. Net income was \$66.0 million for the same period in 2024, or \$3.12 per diluted share, on \$4.8 billion of revenue. In the current year quarter, the Company experienced higher total fuel contribution and higher overall merchandise contribution compared to the prior year period, coupled with lower general and administrative expenses and lower income taxes. These benefits were more than offset by higher store operating expenses, higher depreciation and amortization and higher interest expense, resulting in lower net income for Q1 2025 compared to Q1 2024.

#### ***Three Months Ended March 31, 2025 versus Three Months Ended March 31, 2024***

Revenues for Q1 2025 decreased \$0.3 billion, or 6.6%, compared to the same quarter in 2024. The decrease in revenues was primarily due to 6.0% lower retail fuel sales prices and a decrease of 1.9% in fuel sales volumes.

Cost of sales in Q1 2025 decreased \$0.3 billion, or 7.4%, when compared to Q1 2024. In the current-year quarter, the decrease was primarily due to lower fuel cost, lower fuel volumes sold and lower merchandise costs.

Store and other operating expenses increased \$14.0 million, or 5.6%, in Q1 2025 from Q1 2024, primarily due to higher employee related expenses and maintenance costs at existing stores combined with increases from net new store operating expenses, partially offset by a reduction in payment fees.

Selling, general and administrative ("SG&A") expenses for Q1 2025 decreased \$2.0 million, or 3.2%, compared to Q1 2024. The decrease in SG&A costs is primarily due to lower professional fees and employee related costs, partially offset by higher incentive costs in the current quarter.

Depreciation and amortization expense increased \$9.5 million in Q1, or 16.2%, when compared to the same period of 2024, primarily due to the increased number of Murphy branded stores with larger formats, raze-and-rebuild activity in the quarter and strategic investments related to technology improvement initiatives in recent years.

The effective income tax rate was approximately 14.1% for Q1 2025 compared to 19.4% in Q1 2024. The rate for the quarter is lower due to excess tax benefits related to share-based compensation and recognition of purchased Federal energy tax credits.

## Segment Results

A summary of the Company's net income by business function follows:

(Millions of dollars)	Three Months Ended March 31,	
	2025	2024
Marketing segment	\$ 79.1	\$ 85.5
Corporate and other assets	(25.9)	(19.5)
Net Income	\$ 53.2	\$ 66.0

## Marketing

### Three Months Ended March 31, 2025 versus Three Months Ended March 31, 2024

Marketing segment net income for the three months ended March 31, 2025 was lower compared to the same period in 2024 primarily due to:

- Lower retail fuel sales volumes;
- Higher store and other operating expenses;
- Higher depreciation and amortization expenses

The items below partially offset the decrease in net income in the current period:

- Higher total fuel contribution;
- Higher merchandise contribution;
- Lower SG&A expenses;
- Lower income tax expense

(Millions of dollars, except revenue per same store sales (in thousands) and store counts)	Three Months Ended March 31,	
	2025	2024
<b>Marketing Segment</b>		
Operating revenues		
Petroleum product sales	\$ 3,489.8	\$ 3,811.7
Merchandise sales	999.4	1,000.7
Other operating revenues	36.1	31.2
Total operating revenues	4,525.3	4,843.6
Operating expenses		
Petroleum products cost of goods sold	3,238.3	3,556.1
Merchandise cost of goods sold	803.5	809.1
Store and other operating expenses	266.0	252.1
Depreciation and amortization	61.5	54.9
Selling, general and administrative	60.1	62.1
Accretion of asset retirement obligations	0.9	0.8
Total operating expenses	4,430.3	4,735.1
Gain (loss) on sale of assets	(0.3)	(0.1)
Income (loss) from operations	94.7	108.4



(Millions of dollars, except revenue per same store sales (in thousands) and store counts)

## Marketing Segment

	Three Months Ended March 31,	
	2025	2024
Other income (expense)		
Interest expense	(1.9)	(2.1)
Total other income (expense)	(1.9)	(2.1)
Income (loss) before income taxes	92.8	106.3
Income tax expense (benefit)	13.7	20.8
Net income (loss) from operations	\$ 79.1	\$ 85.5
Total nicotine sales revenue same store sales <sup>1,2</sup>	\$ 123.1	\$ 126.2
Total non-nicotine sales revenue same store sales <sup>1,2</sup>	69.3	68.8
Total merchandise sales revenue same store sales <sup>1,2</sup>	\$ 192.4	\$ 195.0
Store count at end of period	1,761	1,733
Total store months during the period	5,259	5,164

<sup>1</sup>2024 amounts not revised for 2025 raze-and-rebuild activity (see SSS definition below)

<sup>2</sup>Includes store-level discounts for Murphy Drive Rewards ("MDR") redemptions and excludes change in value of unredeemed MDR points

Average Per Store Month ("APSM") metric includes all stores open through the date of the calculation, including stores acquired during the period.

Same store sales ("SSS") metric includes aggregated individual store results for all stores open throughout both periods presented. For all periods presented, the store must have been open for the entire calendar year to be included in the comparison. Remodeled stores that remained open or were closed for just a very brief time (less than a month) during the period being compared remain in the same store sales calculation. If a store is replaced either at the same location (raze-and-rebuild) or relocated to a new location, it will be excluded from the calculation during the period it is out of service. Newly constructed stores do not enter the calculation until they are open for each full calendar year for the periods being compared (open by January 1, 2024 for the stores being compared in the 2025 versus 2024 comparison). Acquired stores are not included in the calculation of same stores for the first 12 months after the acquisition. When prior period SSS volumes or sales are presented, they have not been revised for current year activity for raze-and-rebuilds, asset acquisitions and asset dispositions.

## Fuel

Key Operating Metrics	Three Months Ended March 31,	
	2025	2024
Total retail fuel contribution (\$ Millions)	\$ 267.7	\$ 250.0
Total PS&W contribution (\$ Millions)	(15.3)	6.7
RINs (included in Other operating revenues on Consolidated Statements of Income) (\$ Millions)	34.9	29.4
Total fuel contribution (\$ Millions)	\$ 287.3	\$ 286.1
Retail fuel volume - chain (Million gal)	1,131.2	1,153.1
Retail fuel volume - per store (K gal APSM) <sup>1</sup>	221.3	230.1
Retail fuel volume - per store (K gal SSS) <sup>2</sup>	220.1	227.3
Total fuel contribution (cpg)	25.4	24.8
Retail fuel margin (cpg)	23.7	21.7
PS&W including RINs contribution (cpg)	1.7	3.1

<sup>1</sup>APSM metric includes all stores open through the date of calculation

<sup>2</sup>2024 amounts not revised for 2025 raze-and-rebuild activity

The reconciliation of the total fuel contribution to the Consolidated Statements of Income is as follows:

	Three Months Ended March 31,	
	2025	2024
(Millions of dollars)		
Petroleum product sales	\$ 3,489.8	\$ 3,811.7
Less Petroleum product cost of goods sold	(3,238.3)	(3,556.1)
Plus RINs and other (included in Other Operating Revenues line)	35.8	30.5
Total fuel contribution	\$ 287.3	\$ 286.1

## Merchandise

Key Operating Metrics	Three Months Ended March 31,	
	2025	2024
Total merchandise contribution (\$ Millions)	\$ 195.9	\$ 191.6
Total merchandise sales (\$ Millions)	\$ 999.4	\$ 1,000.7
Total merchandise sales (\$K SSS) <sup>1,2</sup>	\$ 192.4	\$ 195.0
Merchandise unit margin (%)	19.6 %	19.2 %
Nicotine contribution (\$K SSS) <sup>1,2</sup>	\$ 18.5	\$ 18.3
Non-nicotine contribution (\$K SSS) <sup>1,2</sup>	\$ 19.9	\$ 19.5
Total merchandise contribution (\$K SSS) <sup>1,2</sup>	\$ 38.4	\$ 37.8

<sup>1</sup>2024 amounts not revised for 2025 raise-and-rebuild activity

<sup>2</sup>Includes store-level discounts for MDR redemptions and excludes change in value of unredeemed points associated with our loyalty program(s)

Same store sales information compared to APSM metrics:

	Variance from prior year	
	Three months ended	
	March 31, 2025	
	SSS <sup>1</sup>	APSM <sup>2</sup>
Fuel gallons per month	(4.2) %	(3.9) %
Merchandise sales	(1.6) %	(1.9) %
<i>Nicotine sales</i>	(1.5) %	(2.5) %
<i>Non-nicotine sales</i>	(1.8) %	(0.9) %
Merchandise margin	1.0 %	0.4 %
<i>Nicotine margin</i>	2.8 %	0.9 %
<i>Non-nicotine margin</i>	(0.6) %	— %

<sup>1</sup>Includes store-level discounts for redemptions and excludes change in value of unredeemed points associated with our loyalty program(s)

<sup>2</sup>Includes all activity associated with our loyalty program(s)

## Three Months Ended March 31, 2025 versus Three Months Ended March 31, 2024

Net income in the Marketing segment for Q1 2025 decreased \$6.4 million, to \$79.1 million when compared to the Q1 2024 period. Contributions from both fuel and merchandise were higher in the current quarter compared to the prior year period coupled with lower general and administrative expenses and lower income taxes. These benefits were more than offset by higher store operating expenses, higher depreciation and amortization and higher interest expense, resulting in lower net income in Q1 2025 compared to the Q1 2024 period.

Total fuel contribution for Q1 2025, was \$287.3 million, an increase of \$1.2 million, or 0.4%, compared to Q1 2024. This increase was due to higher retail fuel contribution, which was partially offset by lower contribution from PS&W margins and lower fuel volumes sold in the period when compared to Q1 of 2024. Retail fuel margins on a cpg basis increased 9.2% in Q1 2025 to 23.7 cpg, compared to 21.7 cpg in the prior year period. Total retail fuel volumes decreased 1.9%, and fuel sales volumes on an SSS basis declined 4.2% in Q1 2025 when compared to Q1 2024. Total product supply and wholesale contribution dollars, including RINs, decreased \$16.5 million in Q1 2025 when compared to Q1 2024, primarily due to timing and pricing impacts related to market conditions.

Total merchandise sales were \$1.3 million lower in Q1 2025 vs Q1 2024, coming in at approximately \$1.0 billion in both quarters. Total merchandise contribution in Q1 2025 improved 2.2% compared to Q1 2024, primarily due to favorable sales mix and higher retail prices, combined with increased store count year-over-year. Total SSS merchandise contribution dollars grew 1.0%, which included an increase of 2.8% in nicotine products, partially offset by a 0.6% decrease in non-nicotine products.

Store and other operating expenses increased \$13.9 million in Q1 2025 compared to Q1 2024, primarily due to higher employee related expenses and maintenance costs at existing stores combined with net new store operating expenses, partially offset by a reduction in payment fees. On an APSM basis, expenses applicable to store OPEX excluding payment fees and rent were 5.7% higher, primarily attributable to increased employee related expenses and maintenance costs.

SG&A expenses in Q1 2025 were \$2.0 million lower compared to Q1 2024, due primarily to lower professional fees and employee related costs, partially offset by higher incentive costs in the current quarter.

Depreciation and amortization expense increased \$6.6 million, or 12.0%, in Q1 2025 compared to Q1 2024 due to the increased number of larger format Murphy branded stores and raze-and-rebuild activity in the quarter.

### **Corporate and Other Assets**

#### **Three Months Ended March 31, 2025 versus Three Months Ended March 31, 2024**

Loss from continuing operations for Corporate and other assets for Q1 2025 was \$25.9 million, compared to a loss of \$19.5 million in Q1 2024. The increase from the prior year quarter was primarily due to a \$2.9 million increase in depreciation and amortization expense, a \$1.3 million reduction in investment income, a \$1.0 million reduction in other nonoperating income, a \$0.6 million increase in net interest expense and a \$0.5 million decrease in gain on sale of assets.

### **Non-GAAP Measures**

The following table sets forth the Company's EBITDA and Adjusted EBITDA for the three months ended March 31, 2025 and 2024. EBITDA means net income (loss) plus net interest expense, plus income tax expense, depreciation and amortization, and Adjusted EBITDA adds back (i) other non-cash items (e.g., impairment of properties and accretion of asset retirement obligations) and (ii) other items that management does not consider to be meaningful in assessing our operating performance (e.g., (income) from discontinued operations, net settlement proceeds, (gain) loss on sale of assets, loss on early debt extinguishment, transaction and integration costs related to acquisitions, and other non-operating (income) expense). EBITDA and Adjusted EBITDA are not measures that are prepared in accordance with U.S. generally accepted accounting principles (GAAP).

We use Adjusted EBITDA in our operational and financial decision-making, believing that the measure is useful to eliminate certain items in order to focus on what we deem to be a more reliable indicator of ongoing operating performance and our ability to generate cash flow from operations. Adjusted EBITDA is also used by many of our investors, research analysts, investment bankers, and lenders to assess our operating performance. We believe that the presentation of Adjusted EBITDA provides useful information to investors because it allows understanding of a key measure that we evaluate internally when making operating and strategic decisions, preparing our annual plan, and evaluating our overall performance. However, non-GAAP measures are not a substitute for GAAP disclosures, and EBITDA and Adjusted EBITDA may be prepared differently by us than by other companies using similarly titled non-GAAP measures.

The reconciliation of net income (loss) to EBITDA and Adjusted EBITDA is as follows:

(Millions of dollars)	Three Months Ended March 31,	
	2025	2024
Net income	\$ 53.2	\$ 66.0
Income tax expense (benefit)	8.7	15.9
Interest expense, net of investment income	25.5	23.7
Depreciation and amortization	68.2	58.7
EBITDA	\$ 155.6	\$ 164.3
Accretion of asset retirement obligations	0.9	0.8
(Gain) loss on sale of assets	0.3	(0.4)
Other nonoperating (income) expense	0.6	(0.4)
Adjusted EBITDA	\$ 157.4	\$ 164.3

## Capital Resources and Liquidity

### Significant Sources of Capital

As of March 31, 2025, we had \$49.4 million of cash and cash equivalents. Our cash management policy provides that cash balances in excess of a certain threshold may be reinvested in certain types of low-risk investments. Following the refinancing effective as of April 7, 2025, we have a committed cash flow revolving credit facility providing for aggregate borrowings of \$750 million, which can be utilized for working capital and other general corporate purposes, including supporting our operating model as described herein. As of March 31, 2025, there was \$200.0 million of outstanding borrowings under our Revolving Facility reported in Long-term debt in the Consolidated Balance Sheet. The Revolving Facility had \$56.0 million of outstanding borrowings at December 31, 2024.

We believe our existing cash on hand and future borrowing capacity of our existing facilities is adequate to fund not only our operations, but also our anticipated near-term and long-term funding requirements, including capital spending programs, execution of announced share repurchase programs, potential dividend payments, repayment of debt maturities and other amounts that may ultimately be paid in connection with contingencies.

### Operating Activities

Net cash provided by operating activities was \$128.5 million for the three months ended March 31, 2025 and was \$136.0 million for the same period of 2024, a decrease of \$7.5 million, or 5.5%. The decrease for the three months ended March 31, 2025 is mainly due to a decrease in net income of \$12.8 million and a decrease in the amount of cash required from changes in noncash working capital of \$3.9 million partially offset by increased depreciation of \$9.5 million compared to the same period in 2024.

For the three months ended March 31, 2025, operating cash provided by changes in non-cash operating working capital of \$0.3 million was due to a decrease in inventory of \$37.2 million due to lower retail prices and volumes, an increase in accounts payable and accrued liabilities of \$2.9 million which was related to the timing of payments and a decrease in prepaid expenses of \$1.1 million, which was partially offset by a decrease of \$37.2 million in income taxes payable due in part to the recognition of Federal energy tax credits in the current year period and the timing of estimated tax payments and an increase in accounts receivable of \$3.7 million due to the timing of receipts.

### Investing Activities

For the three months ended March 31, 2025, cash required by investing activities was \$87.7 million compared to \$74.9 million in 2024. The \$12.8 million increase in cash required by investing activities in the current year period was primarily due to an increase of \$11.6 million in capital expenditures due to the timing of payments for projects and a reduction of \$1.0 million in the amount of maturities of marketable securities.

## Financing Activities

Financing activities in the three months ended March 31, 2025 required cash of \$38.4 million compared to cash of \$122.2 million in the three months ended March 31, 2024, a decrease of \$83.8 million. The first three months of 2025 included payments of \$150.0 million for the repurchase of common shares, which was an increase of \$63.6 million compared to repurchases of \$86.4 million in the 2024 period. Dividend payments increased \$1.0 million in 2025 compared to amounts paid in the first three months of 2024. Net borrowings of debt provided \$140.0 million in 2025 compared to net repayments of debt requiring \$3.9 million in 2024. Amounts related to share-based compensation required \$4.5 million less in cash during 2025 than in 2024.

## Dividends

During the three months ended March 31, 2025, the Company paid cash dividend payments of \$0.49 per common share, for a total of \$9.8 million, compared to the period ended March 31, 2024, in which dividends of \$0.42 per common share were paid for total cash dividend payments of \$8.8 million. As a part of our capital allocation strategy, the Company's intention is to deliver targeted double-digit growth in the per share dividend over time.

On May 1, 2025, the Board of Directors declared a quarterly cash dividend of \$0.50 per common share, or \$2.00 per share on an annualized basis. The dividend is payable on June 2, 2025, to shareholders of record as of May 12, 2025.

## Share Repurchase Program

On May 2, 2023, our Board of Directors approved a share repurchase authorization of up to \$1.5 billion. The authorization value excludes any excise tax that may be incurred. During the three months ended March 31, 2025, the Company repurchased a total of 321,119 common shares for approximately \$151.2 million, at an average price of \$470.80 per share, including accrued excise taxes. As of March 31, 2025, we had approximately \$787.8 million remaining under our 2023 authorization.

## Debt

Our long-term debt at March 31, 2025 and December 31, 2024 was as set forth below:

<i>(Millions of dollars)</i>	March 31, 2025	December 31, 2024
5.625% senior notes due 2027 (net of unamortized discount of \$0.8 at March 31, 2025 and \$0.9 at December 31, 2024)	\$ 299.2	\$ 299.1
4.75% senior notes due 2029 (net of unamortized discount of \$2.8 at March 31, 2025 and \$3.0 at December 31, 2024)	497.2	497.0
3.75% senior notes due 2031 (net of unamortized discount of \$3.7 at March 31, 2025 and \$3.8 at December 31, 2024)	496.3	496.2
Term loan due 2028 (effective interest rate of 6.21% at March 31, 2025 and 6.44% at December 31, 2024) net of unamortized discount of \$0.4 at March 31, 2025 and \$0.4 at December 31, 2024	384.6	385.6
Revolving credit facility, due 2026 (weighted average interest rate of 6.59% at March 31, 2025)	200.0	56.0
Capitalized lease obligations, autos and equipment, due through 2028	3.1	3.2
Capitalized lease obligations, buildings, due through 2059	114.0	116.5
Less unamortized debt issuance costs	(4.6)	(5.2)
Total notes payable, net	1,989.8	1,848.4
Less current maturities	15.6	15.7
Total long-term debt, net of current	\$ 1,974.2	\$ 1,832.7

## **Senior Notes**

On April 25, 2017, Murphy Oil USA, Inc. ("MOUSA"), our primary operating subsidiary, issued \$300 million of 5.625% Senior Notes due 2027 (the "2027 Senior Notes") under its existing shelf registration statement. The 2027 Senior Notes are fully and unconditionally guaranteed by the Company and by the Company's subsidiaries that guarantee our Credit Facilities (as defined below). The indenture governing the 2027 Senior Notes contains restrictive covenants that limit, among other things, the ability of the Company, MOUSA, and the restricted subsidiaries to incur additional indebtedness or liens, dispose of assets, make certain restricted payments or investments, enter into transactions with affiliates or merge with or into other entities.

On September 13, 2019, MOUSA, issued \$500 million of 4.75% Senior Notes due 2029 (the "2029 Senior Notes"). The net proceeds from the issuance of the 2029 Senior Notes were used to fund, in part, the tender offer and redemption of a prior note issuance. The 2029 Senior Notes are fully and unconditionally guaranteed by the Company and by the Company's subsidiaries that guarantee our Credit Facilities. The indenture governing the 2029 Senior Notes contains restrictive covenants that are essentially identical to the covenants for the 2027 Senior Notes.

On January 29, 2021, MOUSA, issued \$500 million of 3.75% Senior Notes due 2031 (the "2031 Senior Notes" and, together with the 2027 Senior Notes and the 2029 Senior Notes, the "Senior Notes"). The net proceeds from the issuance of the 2031 Senior Notes were used, in part, to fund the acquisition of QuickChek and other obligations related to that transaction. The 2031 Senior Notes are fully and unconditionally guaranteed by the Company and by the Company's subsidiaries that guarantee our Credit Facilities. The indenture governing the 2031 Senior Notes contains restrictive covenants that are essentially identical to the covenants for the 2027 and 2029 Senior Notes.

The Senior Notes and related guarantees rank equally with all of our and the guarantors' existing and future senior unsecured indebtedness and effectively junior to our and the guarantors' existing and future secured indebtedness (including indebtedness with respect to the Credit Facilities) to the extent of the value of the assets securing such indebtedness. The Senior Notes are structurally subordinated to all of the existing and future third-party liabilities, including trade payables, of our existing and future subsidiaries that do not guarantee the notes.

## **Revolving Credit Facility and Term Loan**

Our credit agreement consists of both a cash flow revolving credit facility and a senior secured term loan.

Following a refinancing effective as of April 7, 2025, the credit agreement provides for a senior secured term loan in an aggregate principal amount of \$600 million (the "Term Facility") (which was borrowed in full on April 7, 2025) and revolving credit commitments in an aggregate amount equal to \$750 million (the "Revolving Facility", and together with the Term Facility, the "Credit Facilities").

The Term Facility amortizes in quarterly installments at a rate of 1.00% per annum. Pursuant to the credit agreement, the applicable margin, (A) in the case of Adjusted SOFR Rate borrowings, (i) with respect to the Revolving Facility, ranges from 1.25% to 2.00% per annum depending on a total debt to EBITDA ratio and (ii) with respect to the Term Facility, is 1.75% per annum and (B) in the case of Alternate Base Rate borrowings (i) with respect to the Revolving Facility, ranges from 0.25% to 1.00% per annum depending on a total debt to EBITDA ratio or (ii) with respect to the Term Facility, is 0.75% per annum..

The credit agreement contains certain covenants that limit, among other things, the ability of the Company and certain of its subsidiaries to incur additional indebtedness or liens, to make certain investments, to enter into sale-leaseback transactions, to make certain restricted payments, to enter into consolidations, mergers or sales of material assets and other fundamental changes, to transact with affiliates, to enter into agreements restricting the ability of subsidiaries to incur liens or pay dividends, or to make certain accounting changes. The credit agreement also contains customary events of default.

All obligations under the credit agreement are guaranteed by Murphy USA and the subsidiary guarantors party thereto, and all obligations under the credit agreement, including the guarantees of those obligations, are secured by certain assets of Murphy USA, Murphy Oil USA, Inc. and the guarantors party to the guarantee and collateral agreement in respect thereof.

### Supplemental Guarantor Financial Information

The following is a description of the guarantees with respect to the Senior Notes and the Credit Facilities, for which MOUSA is primary obligor, and for which the Company and certain subsidiaries provide full and unconditional guarantees on a joint and several basis. See "—Debt" above for additional information concerning the Company's outstanding indebtedness, all of which is guaranteed as described below. See also Note 6 "Long Term Debt" in the accompanying consolidated financial statements.

The Senior Notes and related guarantees rank equally with all of our and the guarantors' existing and future senior unsecured indebtedness and effectively junior to our and the guarantors' existing and future secured indebtedness (including indebtedness with respect to the Credit Facilities) to the extent of the value of the assets securing such indebtedness. The Senior Notes and related guarantees are structurally subordinated to all of the existing and future third-party liabilities, including trade payables, of our existing and future subsidiaries that do not guarantee the notes.

All obligations under the Credit Facilities are guaranteed by the Company and the same subsidiary guarantors that guarantee the Senior Notes. All obligations under the Credit Facilities, including the guarantees of those obligations, are secured by certain assets of the Company, MOUSA, and the other guarantors.

The combined assets, liabilities and results of operations of MOUSA and the guarantors are not materially different from corresponding amounts presented in the consolidated financial statements included herein. MOUSA is our primary operating subsidiary and generated the vast majority of our revenues for the three months ended March 31, 2025, and accounted for the vast majority of our total assets as of March 31, 2025. In the event MOUSA itself were unable to service the Company's consolidated debt obligations, our business and financial condition would be materially adversely impacted.

### Capital Spending

Capital spending and investments in our Marketing segment relate primarily to the acquisition of land and the construction of new Company stores. Our Marketing capital is also deployed to improve our existing stores, which we refer to as maintenance capital. We use maintenance capital in this business as needed to ensure reliability and continued performance of our stores. We also invest in our Corporate and other assets segment which is primarily technology related.

The following table outlines our capital spending and investments by segment for the three month periods ended March 31, 2025 and 2024:

(Millions of dollars)	Three Months Ended March 31,	
	2025	2024
Marketing:		
Company stores	\$ 49.3	\$ 61.6
Terminals	0.2	0.9
Maintenance capital	11.3	8.7
Corporate and other assets	3.2	11.0
Total	<u>\$ 64.0</u>	<u>\$ 82.2</u>

We currently expect capital expenditures for the full year 2025 to range from approximately \$450 million to \$500 million, including \$350 million to \$390 million for retail growth, approximately \$65 million to \$70 million for maintenance capital, with the remaining funds earmarked for other corporate investments and other strategic initiatives. See Note 18 "Commitments" in the audited consolidated financial statements for the year ended December 31, 2024 included in our Annual Report on Form 10-K for more information.

### **Critical Accounting Policies**

There has been no material update to our critical accounting policies since our Annual Report on Form 10-K for the year ended December 31, 2024. For more information, see "Management's Discussion and Analysis of Financial Condition and Results of Operations-Critical Accounting Policies" in the Form 10-K.

### **FORWARD-LOOKING STATEMENTS**

This Quarterly Report on Form 10-Q contains certain statements or may suggest "forward-looking" information (as defined in the Private Securities Litigation Reform Act of 1995) that involve risk and uncertainties, including, but not limited to our M&A activity, anticipated store openings and associated capital expenditures, fuel margins, merchandise margins, sales of RINs, trends in our operations, dividends, and share repurchases. Such statements are based upon the current beliefs and expectations of the Company's management and are subject to significant risks and uncertainties. Actual future results may differ materially from historical results or current expectations depending upon factors including, but not limited to: our ability to continue to maintain a good business relationship with Walmart; successful execution of our growth strategy, including our ability to realize the anticipated benefits from such growth initiatives, and the timely completion of construction associated with our newly planned stores which may be impacted by the financial health of third parties; our ability to effectively manage our inventory, manage disruptions in our supply chain and our ability to control costs; geopolitical events, such as evolving trade policies and the imposition of reciprocal tariffs and the conflicts in the Middle East, that impact the supply and demand and price of crude oil; the impact of severe weather events, such as hurricanes, floods and earthquakes; the impact of a global health pandemic and any governmental response thereto; the impact of any systems failures, cybersecurity and/or security breaches of the company or its vendor partners, including any security breach that results in theft, transfer or unauthorized disclosure of customer, employee or company information or our compliance with information security and privacy laws and regulations in the event of such an incident; successful execution of our information technology strategy; reduced demand for our products due to the implementation of more stringent fuel economy and greenhouse gas reduction requirements, or increasingly widespread adoption of electric vehicle technology; future nicotine or e-cigarette legislation and any other efforts that make purchasing nicotine products more costly or difficult could hurt our revenues and impact gross margins; our ability to successfully expand our food and beverage offerings; efficient and proper allocation of our capital resources, including the timing, declaration, amount and payment of any future dividends or levels of the Company's share repurchases, or management of operating cash; the market price of the Company's stock prevailing from time to time, the nature of other investment opportunities presented to the Company from time to time, the Company's cash flows from operations, and general economic conditions; compliance with debt covenants; availability and cost of credit; and changes in interest rates. Our SEC reports, including our most recent Annual Report on Form 10-K, contain other information on these and other factors that could affect our financial results and cause actual results to differ materially from any forward-looking information we may provide. The Company undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events, new information or future circumstances.

### **ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

#### ***Commodity Price Risk***

We are exposed to market risks related to the volatility in the price of refined products (primarily gasoline and diesel) used in our operations. These fluctuations can affect our revenues and purchases, as well as the cost of operating, investing and financing activities. We make limited use of derivative instruments to manage certain risks related to commodity prices. The use of derivative instruments for risk management is covered by operating policies and is closely monitored by our middle-office function and the Company's senior management.

As described in Note 10 "Financial Instruments and Risk Management" in the accompanying unaudited consolidated financial statements, there were short-term commodity derivative contracts in place at March 31, 2025 to hedge the purchase price of refined products. A 10% increase or decrease in the respective benchmark price of the commodities underlying these derivative contracts would have been immaterial to the Company. Changes in the fair value of these derivative contracts generally offset the changes in the value for an equivalent volume of these products.



### ***Interest Rate Risk***

We have exposure to interest rate risks related to volatility of our floating rate term loan of \$385 million and to our revolving credit facility which had \$200.0 million of outstanding borrowings at March 31, 2025. Both of these loans are tied to the Adjusted Term SOFR Rate or Prime Rate which can move in either direction and cause fluctuations in our interest expense recognized in any period and in our cash flows related to interest payments made. We make limited use of interest rate swaps to hedge a portion of our exposure to these rate movements. The acquisition of any interest rate derivatives is undertaken by senior management when appropriate with delegated authority from the appropriate Board level committee. A 10% increase or decrease in the interest rate would have an immaterial impact on the financial statements of the Company at March 31, 2025.

For additional information about our use of derivative instruments, see Note 14 “Financial Instruments and Risk Management” in our audited combined financial statements for the year ended December 31, 2024 included in the Form 10-K and Note 10 “Financial Instruments and Risk Management” in the accompanying unaudited consolidated financial statements for the three months ended March 31, 2025.

### **ITEM 4. CONTROLS AND PROCEDURES**

#### ***Evaluation of Disclosure Controls and Procedures.***

Our management has evaluated, with the participation of our principal executive and financial officers, the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15 under the Securities Exchange Act of 1934) as of the end of the period covered by this report, and has concluded that our disclosure controls and procedures were effective and appropriately allowed for timely decisions regarding required disclosures as of March 31, 2025.

#### ***Internal Control over Financial Reporting***

There have been no changes in the Company's internal control over financial reporting during the quarter ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

## PART II – OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS

As of March 31, 2025, the Company was engaged in a number of legal proceedings, all of which the Company considers routine and incidental to its business. See Note 14 "Contingencies" in the accompanying consolidated financial statements. Based on information currently available to the Company, the ultimate resolution of matters referred to in this Item is not expected to have a material adverse effect on the Company's net income, financial condition or liquidity in a future period.

#### Litigation

The City of Charleston, South Carolina, and the State of Delaware have filed lawsuits against energy companies, including the Company. These lawsuits allege damages as a result of climate change and the plaintiffs are seeking unspecified damages and abatement under various tort theories. For additional information about this litigation, see Note 14 "Contingencies" in the accompanying consolidated financial statements.

### ITEM 1A. RISK FACTORS

Our business, results of operations, cash flows and financial condition involve various risks and uncertainties. These risk factors are discussed under the caption "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2024. We have not identified any additional risk factors not previously disclosed in the Form 10-K.

### ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Below is detail of the Company's purchases of its own equity securities during the period:

Period Duration	Issuer Purchases of Equity Securities			
	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares That May Yet Be Purchased Under the Plans or Programs <sup>1</sup>
January 1, 2025 to January 31, 2025	—	\$ —	—	\$ 937,840,035
February 1, 2025 to February 28, 2025	233,069	\$ 466.23	233,069	\$ 829,175,946
March 1, 2025 to March 31, 2025	88,050	\$ 469.46	88,050	\$ 787,840,180
<b>Three Months Ended March 31, 2025</b>	<b>321,119</b>	<b>\$ 467.12</b>	<b>321,119</b>	<b>\$ 787,840,180</b>

<sup>1</sup>Terms of the repurchase plan authorized by the Murphy USA Inc. Board of Directors and announced on May 2, 2023 include authorization for the Company to acquire up to \$1.5 billion of its common shares by December 31, 2028, and does not include excise tax on stock repurchases.

### ITEM 5. OTHER INFORMATION

None.

### ITEM 6. EXHIBITS

The [Exhibit Index](#) on page 40 of this Form 10-Q report lists the exhibits that are filed herewith or incorporated herein by reference.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

*MURPHY USA INC.*  
(Registrant)

By /s/ Donald R. Smith Jr  
Donald R. Smith Jr., Vice President,  
Chief Accounting Officer and Treasurer

May 8, 2025

## EXHIBIT INDEX

Exhibit Number	Description
10.1	<a href="#"><u>Refinancing Facility Agreement, dated as of April 7, 2025, by and among Murphy USA Inc., Murphy Oil USA, Inc., Royal Bank of Canada, as term administrative agent, JPMorgan Chase Bank, N.A., as revolving administrative agent, and the lenders party thereto (incorporated by reference to Exhibit 10.1 to Murphy USA Inc.'s Current Report on Form 8-K filed April 11, 2025)</u></a>
31.1*	<a href="#"><u>Certification required by Rule 13a-14(a) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of Principal Executive Officer</u></a>
31.2*	<a href="#"><u>Certification required by Rule 13a-14(a) pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 of Principal Financial Officer</u></a>
32.1*	<a href="#"><u>Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of Principal Executive Officer</u></a>
32.2*	<a href="#"><u>Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 of Principal Financial Officer</u></a>
101. INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101. SCH*	Inline XBRL Taxonomy Extension Schema Document
101. CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101. DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101. LAB*	Inline XBRL Taxonomy Extension Labels Linkbase Document
101. PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase
104	Cover Page Interactive Data File - the cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document

\* Filed herewith

† Management contract or compensatory plan or arrangement

**CERTIFICATION PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, R. Andrew Clyde, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Murphy USA Inc;
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 registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant 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 registrant, 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 registrant'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 registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant'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 controls over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - 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 registrant'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 registrant's internal controls over financial reporting.

Date: May 8, 2025

/s/ R. Andrew Clyde

R. Andrew Clyde

Principal Executive Officer

**CERTIFICATION PURSUANT TO  
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, C. Gallagher Jeff, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Murphy USA Inc;
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 registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant 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 registrant, 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 registrant'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 registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant'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 controls over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - 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 registrant'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 registrant's internal controls over financial reporting.

Date: May 8, 2025

/s/ C. Gallagher Jeff  
C. Gallagher Jeff  
Principal Financial Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Murphy USA Inc. (the "Company") on Form 10-Q for the period ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, R. Andrew Clyde, Principal Executive Officer of the Company, certify, pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 8, 2025

/s/ R. Andrew Clyde  
R. Andrew Clyde  
Principal Executive Officer

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Murphy USA Inc. (the "Company") on Form 10-Q for the period ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, C. Gallagher Jeff, Principal Financial Officer of the Company, certify, pursuant to Rule 13a-14(b) under the Securities Exchange Act of 1934 and 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 8, 2025

/s/ C. Gallagher Jeff  
C. Gallagher Jeff  
Principal Financial Officer