

Preem Holding Interim Report Q1 2025



Interim Report

First quarter ended March 31, 2025

Preem Holding AB (publ.), corporate ID no. 559210-7410 (“Preem Holding”) is the parent company of Preem AB (publ), corporate ID. no. 556072-6977 (“Preem”) and a wholly owned subsidiary of Corral Petroleum Holdings AB (publ), corporate ID. no. 556726-8569.

This report includes condensed consolidated financial information of the Group in which Preem Holding is the parent company (the “Group”), thus comprising Preem Holding’s consolidated subsidiaries, for the three months period ending March 31, 2025, and for the comparative period in 2024. This report has not been subject to the auditor's review.

Key Figures in summary, January-March 2025

- Sales for the first quarter of 2025 amounted to SEK 31,723 million compared to SEK 34,596 million for the first quarter of 2024.
- Adjusted EBITDA* totaled SEK 1,135 million for the first quarter of 2025 compared to SEK 2,307 million for the same period last year.
- Net profit amounted to SEK -39 million for the first quarter 2025, compared to SEK 1,934 million for the same period 2024.
- Cash flow from operating activities, before taxes and changes in working capital, for the first quarter of 2025 amounted to SEK 730 million compared to SEK 1,844 million for the same period 2024.
- Net financial items for the first quarter of 2025 amounted to SEK 13 million compared to SEK -179 million for the first quarter of 2024.
- Total liquidity*** amounted to SEK 14,395 million by March 31, 2025, compared to SEK 17,713 million by March 31, 2024.

MSEK	Jan-Mar 2025	Jan-Mar 2024	Full-year 2024
Net sales	31,723	34,596	130,765
Adjusted EBITDA*	1,135	2,307	4,520
<i>Inventory gains(+)/losses(-)</i>	-891	1,636	-108
<i>Exchange rate differences</i>	337	-448	-374
<i>Net gain/loss on derivatives</i>	-60	-433	-324
EBITDA	430	3,062	3,714
Operating profit (EBIT)	-21	2,668	2,147
Profit for the period	-39	1,934	995
Cash Flow from operating activities before changes in working capital	730	1,844	1,966
Net leverage ratio**	1.41x	0.23x	0.68x
Total liquidity***	14,395	17,713	16,191
Net financial items	13	-179	-771

*Adjusted EBITDA - defined as EBITDA adjusted for inventory gains/losses, exchange rate translation differences and for net gain/loss on oil derivatives valued at fair value.

**Net leverage ratio – defined as net financial third-party debt to consolidated EBITDA for the preceding twelve months, calculated on the reporting date. Consolidated EBITDA is defined as adjusted EBITDA - exceptional items.

*** Total liquidity - Cash and cash equivalent and undrawn committed facilities.

Preem CEO comments – Interim Report Q1 2025



Continued financial improvement in a normalized market environment

In the first quarter of 2025, Preem reported continued improvement in adjusted EBITDA, reaching SEK 1,135 million in the quarter, up from SEK 680 million in the fourth quarter of 2024. The improved performance was supported by moderately stronger diesel margins, improved renewable margins and higher utilization rates at our Lysekil refinery.

Compared to the corresponding period in 2024, adjusted EBITDA declined from SEK 2,307 million. This marks an end to a period of exceptional comparative figures from a period of extremely good financial results between early 2022 and the first quarter of 2024. We now see a normalization of the European market for refined products. The company's liquidity position remains robust, with available liquidity amounting to SEK

14,395 million.

The first quarter of 2025 was characterized by ongoing geopolitical tensions, escalating risk of trade conflicts, and continued uncertainty in global oil production. Dated Brent traded within a range of 70 to 83 USD/bbl, with an average price of 76 USD/bbl. We experienced a decline in our weighted refining margin of 3 USD/bbl, which was the primary factor contributing to the decrease in our earnings for the quarter compared to the same quarter last year. The decline in refining margins was primarily attributed to a decrease in international diesel margins, which fell by 10 USD/bbl, and a reduction in gasoline margins, down by 6 USD/bbl compared to the first quarter 2024.

Our Supply & Refining segment reported an adjusted EBITDA of SEK 1,188 million for the first quarter of 2025, down from SEK 2,275 million in the same period last year. The decline in financial performance was primarily driven by a reduction in international refining margins, particularly for diesel and gasoline. The result was negatively impacted by the prolonged downtime of the Synsat unit that lasted for most of the quarter. However, during the end of the first quarter, we initiated the commissioning phase of the Synsat unit, and in early April the unit produced in line with the designed capacity.

Our Marketing & Sales segment reported an EBITDA of SEK 125 million for the first quarter of 2025, compared to SEK 223 million in the same period last year. The decrease in financial performance was primarily driven by lower margins during the quarter, resulting mainly from falling market prices. A positive development is the continued strong demand for our HVO100, which reached a new market high in March. Consequently, our market share for the month represented approximately one third of the total market in Sweden.

On March 31, a Sale and Purchase Agreement was signed under which VARO Energy acquire 100 percent of the shares in Corral Petroleum Holdings AB.

VARO's long-term strategic vision is strongly aligned with our own. The combined entity will deliver greater value to customers, increase resilience across our operations, and make a meaningful contribution to energy security in both Sweden and Europe. The transaction remains subject to customary regulatory approvals in Sweden and internationally and is expected to close in the second half of 2025.

During the quarter, we were honored with two distinguished accolades. In February, for the fourth consecutive year, we secured a top position in Sweden's Best Customer Service rankings, underscoring our commitment to high service standards and customer focus. Additionally, in March, we were named one of Sweden's top ten most attractive employers for female engineers, based on Karriärföretagen's annual survey of its 14,000 female members. This recognition reinforces our ongoing efforts to cultivate an inclusive and supportive workplace environment. Attracting the right talent is essential to the success of our transformation strategy.

Finally, in the fast-changing geopolitical landscape, it is too early to assess the full implications from the imposed US tariffs. Our initial understanding and conclusion are that the direct impact of tariffs on Preem will be limited.

Stockholm May 2025

Magnus Heimburg
President and CEO
Preem AB (publ)

Financial overview – first quarter 2025

Sales revenue in the first quarter of 2025 amounted to SEK 31,723 million, compared to SEK 34,596 million in the first quarter of 2024, a decrease of SEK 2,873 million. This decrease was due to lower average prices for refined products, resulting from lower average oil prices and reduced product cracks, mainly for diesel. Operating profit for the first quarter of 2025 amounted to SEK -21 million, compared to SEK 2,668 million for the same period last year. The decrease is attributed to negative inventory effects during the first quarter of 2025, compared to positive inventory effects during the first quarter of 2024, as well as lower margins for diesel and a weaker result for Marketing & Sales. The weighted refining margin in the first quarter of 2025 decreased from high levels during the same period last year, amounting to 6.2 USD/bbl compared to 9.3 USD/bbl during the same period last year.

Net financial items for the first quarter of 2025 amounted to SEK 13 million, an increase of SEK 192 million compared to SEK -179 million for the first quarter of 2024. Exchange rate differences amounted to a gain of SEK 239 million for the first quarter of 2025, compared to a loss of SEK 42 million during the same period last year. Total interest expense for the first quarter of 2025 amounted to SEK -192 million, compared to SEK -161 million for the same period in 2024.

The Group's cash flow from operating activities after changes in working capital amounted to SEK -928 million for the first quarter of 2025, compared to SEK -760 million for the same period last year. The composition of the cash flows differed significantly between the periods, where lower cash flow from operations compared to last year was fully offset by lower tax payments. The leverage ratio ended in the first quarter of 2025 at 1.4x, compared to 0.2x in the first quarter of 2024.

On March 31, 2025, the Group's net debt amounted to SEK 5,769 million, compared to SEK 3,738 million at the end of the first quarter of 2024.



Segments review

The Group divides its business into two segments, Supply & Refining and Marketing & Sales, and key metrics for both are shown in the tables below.

Supply & Refining

MSEK	Jan-Mar 2025	Jan-Mar 2024	Full-year 2024
Net Sales	30,728	33,164	125,450
Adjusted EBITDA	1,188	2,275	4,299
Inventory gains(+)/losses(-)	-891	1,636	-108
Exchange rate differences	1	-	-3
Net gain/loss on oil derivatives	-150	-433	-325
EBITDA	148	3,478	3,864
Average Brent dated crude oil USD/bbl	75.7	83.2	80.8
Closing Brent dated crude oil USD/bbl	77.3	86.9	74.7
Weighted refining margin USD/bbl	6.2	9.3	6.1
Refining margin LYR USD/bbl	6.7	10.7	6.3
Refining margin GOR USD/bbl	5.4	6.8	5.7
Feedstock throughput, 000 m ³	4,420	4,964	18,990
Utilization rate LYR, %	76.0	74.6	67.8
Utilization rate GOR, %	82.0	76.4	80.2
Average exchange rate SEK/USD	10.7	10.4	10.6
Closing exchange rate SEK/USD	10.0	10.7	11.0

Total sales revenue for the Supply & Refining segment amounted to SEK 30,728 million in the first quarter of 2025, compared to SEK 33,164 million in the same period of the previous year, a decline of SEK 2,436 million. This decrease was primarily attributable to lower average prices for refined products. Adjusted EBITDA for the quarter amounted to SEK 1,188 million, down from SEK 2,275 million during the same period last year, a decrease of SEK 1,087 million. The lower financial performance was mainly driven by a decline in international refining margins, particularly for diesel and gasoline. Furthermore, the delayed start-up of the Synsat unit affected the financial results negatively during the quarter.

Marketing & Sales

MSEK	Jan-Mar 2025	Jan-Mar 2024	Full-year 2024
Net sales	5 918	7 348	26 105
EBITDA	125	223	971
Operating profit	79	164	778

Sales by category (000 m3)	Jan-Mar 2025	Jan-Mar 2024	Full-year 2024
Diesel	553	653	2,380
Gasoline	119	123	528
Other products	19	18	60
Total volumes	690	795	2,968

Total sales revenue for the Marketing & Sales segment amounted to SEK 5,918 million for the first quarter of 2025, compared to SEK 7,348 million in the same quarter last year, a reduction of SEK 1,430 million, attributable to decreased volumes sold and decreased sales prices. Lower volumes were driven by a generally contracting market and milder weather contributing to the decreased demand in the quarter, primarily within the B2B segment.

EBITDA for the quarter amounted to SEK 125 million, compared to SEK 223 million in the same quarter last year, a reduction of SEK 98 million. The reduction is primarily attributed to lower margins during the quarter due to falling market prices and lower volumes.

Financial statements

Consolidated income statement

Amounts in SEK millions	Note	Jan-Mar 2025	Jan-Mar 2024	Full year 2024
Net sales	3	31,723	34,596	130,765
Cost of goods sold		-31,448	-31,604	-127,381
Gross profit		275	2,992	3,383
Selling expenses		-231	-241	-989
Administrative expenses		-275	-287	-1,165
Share of net profit of associates		11	3	-5
Other operating income		203	209	967
Other operating expenses		-4	-8	-45
Operating profit	3	-21	2,668	2,147
Financial income		248	68	231
Financial expenses		-235	-248	-1,002
Net financial items		13	-179	-771
Profit before income tax		-8	2,489	1,375
Income tax		-31	-555	-380
Profit for the period		-39	1,934	995

Statement of other comprehensive income

Amounts in SEK millions			
Profit for the period	-39	1,934	995
Translation difference	-12	-1	-11
Changes in fair value hedges	-22	-213	-233
Income tax relating to hedges	4	44	48
Actuarial gains/losses on defined benefit pension plans	-10	47	66
Tax attributable to the item above	2	-10	-13
Total other comprehensive income for the period, net of tax	-37	-132	-144
Total comprehensive income for the period	-75	1,801	852

Consolidated Statement of Financial Position

Amounts in SEK million	Note	31 Mar 2025	31 Mar 2024	Full Year 2024
ASSETS				
NON-CURRENT ASSETS				
Intangible assets		318	327	322
Tangible assts		17,434	15,397	17,227
Participations in associates		385	394	374
Deferred tax assets		64	-	56
Receivables from Parent Company		290	192	265
Non-current derivatives	5	-	-	2
Other non-current receivables		188	148	195
Total non-current assets		18,680	16,459	18,441
CURRENT ASSETS				
Inventories		18,027	21,953	19,433
Tax receivables		158	-	-
Trade receivables	5	4,026	5,710	4,415
Derivatives	5	59	14	147
Receivables from Parent Company	5	78	55	76
Other receivables	5	925	997	844
Prepaid expenses and accrued income		2,168	3,514	2,137
		25,441	32,243	27,051
Cash and cash equivalents	5	1,638	3,735	2,684
Total current assets		27,079	35,978	29,735
TOTAL ASSETS		45,759	52,437	48,177

Consolidated Statement of Financial Position

Amounts in SEK million		31 Mar 2025	31 Mar 2024	Full Year 2024
EQUITY AND LIABILITIES	Note			
EQUITY				
Share Capital		1	1	1
Reserves		-68	-13	-39
Profit brought forward including profit for the period		24,597	25,504	24,643
Total equity		24,529	25,492	24,605
LIABILITIES				
Non-current liabilities				
Pension obligations		201	179	199
Deferred tax liabilities		1,745	1,404	1,758
Other Provisions		173	153	175
Derivatives	5	-	-	-
Borrowings	4,5	6,276	6,150	5,823
		8,394	7,887	7,954
Current liabilities				
Other current provisions		652	222	559
Borrowings	4,5	811	872	840
Prepayments from customers		19	688	9
Trade payables	5	4,822	7,168	5,651
Current tax liabilities		74	1,111	766
Derivatives	5	33	45	13
Other liabilities	5	1,507	1,644	1,524
Accrued expenses and deferred income		4,918	7,309	6,255
		12,835	19,059	15,618
Total liabilities		21,229	26,946	23,572
TOTAL EQUITY AND LIABILITIES		45,759	52,437	48,177

Consolidated statement of Changes in equity

Amounts in SEK million	Share capital	Reserves	Profit brought forward	Total Equity
Opening equity 2024-01-01	1	157	23,532	23,690
Profit for the period	-	-	1,934	1,934
Other comprehensive income	-	-170	38	-132
Total comprehensive income for the period	-	-170	1,971	1,801
Closing equity 2024-03-31	1	-13	25,504	25,492
Opening equity 2025-01-01	1	-39	24,643	24,605
Profit for the period	-	-	-39	-39
Other comprehensive income	-	-29	-8	-37
Total comprehensive income for the period	-	-29	-46	-75
Closing equity 2025-03-31	1	-68	24,597	24,529

Consolidated cash flow statement

Amounts in SEK million	Note	Jan-Mar 2025	Jan-Mar 2024	Full Year 2024
Operating activities				
Profit/loss before taxes		-8	2,489	1,375
Depreciation		451	393	1,567
Capital gain/loss on disposals of fixed assets		-8	0	33
Inventory write-down		299	-1,502	-1,533
Unrealized Currency effects and derivatives		-214	484	225
Other		209	-21	299
Cash flow from operating activities		730	1,844	1,966
before changes in working capital				
Taxes paid		-898	-2,027	-1,833
		-167	-182	132
Increase (-)/Decrease(+) in inventories		1,102	-1,576	973
Increase (-)/Decrease (+) in operating receivables		273	-2,280	383
Increase (+)/Decrease (-) in operating liabilities		-2,136	3,278	218
Cash flow used in/from operating activities		-928	-760	1,707
Investing activities				
Capital expenditure of intangible assets		4	-1	-14
Capital expenditure of tangible assets		-551	-1000	-3,659
Sale of tangible fixed assets		-	-	3
Decrease(+)/Increase(-) in financial assets		0	0	-7
Cash flow used in investing activities		-547	-1,001	-3,677
Financing activities				
New loans		1,216	-	1,410
Borrowing costs		0	-159	-207
Repayment of loans		-631	-4	-1,923
Amortization of lease debt		-101	-61	-299
Cash flow from/used in financing activities		483	-224	-1,018
CASH FLOW FOR THE PERIOD		-991	-1,985	-2,988
Opening cash and cash equivalents		2,684	5,634	5,634
Effect of exchange rate fluctuations on cash and cash equivalents		-55	86	39
Cash and cash equivalents at the end of the period		1,638	3,735	2,684

Income statement for the Parent Company

Amounts in SEK million	Note	Jan-Mar 2025	Jan-Mar 2024	Full Year 2024
Administrative expenses		-1	-1	-4
Operating profit		-1	-1	-4
Profit from participations in Group companies		-	1,174	1,920
Financial income		163	3	10
Financial expenses		-108	-240	-570
Net financial items		55	937	1,361
Profit/loss before income tax		54	936	1,357
Income tax		-33	25	-94
Profit/loss for the period*		21	961	1,263

*) Comprehensive income equals net earnings/loss for the period

Balance Sheet for the Parent Company

Amounts in SEK million	Note	31 Mar 2025	31 Mar 2024	Full Year 2024
Assets				
Participations in Group companies		11,201	11,070	11,201
Receivables from parent company		-	-	243
Deferred tax asset		-	25	-
Other current receivables		10	35	0
Prepaid expenses and Accrued income		0	0	0
Cash and cash equivalents		247	685	261
Total assets		11,458	11,815	11,705
Equity and Liabilities				
Restricted equity		1	1	1
Non-restricted equity		8,152	7,766	8,131
Total equity		8,152	7,767	8,131
Non-current liabilities				
Senior Note	4	2,826	2,977	2,985
Liabilities to Group Companies		251	251	251
		3,076	3,228	3,236
Current liabilities				
Senior Note current	4	-	392	-
Current tax liabilities		64	233	265
Liabilities to Group Companies		66	-	63
Other current liabilities		0	0	0
Accrued expenses and deferred Income		99	195	10
		229	820	338
Total liabilities		3,306	4,048	3,574
Total equity and liabilities		11,458	11,815	11,705

Notes

Note 1. Basis of preparation and accounting principles

These interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the European Union (EU) and RFR1 "Supplementary accounting rules for groups".

These consolidated interim financial statements should be read together with the annual consolidated financial statements for the year ended December 31, 2024.

The annual consolidated financial statements for the Group are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). The interim financial statements have been prepared applying the accounting policies and presentation that were applied in the preparation of the Group's consolidated financial statements for the year ended December 31, 2024. There are no amendments of IFRS during 2025 that have had a material impact on the result and financial position of the Company.

The Swedish Annual Accounts Act and RFR 2 "Accounting for legal entities" have been applied for the Parent Company. The financial statements are presented in Swedish krona (SEK), which is the Parent Company's functional currency.

Unless otherwise stated, all figures are rounded to the nearest million. Due to rounding figures in the tables to the nearest SEK million, the total sum might not always exactly match the sum of its components.

Note 2. Risk factors

For information on risks relating to our business and capital structure, please refer to Note 2 in Preem Holding AB's Annual Report for 2024 as well as the Offering Memorandum, dated 14 June 2022, relating to Preem Holding AB (publ) – €340,000,000, 12%, Senior Notes due in 2027.

The Senior Notes have been partially redeemed in 2023 and 2024, pursuant to so-called special mandatory redemption, and consequently the outstanding principal amount now stands at €272,000,000.

Note 3. Segment information

Amounts in SEK million	Jan-Mar 2025	Jan-Mar 2024	Full-year 2024
Net Sales			
Supply & Refining	30,728	33,164	125,451
Marketing & Sales	5,918	7,348	26,105
Sales between segments	-4,923	-5,916	-20,791
Total external net sales	31,723	34,596	130,765
Operating profit			
Supply & Refining	-252	3,164	2,528
Marketing & Sales	79	164	778
Total operating profit	-173	3,327	3,305
Exchange rate differences	336	-448	-371
Other expenses	-183	-211	-788
Total Operating profit	-21	2,668	2,147
of which depreciation by segment			
Supply & Refining	-400	-314	-1,337
Marketing & Sales	-46	-59	-193
Total depreciation by segment	-445	-373	-1,530

Note 4. Financial Debt Breakdown

Amounts in SEK million	31 Mar 2025	31 Mar 2024	31 Dec 2024
SEK Loans	2,887	3,119	3,003
Syndicated bankloans USD	702	-	-
Leasing liabilities	809	772	845
Deposits	58	56	56
Transaction costs	-195	-295	-226
Total Financial Debt Preem Group	4,261	3,652	3,677
Senior Note EUR	2,951	3,527	3,124
Transaction costs	-125	-157	-139
Total Financial debt Preem Holding AB (publ)	2,826	3,369	2,985
Total Financial debt Preem Holding Group	7,407	7,474	7,028
Net of transaction costs	7,087	7,021	6,663

Note 5. Financial instruments

	31 Mar 2025	31 Mar 2024	31 Dec 2024
Net debt			
Financial debt	7,407	7,474	7,028
Less cash and cash equivalents	-1,638	-3,735	-2,684
Net debt*	5,769	3,738	4,343
Total equity	24,529	25,492	24,605
Debt/equity ratio	0.24	0.15	0.18

*Net debt excludes transaction costs

Amounts in SEK million

Assets in the balance sheet as of December 31, 2024	Assets measured at fair value through profit/loss for the period	Assets measured at fair value through other comprehensive	Financial assets measured at amortized cost	Carrying amount	Fair value
Other shares and participations	0	-	-	0	0
Long term receivables from Parent Company	-	-	290	290	290
Other long term receivables	-	-	129	129	167
Derivatives	59	-	-	59	59
Receivables from Parent Company	-	-	55	55	55
Trade receivables and other receivables	-	-	4,951	4,951	4,951
Cash and cash equivalents	-	-	1,638	1,638	1,638
	59	-	7,063	7,122	7,159
Liabilities in the balance sheet as of December 31, 2024					
Senior Notes EUR	-	-	2,951	2,951	3,097
Liabilities to credit institutions	-	-	3,589	3,589	3,589
Lease liabilities	-	-	809	809	809
Other interest-bearing liabilities	-	-	58	58	58
Derivatives	28	4	-	33	33
Other liabilities	-	-	6,330	6,330	6,330
	28	4	13,737	13,769	13,915

Note 6. Pledged assets and contingent liabilities

For information on disclosures concerning contingent liabilities, please see Note 30 in Preem Holding's Annual Report for 2024. There are no significant changes in contingent liabilities during 2025 compared to the full year 2024.

The balance of pledged accounts receivable has increased to SEK 4,699 (5,151) million. Pledged shares in subsidiaries now have a value of SEK 27,578 (27,674) million.

Pledged assets amount to SEK 46,358 (46,991) million.

Note 7. Related party transactions

For information related to "Related party transactions", please see note 33 in Preem Holding's Annual Report for 2024. There have not been any significant changes during 2025 compared to FY 2024.

Note 8. Subsequent events

On the 13th of April a fire broke out at Pyrocels' factory in Gävle. The fire started in an intermediate storage tank for bio-oil but was extinguished the same day. No one was seriously injured during the incident. On the 28th of April a serious workplace accident occurred at a Preem retail station. During inspection work on a fuel tank, a contractor from an accredited inspection company sustained severe injuries and later passed away in hospital as a result of those injuries.

Stockholm, May 6, 2025

The Board of Directors

Preem Holding AB (publ)

Further information

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