CORRAL PETROLEUM HOLDINGS AB

FY 2018

May 3, 2018

Presenters

Petter Holland
CEO

Peder Zetterberg
CFO (acting)

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Among other things, this presentation is intended to be used in connection with a scheduled international conference call for investors and analysts to be held on May 3, 2019 at 3:00 pm CET. The dial-in number is for Standard International Access +44 (0) 20 3003 2666, Stockholm +46 (0) 8 50520424, New York +1 212 999 6659, Berlin +49 (0) 30 3001 90612, Copenhagen +45 3271 4573, Helsinki +358 9 2319 5437, Norway Local Oslo +47 2 156 3318, Paris +33 (0) 1 7099 4740. The meeting code is Corral FY2018.

The conference call will also be available for replay for a limited time beginning on May 3, 2019 with access information to be posted via the "Press and Notices" heading of the Corral investors section of Preem's website at https://www.preem.se/en/in-english/investors/corral/results-and-reporting2/.

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2018
Stable result and increased sales

- Adjusted EBITDA 3,6 SEK bn.
- 8% increase in production
- Strengthened competitiveness
- Continued investments in renewable fuels

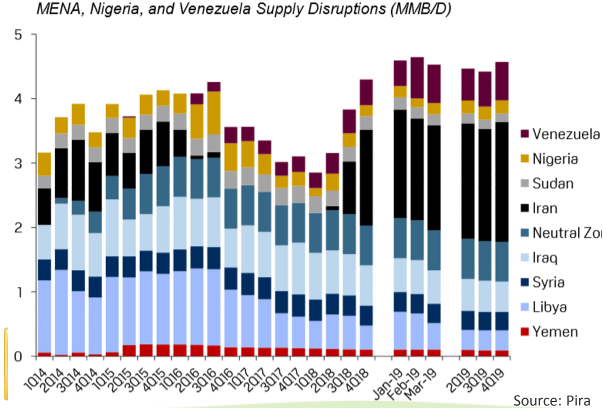
2018 MARKET

Crude

Crude prices were quite volatile in 2018, but they kept returning to a midline in the 65-70 USD/Bbl band as fundamentals pointed to reasonable balances -- not tank tops nor shortages.

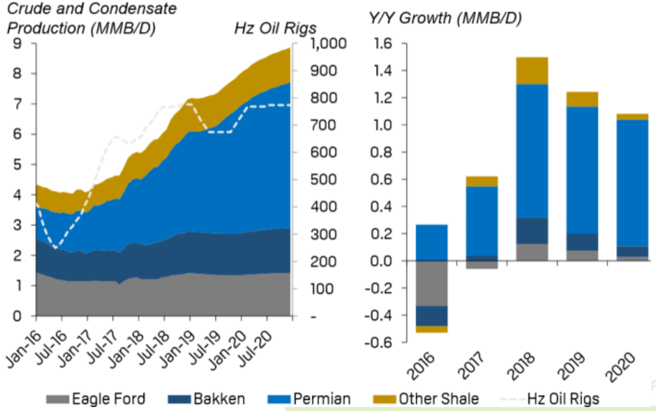
US production growth, OPEC**+** cuts, and demand growth supported runs growth balanced out each other fairly well.

Geopolitical Supply Disruptions Set Multi-Decade High in February



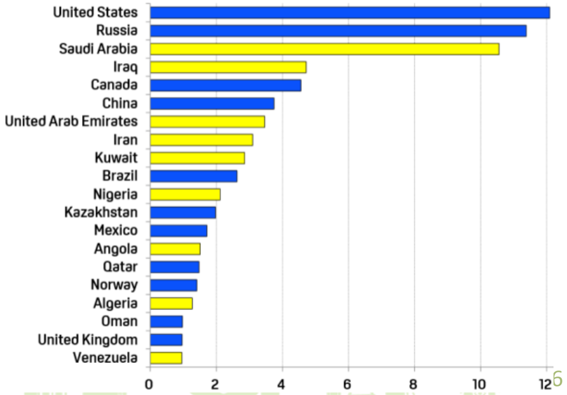
Source: Pira

Impressive Production Growth Expected Despite Rig Losses



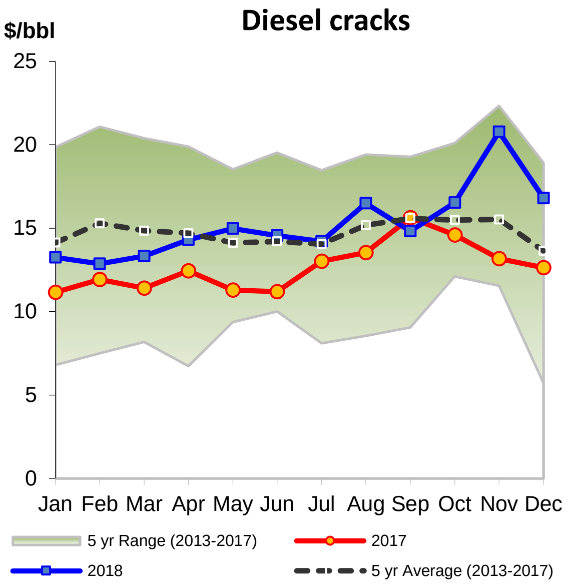
Source: Pira

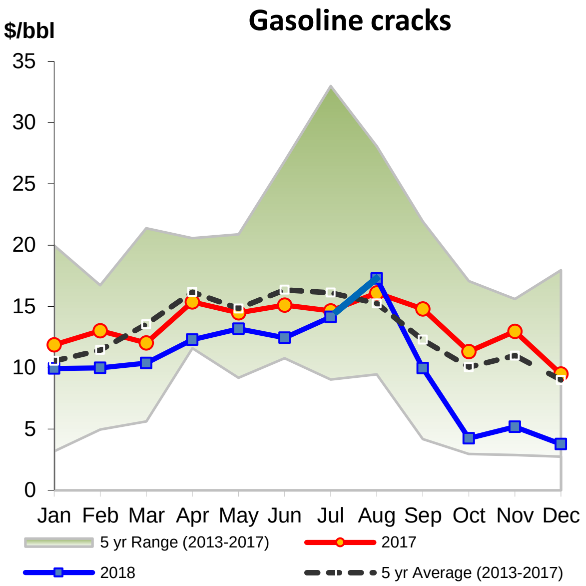
Top 20 Crude Producers February (MMB/D)

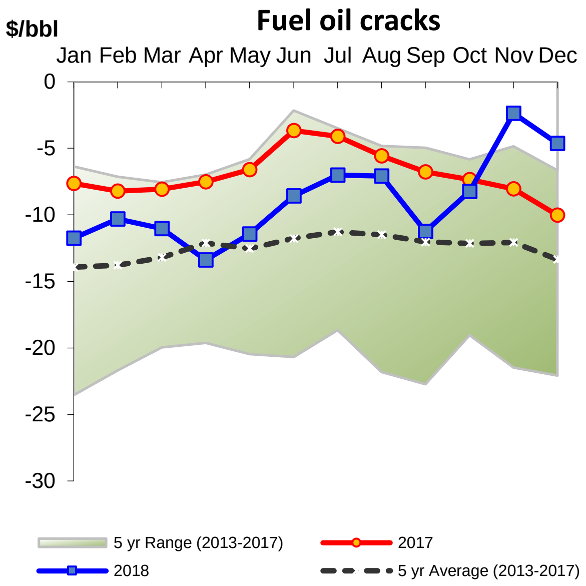


Source: Pira

Products 2018





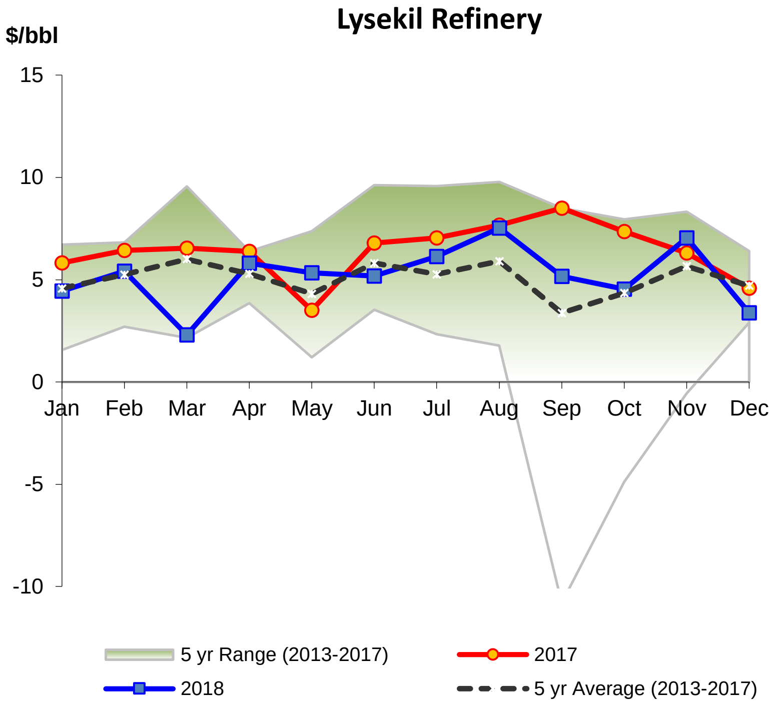


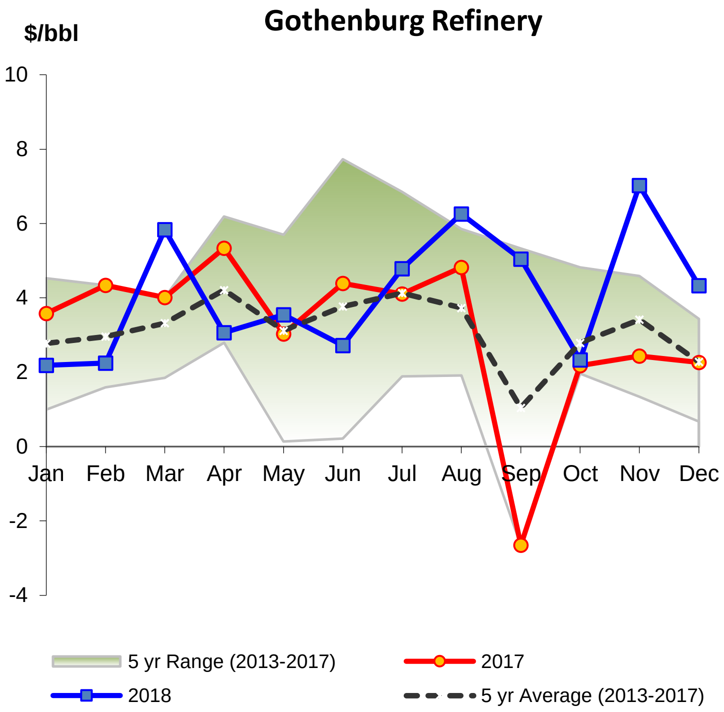
Fundamentals supported the diesel crack during 2018 with a strong regional demand in Europe that have been able to consume a fairly large Russian export. At the same time there has been very limited exports from USA to Europe due to strong demand in South and Latin America. A cold start of the winter in US, Europe and Russia increased the demand and the average diesel crack in November was close to 21 USD/bbl.

Gasoline started 2018 around the 5 year average but fell somewhat behind due to good availability and high production levels on both sides of the Atlantic. As we got into July we started to see the effects of the summer driving season and increases in the gasoline crack. Later in August the crack decreased rapidly due to rising inventory levels and the seasonal weakening of demand. In Q4 the uptick of simple refinery runs, boosted by a strong a fuel oil crack, further increased the inventory build of gasoline, and pulled down the crack to a level around 5 USD/bbl. The increased supply of lighter US shale crude has added to the gasoline production, putting further pressure on the crack in 4Q 2018.

The fuel oil crack has been at a somewhat lower level in 2018 compared to 2017, but was still strong in a historical perspective. Increased demand for fuel oil in the Middle East for power generation, combined with decreasing supply from Russia/Venezuela kept supporting the crack.

Preem Refining Margins 2018





Some key projects & activities 2018

VDU Lysekil

Expansion vacuum distillation capacity

Started up March 2019. Capex 1,7BSEK. Payback 3.5 years.

+ production of vacuum gas oil
+ increase feed for gasoline production
+ profitability -> positive margin VGO
+ reduction of negative margin fuel oil

Reduced HSFO production (IMO 2020)

HPU Gothenburg

Expansion hydrogen production

Started up Feb 2019. Capex 635MSEK. Payback < 2 years.

+ Increased production of renewable fuels (+20% in 2019 / +50% in 2020)
+ desulphurization of diesel
+ flexibility in crude diet
+ optimization of gasoline production

Significant improvement of Gothenburg operating flexibility

GHT Gothenburg

Green Hydrotreater cap. increase

Start-up 2020. Capex 500MSEK.

+ increase capacity of renewable fuel.
+ increase till 230.000 m3/year 2019.
+ increase till 320.000 m3/year 2020.
  → +~50% production capacity for renewable transportation fuels.

In execution phase

IT Strategic upgrade of ERP system

Started up Apr 2019. Capex 800 MSEK

+ increase efficiency
+ shorter lead-times
+ higher transparency

Continuous improvement of business management

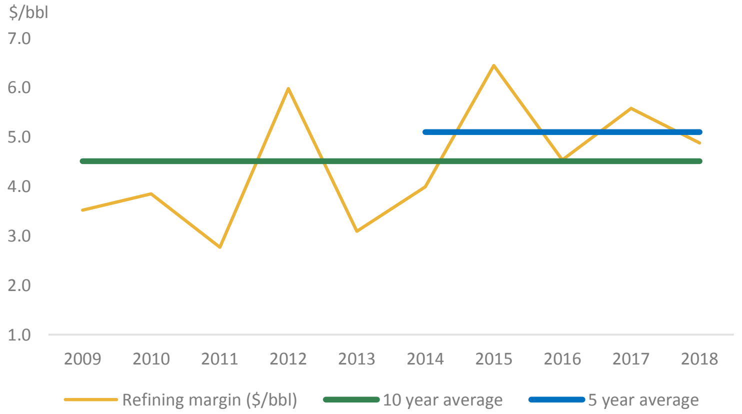
FINANCIAL SUMMARY

FY 2018

Weighted refining margin and throughput 2009-2018

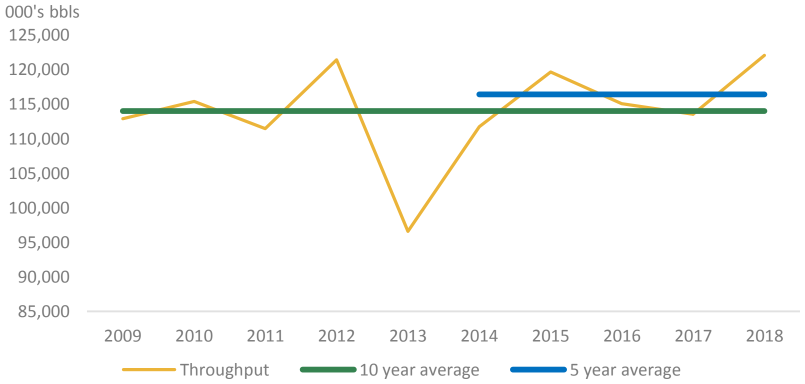
Weighted refining margin ($/bbl)

Dec-18	4.88
10yr	4.51
5yr	5.10



Throughput (000' bbl)

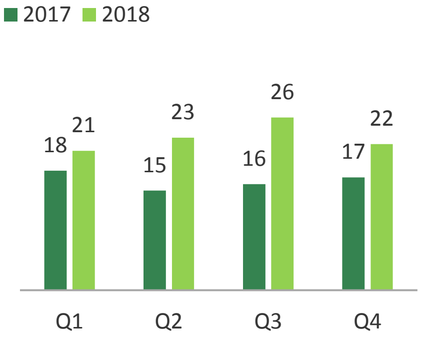
Dec-18	122,029
10yr	113,971
5yr	116,402

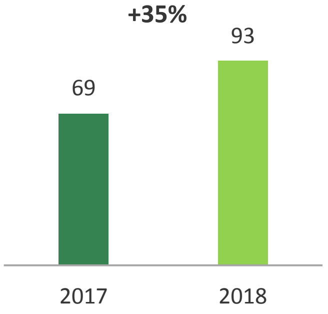


Group result

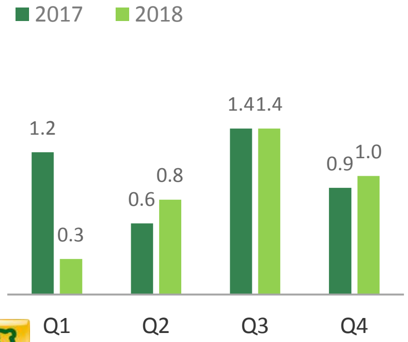
Increased revenues but weaker result

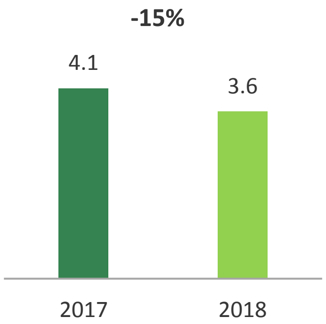
Revenue (SEK bn)





Adjusted EBITDA





Comments

Revenue

- Increase in sales revenue is a result of higher crude and product prices
- Increased net sales by 32%, from 78.6 SEK billion to 104 SEK billion
- 1,6 SEK billion decrease in operating profit compared to 2017, mainly due to price loss on inventories

Adjusted EBITDA*

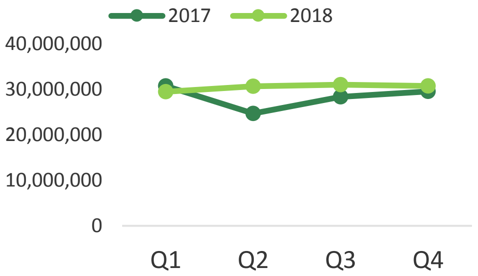
- Increased price for crude oil resulted in a large decrease of inventory value in the fourth quarter of 2018, resulting in losses of 3,095 MSEK compared to profits of 834 MSEK in the fourth quarter of 2017

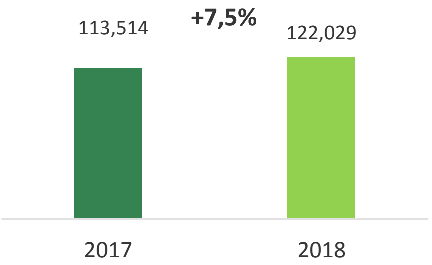
*As defined in the Corral Petroleum Holdings AB (publ) report for the fourth quarter ended 31 Dec, 2018.

Refining

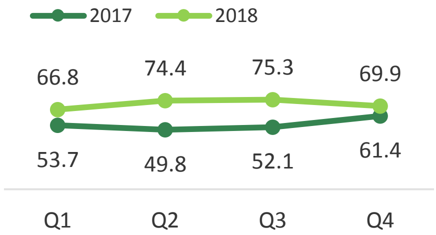
High production, volatile crude price, weakened refining margin

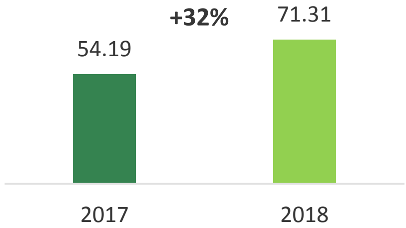
Throughput, 000 bbl



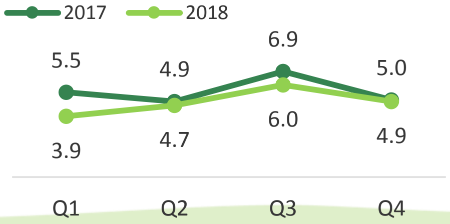


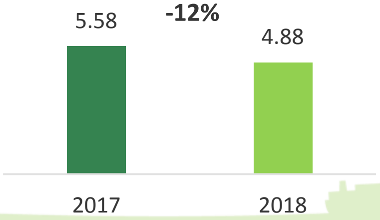
Average Brent Crude Price, $/bbl





Weighted Refining Margin, $/bbl





Key notes

Throughput

- High availability and crude runs resulted in a high production in 2018. Q2 2017 had a minor stop in Lysekil refinery, which explains why the total throughput in 2018 was higher
- 1,8 SEK billion decrease in operating profit compared to 2017, mainly due to price loss on inventories
- Crude price at $50/bbl end of 2018, down by $16/bbl compared to end of 2017, when in previous year crude price increased by $11/bbl

Average Brent Crude Price

- Gradual increase during Q1-Q3 to turn downwards
- High average crude price, $71/bbl, up by $17/bbl compared to 2017
- Geopolitical tensions, increased crude oil production in US and decisions of reducing 2019 oil production to stabilize the market

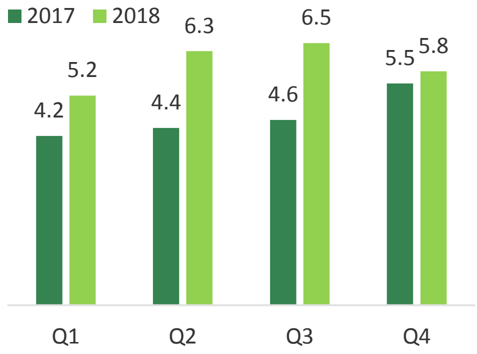
Weighted Refining Margin

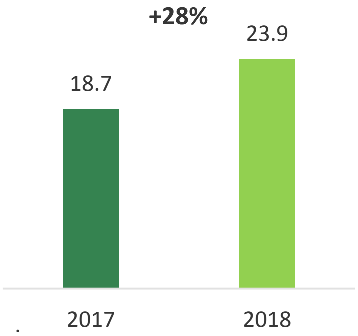
- Gothenburg refinery performed very well in 2018, with a refining margin of 40 cents / bbl higher than in 2017, resulting from high profitability from the green production
- Generally lower weighted refining margin in 2018 is due to plant problems with VBU at Lysekil

Marketing

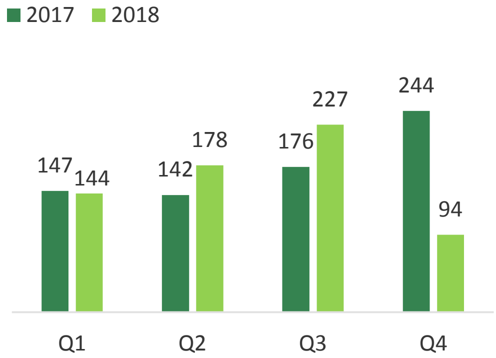
Continued strong operating profit

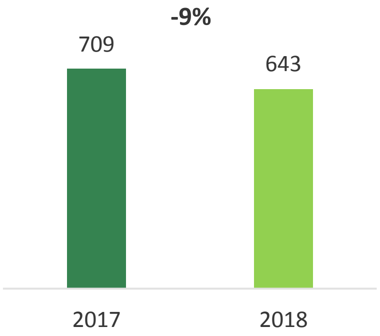
Revenues, SEK bn.





EBITDA, SEK m.





Key notes

Revenue

- Increased revenue due to higher crude oil prices that resulted in higher product prices
- 82 MSEK 2018 decrease in operating profit, from 581 MSEK in 2017 to 499 MSEK, mainly due to divestment of the subsidiary Preem Gas, approximately 100 MSEK

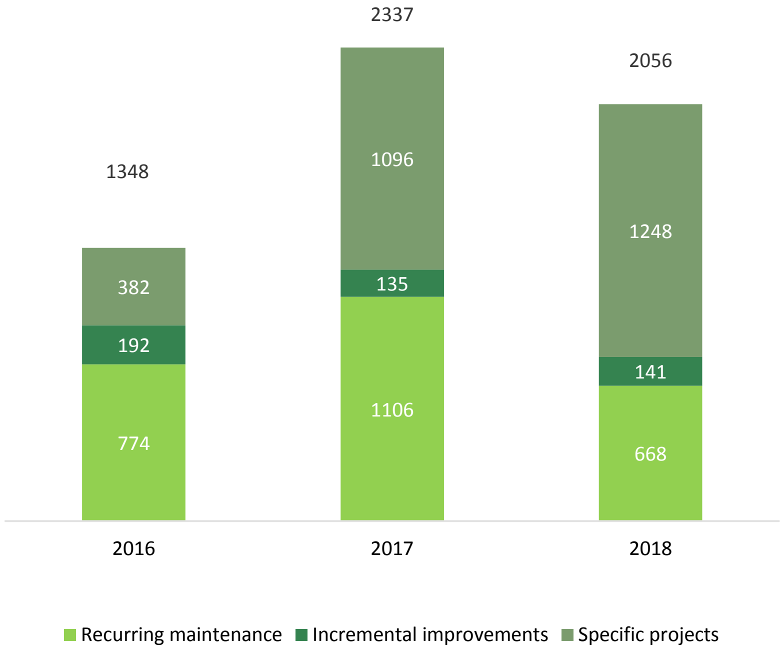
EBITDA

- 2018 EBITDA decreased 66 MSEK, 2017 included two large, one-time, business-to- business sales
- Q4 2018 result was influenced by internal adjustment transactions

Capital expenditures

Continuing with strengthening competitiveness

Capex by Purpose (MSEK)*



*Shown on a gross basis.

Key notes

Specific Projects

The VDU investment in Lysekil, 685 MSEK FY 2018

Strategic IT project, 263 MSEK FY 2018

HPU investment, 264 MSEK FY 2018

GHT investment 36 MSEK FY 2018

Recurring maintenance

Less capex 2018 vs 2017 due to lower Refining maintenance and Safety/Risk maintenance.

Cash flow

Cash generating capabilities affected by working capital fluctuations, driven by volatile market for Crude Brent

(MSEK)	FY 18	FY 17
Profit before taxes	8	2,926
Adjustments for items not included in cash flow	2,469	1,758
Tax paid	-5	-4
Decrease(+)/Increase(-) in inventories	-263	-2,232
Decrease(+)/Increase(-) in operating receivables	60	-885
Decrease(-)/Increase(+) in operating liabilities	-1,877	596
Changes in working capital	-2,080	-2,521
Cash flow from operating activities	**392**	**2,159**
Cash flow used in investing activities	**-2,084**	**-2,347**
	-1,692	-187
Amortization/Raising of loans	2,025	226
Loan expenditure	0	0
Cash flow used in financing activities	**2,025**	**226**
Cash flow for the period	**333**	**38**

Cash flow from operating activities includes cash coupon payments on the 2021 Notes, totaling 740 MSEK.

Key notes

- Cash flow was negatively impacted by movements in working capital of 2,080 MSEK
- Cash flow used in **inventories** amounted to 263 MSEK in 2018, primarily due to higher volumes of finished products in the inventory
- Cash flow from **operating receivables** amounted to 60 MSEK in 2018, primarily due to lower prices on refined products as well as lower volumes sold at year-end
- Cash flow used in **operating liabilities** in 2018 amounted to 1,877 MSEK primarily due to lower crude oil price
- Cash flow used in **investing activities** in 2018 amounted to 2,084 MSEK, a decrease of 263 MSEK, compared to 2,347 MSEK for the same period in 2017
- Cash flow from **financing activities** amounted to 2,025 MSEK in 2018 compared to cash flow from financing activities of 226 MSEK in 2017.

Cash flow from financing activities is attributable to (net) drawing of loans under Preem's revolving credit facility as a consequence of the negative cash flow from operating activities.

Simplified capital structure 2018 vs 2017

Increased inventory volume and accounts receivables resulted in an increased financial debt

FY 2018	MSEK	$M USD	x Adjusted EBITDA
Cash	-489	-55	-0.1
RCF	7,371	822	2.1
Other interest bearing liabilities and transaction expenses	-171	-19	0.0
Total net debt at Preem	**6,711**	**748**	**1.9**
2021 Corral Notes	6,357	709	1.8
Transaction expenses	-144	-16	0.0
Cash	-1,131	-126	-0.3
Total 3rd party debt	**11,793**	**1,315**	**3.3**
Adj EBITDA	3,570	398	
USDSEK exch.rate end of Dec-18		8.97	

FY 2017	MSEK	$M USD	x Adjusted EBITDA
Cash	-286	-35	-0.1
RCF	5,367	652	1.3
Other interest bearing liabilities and transaction expenses	-273	-33	-0.1
Total net debt at Preem	**4,808**	**584**	**1.1**
2021 Corral Notes	6,114	743	1.5
Transaction expenses	-204	-25	0.0
Cash	-826	-100	-0.2
Total 3rd party debt	**9,892**	**1,202**	**2.4**
Adj EBITDA	4,188	509	
USDSEK exch.rate end of Dec-17		8.23	

FY18 vs FY17 MSEK
-203
2,004
102
1,903
243
60
-305
1,901
-618

Refinancing

- Corral Petroleum Holdings and Preem continue the process of refinancing the group
- The objective is to create a capital structure which may enable Preem to initiate a public offering of Preem shares
- Preem has entered into best effort mandate letters with three banks

Q&A

Definitions

Adjusted EBITDA means EBITDA adjusted to exclude inventory gains/losses and foreign currency gains/losses

Dated Brent Crude is a cargo of North Sea Brent blend crude oil that has been assigned a date when it will be loaded onto a tanker. In this Annual Report, references to the price of Dated Brent Crude are derived from data provided by Platts, a division of McGraw Hill Financial Inc.

Gross Refining Margin means the difference between the sales revenue received from the sale of refined products produced by a refinery and the cost of crude oil and (where relevant) other immediate feedstocks processed by it.

HVO Diesel is a tall oil based hydrotreated vegetable oil diesel.

Hydrogen Production Unit (HPU) is a refinery unit that produces hydrogen for use refinery processes.

Marketing EBITDA is not an IFRS measure and consists of the EBITDA of our Marketing & Sales segment which includes the operating profit and the depreciation of our Marketing & Sales segment, as described in Note 4 to our Consolidated Financial Statements

Refining Margin is Gross refining margin less variable refining costs, which consist of volume related costs, such as the cost of energy. See “Management's Discussion and Analysis of Financial Condition and Results of Operations” for further discussion.

Vacuum Distillation Unit (VDU) is a secondary processing unit consisting of vacuum distillation columns. Vacuum distillation helps to produce products out of the heavier oils left over from atmospheric distillation.

2021 Notes refers to the (i) €570,000,000 aggregate principal amount of euro-denominated 11.750% / 13.250% senior PIK toggle notes due 15 May 2021, issued by CPH on May 9, 2016, and (ii) SEK 500,000,000 aggregate principal amount of Swedish krona-denominated 12.250% / 13.750% senior PIK toggle notes due 15 May 2021, issued by CPH on May 9, 2016

For further information, please contact:
Magdalena Patrón
Investor Relations Manager
Tel: + 46-10-450 10 00
Email: magdalena.patron@preem.se