

Par Pacific Holdings, Inc.

First Quarter 2026 Earnings Call

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Corporate Participants

Ashimi Patel - Par Pacific Holdings, Inc., Vice President-Investor Relations & Sustainability

William Monteleone - Par Pacific Holdings, Inc., President, Chief Executive Officer & Director

Richard Creamer - Par Pacific Holdings, Inc., Executive Vice President-Refining & Logistics

Shawn Flores - Par Pacific Holdings, Inc., Senior Vice President & Chief Financial Officer

Conference Call Participants

Matthew Blair – Tudor, Pickering, Holt & Co. Securities, LLC, Research Division – Managing Director of Refiners, Chemicals & Renewable Fuels Research

Alexa Petrick – Goldman Sachs – Equity Research Analyst

Jason Gabelman – TD Cowen – Managing Director, Energy Equity Research

Zach Parham – JP Morgan – Executive Director, Equity Research

Management Discussion Section

Operator

Good day, and welcome to the Par Pacific First Quarter 2026 Earnings Conference Call. All participants will be in listen-only mode. After today's presentation, there will be an opportunity to ask questions. Please note, this event is being recorded.

I would now like to turn the conference over to Ms. Ashimi Patel, Vice President of Investor Relations. Please go ahead.

Ashimi Patel

Thank you, Kim. Welcome to Par Pacific's first quarter earnings conference call. Joining me today are Will Monteleone, President and Chief Executive Officer; Richard Creamer, EVP of Refining and Logistics; and Shawn Flores, SVP and Chief Financial Officer.

Before we begin, note that our comments today may include forward-looking statements. Any forward-looking statements are subject to change and are not guarantees of future performance or events. They are subject to risks and uncertainties, and actual results may differ materially from these forward-looking statements. Accordingly, investors should not place undue reliance on forward-looking statements, and we disclaim any obligation to update or revise them. I refer you to our investor presentation on our website and to our filings with the SEC for non-GAAP reconciliations and additional information.

I'll now turn the call over to our President and Chief Executive Officer, Will Monteleone.

William Monteleone

Thank you, Ashimi, and good morning, everyone.

First quarter adjusted EBITDA was \$91 million and adjusted net income was \$0.78 per share. First quarter results compare favorably against historical first quarter performances, despite the lag effect of rapidly rising crude and distillate prices in Hawaii, off-season conditions in Wyoming and Montana, and the planned Washington outage.

Our facilities ran well across the system, setting a first quarter throughput record. This strong throughput allowed us to pre-build inventory ahead of planned maintenance outages. The Wyoming and Montana facilities have both completed their April outages on time and are prepared to run hard for the highly profitable summer months.

Over the past two months, refined product cracks surged to all-time highs, particularly in Asia, due to the reduction of Persian Gulf origin refined product exports, Asian refiners reducing run rates, and protectionist policies restricting free trade of waterborne refined products. As a result, the April Singapore 3.1.2 index is materially above historical norms, averaging over \$72 per barrel compared with the 2025 average of \$16 per barrel. These levels exceed prior highs observed during the early months of the Russia-Ukraine conflict. In addition, Mainland seasonal cracks are also rallying to elevated levels.

Our commercial position and supply chain flexibility allow us to capture a substantial portion of the strong market environment. In addition, we have no crack spread hedges in place, positioning us to capture improved market conditions.

Looking forward, global refined product inventory buffers are drawing down aggressively, setting up for meaningful tightness over the summer months. We see many Asian refiners running at near minimum throughput rates, attempting to preserve crude supply chain duration versus maximizing profits.

Turning to the Retail segment, quarterly same-store fuel and in-store sales decreased by 3.3% and 1% compared to the first quarter of 2025. Fuel volume and in-store results reflect shifting consumer refueling patterns associated with the rising price environment and the impact of three state-level closures during the first quarter from Hawaii flooding events.

On the strategic front, we achieved a major milestone with the successful start-up of the Hawaii renewables unit. This is a significant step for the renewables business, reflecting our disciplined commissioning approach. We continue to test and optimize unit operations and are focused on establishing credit pathways. The policy backdrop continues to strengthen and we remain constructive on the outlook for the project.

On the capital allocation front, we repurchased \$28 million during the quarter at an average price of \$38 per share. Since the program's inception, we've repurchased over 14 million shares, or just over 20% of shares outstanding, at an average price of \$25 per share. Our total liquidity position of \$938 million, combined with a robust forward cash flow outlook, positions the balance sheet to support our strategic objectives and opportunistic share repurchase framework.

In closing, our consistent focus on reliable operations, commercial agility, and disciplined capital allocation remains the foundation for capturing today's market opportunity and delivering long-term shareholder value.

With that, I'll hand the call to Richard, who will walk through our Refining and Logistics results.

Richard Creamer

Thank you, Will. I want to begin with a moment of recognition for each of our refining teams for an outstanding first quarter. The Hawaii team achieved a record quarter throughput, and Montana achieved a

record winter season throughput. In addition, Washington successfully completed their February turnaround, restarted operations, and are operating at maximum rates. We are pleased that both the Montana and Wyoming teams completed their April outages safely and are operating under normal conditions. Par Pacific's success lies in the foundation of delivering production safely and reliably for our communities. The entire Refining and Logistics team continues to demonstrate that commitment.

As Will referenced, we are pleased with the early operational results from the Hawaii renewable fuels facility. As a reminder, we brought the pretreatment unit online early this year and achieved on-specification product using a mix of feedstocks with additional inbound waste oils to further test our capabilities. We are now operating the pre-treatment in tandem with the renewable hydrotreater and achieved on-specification renewable diesel in late April. We're beginning to transition operations to validate the sustainable aviation fuel mode.

Our first quarter conventional refining throughput was 184,000 barrels per day, and we'll begin reporting renewable fuel throughput in the second quarter.

In Hawaii, throughput was a record 90,000 barrels per day and production costs were \$4.67 per barrel. Hawaii will begin its planned turnaround in late June, which is expected to last between 30 and 45 days. The renewable fuels unit will be off-line during the turnaround.

First quarter Washington throughput was 23,000 barrels per day, and production costs were \$7.53 per barrel, driven by reduced rates related to the February planned downtime. The refinery is operating well and delivering fully restored capability.

Shifting to Wyoming, throughput was 15,000 barrels per day and production costs were \$11.68 per barrel, reflecting lower seasonal throughput. As I mentioned, the spring refinery outage to address routine maintenance was completed successfully and safely.

Finally in Montana, first quarter throughput was 57,000 barrels per day, and production costs were \$9.05 per barrel. The team continues to deliver on their plan of efficient operations and OpEx control.

Looking ahead to the second quarter, we expect Hawaii throughput between 77,000 and 81,000 barrels per day, reflecting the turnaround, and Washington between 40,000 and 42,000 barrels per day. Due to the April planned maintenance across the Rockies system, Wyoming quarterly throughput is expected to be between 14,000 and 16,000 barrels per day and Montana, between 45,000 and 49,000 barrels per day. This results in a system-wide midpoint throughput of 182,000 barrels per day.

I'll now turn the call over to Shawn to cover the financial results.

Shawn Flores

Thank you, Richard. First quarter adjusted EBITDA was \$91 million and adjusted net income was \$39 million or \$0.78 per share.

Our Refining segment reported adjusted EBITDA of \$69 million in the first quarter compared to \$88 million in the fourth quarter.

Starting in Hawaii, the Singapore 3.1.2 averaged \$36 per barrel during the first quarter, and our landed crude differential was \$4.90, resulting in a Hawaii index of \$31.11 per barrel. Hawaii capture was 42%, including a net price lag headwind of approximately \$125 million.

As a reminder, net price lag reflects the Hawaii refinery's contractual sales that are structured on prior month and prior week average pricing. The lag impact was driven by the sharp increase in refined product prices in

March, resulting in adjusted gross margin trailing current period market conditions. We would expect price lag to be neutral in a stable pricing environment and to reverse into a capture benefit during periods of declining prices.

Normalized for the lag impact, Hawaii capture was 92%, reflecting wider West Coast discounts relative to Singapore and lower netbacks on secondary products such as naphtha and LPGs.

In Montana, the first quarter index averaged \$4.84 per barrel with a margin capture of 143%. Capture was above our target range, driven by lower asphalt production and favorable sales mix relative to the index.

In Wyoming, the first quarter index averaged \$19.30 per barrel. Margin capture was 139%, including an \$18 million FIFO benefit from rising crude oil prices.

In Washington, our index averaged \$8.20 per barrel. Margin capture was 100%, supported by favorable jet-to-diesel spreads.

Turning to the Logistics segment, adjusted EBITDA was \$32 million in the first quarter, in line with our mid-cycle run rate. Strong system utilization in Hawaii and Montana was partially offset by reduced crude activity in Washington during the planned turnaround.

In the Retail segment, adjusted EBITDA was \$15 million, compared to \$22 million in the fourth quarter. The sequential decline was driven by lower fuel margins, reflecting rapid increases in wholesale prices during the quarter.

Moving to cash flow, first quarter cash from operations totaled \$162 million, excluding working capital outflows of \$185 million and deferred turnaround costs of \$18 million. Working capital outflows reflect rising flat prices and higher inventory levels ahead of the April planned maintenance across our Rockies system.

Turning to RINs, we remain in an excess RIN position at the end of the first quarter, having monetized less than half of the RINs associated with the prior period small refinery exemptions. This position is expected to provide additional working capital inflows over the coming quarters.

It's also worth noting that our first quarter adjusted EBITDA and adjusted net income reflect full RIN expense at current period market prices, which does not capture the benefit of our excess RIN asset position. Our GAAP results, by contrast, include an approximately \$30 million gain in the quarter, representing the difference between current period RIN prices and the book value of RIN assets on our balance sheet.

First quarter capital expenditures, including deferred turnaround costs, totaled \$61 million.

Shifting to capital allocation, we repurchased \$28 million of common stock during the quarter at an average price of \$38 per share.

Gross term debt at quarter end was \$638 million, remaining below the low end of our leverage targets.

Looking ahead to the second quarter, our April consolidated refining index averaged \$42 per barrel, an increase of \$23 per barrel compared to the first quarter.

In Hawaii, refining margins continue to reflect a tight refined product supply environment across the Pacific Basin. We expect our second quarter crude differential to be between \$4 to \$5 per barrel, reflecting the extended crude supply chain we built earlier this year. From a financial standpoint, the impact of the upcoming Hawaii turnaround is expected to be limited in the second quarter, with most of the impact shifting into the third quarter.

Across our mainland system, April refining indices increased by approximately \$17 per barrel versus the first quarter, driven by strong distillate margins. As Richard noted, we had planned downtime in April across the Rockies system, but expect minimal financial impact as we drew down inventories previously built during the first quarter.

In Renewables, we expect sales volumes and earnings contribution to be modest in the second quarter, as we optimize operations and build inventory, with a more meaningful ramp in the back half of the year following the Hawaii refinery turnaround.

Overall, we're well-positioned to deliver robust cash flow in the current margin environment, enabling us to further strengthen the balance sheet, pursue accretive growth opportunities and opportunistically repurchase our common stock.

This concludes our prepared remarks. Operator, we'll turn it to you for Q&A.

Question and Answer Section

Operator

We will now begin the question-and-answer session. Our first question comes from Matthew Blair with Tudor, Pickering, and Holt.

Question – Matthew Blair: Great. Thank you, and good morning. I think that Par has probably the highest jet yield in the group. We believe it's roughly 15% or so. Could you confirm if that's the correct estimate? And can you talk a little bit about dynamics in the jet market, both on the supply side, as well as demand side? We are seeing wider jet versus diesel spreads, which looks like a nice tailwind into the second quarter. Thank you.

Answer – William Monteleone: Sure, Matt. Good morning. This is Will. I think 15% is probably reasonable. And, again, I think some of this depends on some of our jet versus ULSD objectives. But as you indicated, given the spreads between jet and ULSD, we see a high and attractive economic incentive to try and maximize jet yields, particularly in the Pacific. And, again, I think we have a number of projects underway to maximize jet yield in the Rockies.

And in terms of just the overall regrade spread, or the spread between jet and gasoil, again, continue to see that to be strong as, again, I think it's one of the more difficult molecules to make. And with the amount of crude distillation off-line globally, it's a challenge. And, again, given the loss in the Persian Gulf origin exports, which was a material supplier to Europe, we're seeing the Asian market and the Indian refiners need to try and attempt to backfill some of Europe's jet requirements.

Question – Matthew Blair: Sounds good. And then, this Hawaii product lag headwind in the first quarter, \$126 million, it sounds like that would likely reverse in the second quarter. But would you also get an additional benefit from the drop in Singapore gasoil prices so far? And I guess, do you have an estimate so far in April on what that might look like?

Answer – Shawn Flores: Hi, Matt. Good morning. It's Shawn. Yeah. I think it's too early to give an estimate on price lag. As you know, it really depends on where Singapore prices end up in June relative to March. I think you're right. It's down in the prompt market, and it would suggest a partial reversal of the \$125 million impact. But I think that's how you should think about it and look at June pricing once available.

Question – Matthew Blair: Sounds good. Thank you.

Operator

Our next question comes from Alexa Petrick with Goldman Sachs.

Question – Alexa Petrick: Hey. Good morning, team, and thank you for taking our question. I want to just jump in a little more to the Hawaii captures, recognize there was that price lag impact. But even if we adjust for it, I think captures look like they were in the low 90% compared to your target of over 105%. So, can you just talk about some of the drivers there, and then how that's tracking for Q2?

Answer – Shawn Flores: Hey, Alexa. It's Shawn. Yeah. I'd call out two other elements that I think drove a 10% to 15% capture hit. One was, typically we see West Coast pricing at a premium to Singapore in most historical periods. That flipped to a significant discount, particularly LA jet versus Singapore jet and LA diesel versus Singapore gasoil. We do have some contractual exposure to the West Coast, and so that was, let's call it, a 5% to 10% capture headwind.

And then the other sort of factor I called out is, we do produce and sell naphtha and LPGs. And whenever you see a blow-out like we did where gasoil and jet are pricing at such a premium to the secondary products, it creates a capture headwind. I think both of those dynamics have normalized heading into Q2. If anything, I think West Coast is pricing at a premium to Singapore. So, it's something that we're watching. Not trying to make a call right now, given the volatility, but those are the elements to keep an eye on.

Question – Alexa Petrick: Okay. That's helpful. And then maybe just a follow-up. Sticking on Hawaii, it sounds like the planned turnaround is still tracking for an end of June start-up. Can you just talk about the planning behind that? Is there any flex given the macro? And just how investors should be thinking about the impact? Sounds like a majority of it is going to be a Q3 impact.

Answer – William Monteleone: That's correct, Alexa. We have already shifted it, I'll say weeks, and I think that's probably the extent of the flexibility that we have. And, again, I think we really tie our decision on turnaround timing towards hydrocracker catalyst life. That's one of the key drivers in Hawaii. It's been roughly six years since we changed that catalyst out and, again, I think we have the objective of completing this over the summer period, just given the scheduling, the timing of the contractors, and the work that we've done.

So, I think we have limited flexibility beyond where we've set today and have kind of the supply chain, contractors, and all the moving pieces in place to execute that on time and on budget.

Question – Alexa Petrick: That's very helpful. I'll turn it back.

Answer – William Monteleone: And then Richard – hold on. Richard's got a couple things to add. So, Richard... go ahead.

Answer – Richard Creamer: Thanks, Will. Just one other comment that one of our primary goals is to absolutely ensure the product supply in the state of Hawaii as the only producer there. So, timing around that is significantly considered in the execution, start of the turnaround.

Question – Alexa Petrick: Sounds good. Thank you both.

Operator

Our next question comes from Jason Gabelman with TD Cowen.

Question – Jason Gabelman: Hey. Thanks for taking my questions. Maybe sticking with the Hawaii turnaround planning. Throughput guidance is a bit light for Hawaii in 2Q, and I wonder to what extent that's some conservatism baked into guidance versus the Hawaii turnaround really starting in earnest the last week or two of the quarter. And then could you also discuss how the landed crude cost dynamics will trend once

Hawaii comes back online? Will that reflect the impacts of the conflict in higher freight and backwardation we're seeing in the market?

Answer – William Monteleone: Yeah. Sure, Jason. I think the throughput guidance reflects our estimate of the start time of the outage. And then, again, I think working through, I'll just say optimizing our crude supply chain, both extending the turnaround, as well as our plans exiting the turnaround. So, again, I think we're focused on margin optimization through both the inbound and outbound elements of the turnaround.

In terms of landed crude differentials, I think it's too early to call the third quarter differentials. I'd just keep in mind a couple things. One is, given the turnaround is ongoing, and the length of our supply chain, we've been able to stay out of the market and kind of the teeth of the most extreme hoarding events that we've seen over the last 30 to 60 days.

That said, I think when you look at backwardation alone, our first half of the year crude differentials reflect probably a near flat market structure. And if you just look at the current market structure today between the front month contract and the third month contract here, you're moving between \$6 and \$8 a barrel. So, again, that's consistent with our risk management framework and ensuring that we're not taking flat price risk between the origin loading point and the delivery to Hawaii.

So, again, too early to call, but I think those are the factors to watch.

Question – Jason Gabelman: Great. I was also hoping to get your color on Singapore cracks more broadly. They obviously were extremely strong in the start of the conflict and through April, and it seems like they've converged with rest of world cracks. And I guess it's to be expected, given if there are arbitrage opportunities, those are going to be taken advantage of, and the differentials are going to tighten between regions.

So, are we in more of a, call it – stable is probably not the right word. But from a relative basis, are we in an environment where relative cracks make more sense here? Or just given the refinery capacity shut-ins in Asia, there's potential for cracks to spike again moving forward?

Answer – William Monteleone: Yeah. It's a good question. I mean, I think our observations would be, at the beginning of the conflict, obviously, the most hoarding of product and disruption between physical and financial markets emerged. And, again, I think if anybody was short Singapore cracks financially going into that, there was a fair amount of rush to cover that position.

I think now you're seeing freight normalize and again, kind of the ability to arbitrage products between the Atlantic and Pacific Basin, you're getting back into transport parity economics between Atlantic and Pacific Basin. So, again, I think that's probably the right way to think about it, assuming that no other major factors change, which I think is a big assumption, right? So, again, I think for Asia to price materially above Europe, given that they're both in deficit positions needing to import product, again, I think it's going to be a call on a competition between those two points to source and attract barrels.

Question – Jason Gabelman: Got it. And if I could just sneak one final one in, just on the small refinery exemptions. I think you received \$60 million RINs worth of exemptions last year. It sounds like you haven't monetized a large part of that. So, if you get the exemptions this year reflecting 2025 exemptions, should we expect you to monetize most of that position?

Answer – Shawn Flores: Hey, Jason. It's Shawn. I think that's probably a fair assumption. We've monetized less than half to-date. I think we'd prefer to have clarity from the EPA on 2025 exemptions before further monetizing both the historical excess and then any new relief that we would get related to 2025.

Question – Jason Gabelman: All right. I'll leave it there. Thanks for the answers.

Operator

Our next question comes from Zach Parham with JPMorgan.

Question – Zach Parham: Hey. Thanks for taking my question. Can you just talk a little bit about how you're thinking about the buyback going forward? It seems like you slowed down as the stock price moved higher post-Iran. With cracks where they are today, you're set to generate a significant amount of free cash flow in 2Q. Do you plan to be active in the market buying back your stock? Or are you comfortable with the cash just going to the balance sheet in the near term?

Answer – William Monteleone: Yeah. Zach, this is Will. I think our historical framework still holds today. We've been in an excess capital position and have taken an opportunistic framework towards our share repurchases. I think the cadence of our repurchases is going to be driven by our excess capital position, forward outlook, and really our view of intrinsic value. When we see it trade materially below that, we'll seize that opportunity. So, I think our framework is the right way to allocate capital through the cycle. And, again, I think you should expect us to be more aggressive in our share repurchasing when we see deeper discounts to intrinsic value, and then I'll say more moderate in our approach when we see less attractive discounts to intrinsic value.

Question – Zach Parham: Thanks. That's all from me.

Operator

This concludes our question-and-answer session. I would like to turn the conference back over to Will Monteleone for any closing remarks.

William Monteleone

Thank you, Kim. Q1 was a strong start to 2026, with notably solid operational performance across the system, the successful April start-up of our renewable fuels unit, and attractive share repurchases. Our focus remains on disciplined execution as the durable path to growing earnings and free cash flow per share over time.

Thank you to our employees, and thank you, all, for joining us today.

Operator

The conference has now concluded. Thank you for attending today's presentation. You may now disconnect.