



genesisenergy

Genesis Energy, L.P.

1Q 2024 Earnings Supplement

May 2, 2024



Forward-Looking Statements

This presentation includes forward-looking statements as defined under federal law. Although we believe that our expectations are based upon reasonable assumptions, we can give no assurance that our goals will be achieved. Actual results may vary materially. All statements, other than statements of historical facts, included in this press release that address activities, events or developments that we expect, believe or anticipate will or may occur in the future, including but not limited to statements relating to future financial and operating results and compliance with our senior secured credit facility covenants, the timing and anticipated benefits of the King's Quay, Argos, Shenandoah and Salamanca developments, our expectations regarding our Granger expansion, the expected performance of our other projects and business segments, and our strategy and plans, are forward-looking statements, and historical performance is not necessarily indicative of future performance.

Those forward-looking statements rely on a number of assumptions concerning future events and are subject to a number of uncertainties, factors and risks, many of which are outside our control, that could cause results to differ materially from those expected by management. Such risks and uncertainties include, but are not limited to, weather, political, economic and market conditions, including a decline in the price and market demand for products (which may be affected by the actions of OPEC and other oil exporting nations), impacts due to inflation, and a reduction in demand for our services resulting in impairments of our assets, the spread of disease (including Covid-19), the impact of international military conflicts (such as the conflict in Ukraine), the result of any economic recession or depression that has occurred or may occur in the future, construction and anticipated benefits of the SYNC pipeline and expansion of the capacity of the CHOPS system, the timing and success of business development efforts and other uncertainties. Those and other applicable uncertainties, factors and risks that may affect those forward-looking statements are described more fully in our Annual Report on Form 10-K for the year ended December 31, 2023 filed with the Securities and Exchange Commission and other filings, including our Current Reports on Form 8-K and Quarterly Reports on Form 10-Q. We undertake no obligation to publicly update or revise any forward-looking statement.

This presentation may also include certain non-GAAP financial measures. Please refer to our earnings release for the most directly comparable GAAP financial measures and the reconciliations of non-GAAP financial measures to GAAP financial measures included at the end of this presentation.

Long-Term Thesis Remains In-Tact and Positive

- **Long-term outlook and value proposition for Genesis remains unchanged and totally in-tact**
 - Reported Adjusted EBITDA^(a) of \$163.1 million in the first quarter, which was in-line with our expectations
 - Remain excited about the approaching inflection point when we will complete our major capital spending program in 4Q 2024 and will be around the corner from what we believe will be notable step change in the financial performance of our offshore assets and a recovery in our soda ash business
- **Increasingly clear line of site provides path to increasing amounts of cash flow^(b) and financial flexibility**
 - Shenandoah and Salamanca projects expected on-line mid-2025 with combined 160k/d of incremental production handling capacity
 - Together will provide us with an anticipated incremental \$100-\$110 million of segment margin per annum when fully ramped
 - Successfully laid the 105 miles of the SNYC lateral and continue to advance CHOPS expansion
 - Recently commissioned Granger expansion project; additional volumes expected to help offset some of the pricing pressure during back half of the year
 - Pro forma Granger expansion we now have ~4.8mm short tons of annual soda ash production capacity
- **Genesis is well positioned to generate roughly \$250 – \$350 million dollars or more per year of cash flow^(b) starting in 2025 despite any volatility in soda ash prices over a normalized cycle**
 - Expect to complete growth capital expenditures program in 4Q 2024; will be able to begin harvesting increasing amounts of cash flow thereafter
 - Continue to evaluate ways to simplify capital structure and return capital to everyone in the capital structure, all while focusing on our leverage ratio^(c)
 - Anticipate providing more details around our capital allocation priorities and strategy later this year
- **Guidance range for Adjusted EBITDA^(a) of \$680 - \$740 million in 2024**
 - Assumes approximately \$10 million of incremental G&A costs associated with conforming short-term incentive programs to industry standards and approximately \$10 million of lower offshore segment margin related to the potential for weather related downtime
 - Continue to expect growth capital expenditures of approximately \$200 - \$250 million in 2024
- **Committed to maintaining financial flexibility while not losing focus on our long-term leverage ratio^(c)**
 - Senior secured credit facility extended to February 2026; no unsecured maturities until mid-2026
 - Exited first quarter with leverage ratio^(c) of 4.15x; improving the balance sheet and maintaining long-term leverage ratio^(c) at or near 4.0x is a top priority
 - To date repurchased \$75mm of Class A convertible preferred at a discount to call premium and 114,900 common units at avg. price of \$9.09 per unit

(a) Adjusted EBITDA is a non-GAAP financial measure. We are unable to provide a reconciliation of the forward-looking Adjusted EBITDA projections contained in this presentation to its most directly comparable GAAP financial measure because the information necessary for quantitative reconciliations of Adjusted EBITDA to its most directly comparable GAAP financial measure is not available to us without unreasonable efforts. The probable significance of providing these forward-looking Adjusted EBITDA measures without directly comparable GAAP financial measures may be materially different from the corresponding GAAP financial measures.

(b) After certain cash obligations, including cash interest payments, principal payments on our Alkali senior secured notes, preferred and existing common unit distributions, maintenance capital requirements, and cash taxes.

(c) As calculated under our senior secured credit facility.

Key Segment and Operational Highlights

- **Offshore Pipeline Transportation**
 - Continued to see steady volumes across our entire system
 - Despite certain producer related downtime, saw solid volumes from Argos and our other major host facilities
 - Winterfell development on schedule for first production in 2Q
 - Initial three wells expected to produce ~22k boe/d
 - Shenandoah and Salamanca expected on-line in mid-2025
- **Soda and Sulfur Services**
 - Soda ash macro conditions remain consistent with previous commentary of a currently well-supplied market outside of China
 - New natural supply from Inner Mongolia appears to have been absorbed by China (no significant increases in Chinese exports)
 - Various factors lead us to believe the market should be come increasingly more balanced as we move through 2024
 - Supply rationalizations of high-cost synthetic production in China and Europe; re-direction of certain international volumes
 - End of de-stocking; return of normalized global economic growth
 - Steady and increasing demand from both lithium and solar panel manufactures in both Asia and South America
 - Continue to see steady demand for NaHS from our copper mining and pulp and paper customers
- **Marine Transportation**
 - Market remains structurally undersupplied
 - Combination of robust demand, effectively zero new supply, continued retirement of older equipment and a heavy maintenance cycle continue to drive day rates higher
 - Day rates still need to rise to support new construction
- **Onshore Facilities and Transportation**
 - Future segment margin driven largely by increasing offshore volumes moving through our Texas and Louisiana facilities as new offshore volumes come on-line

Financial Results	
	1Q 2024
Offshore Pipeline Transportation	\$97,806
Soda & Sulfur Services	45,382
Marine Transportation	31,363
Onshore Facilities & Transportation	6,547
Total Segment Margin	\$181,098
Adjusted EBITDA ^(a)	\$163,076
Leverage Ratio ^(b)	4.15x

(a) Adjusted EBITDA is a non-GAAP financial measure. We are unable to provide a reconciliation of the forward-looking Adjusted EBITDA projections contained in this presentation to its most directly comparable GAAP financial measure because the information necessary for quantitative reconciliations of Adjusted EBITDA to its most directly comparable GAAP financial measure is not available to us without unreasonable efforts. The probable significance of providing these forward-looking Adjusted EBITDA measures without directly comparable GAAP financial measures may be materially different from the corresponding GAAP financial measures.

(b) As calculated under our senior secured credit facility.

Reconciliations

Balance Sheet & Credit Profile

Leverage Ratio & Common Unit Distribution Coverage Ratio

(\$ in 000s)	3/31/2024
Senior secured credit facility	\$383,200
Senior unsecured notes, net of debt issuance costs, discount and premium	3,064,971
Less: Outstanding inventory financing sublimit borrowings	(23,900)
Less: Cash and cash equivalents	(6,533)
Adjusted Debt^(a)	\$3,417,738
	Pro Forma LTM
	3/31/2024
Consolidated EBITDA (per our senior secured credit facility)	\$722,899
Consolidated EBITDA Adjustments ^(b)	100,009
Adjusted Consolidated EBITDA (per our senior secured credit facility)^(c)	\$822,908
Adjusted Debt / Adjusted Consolidated EBITDA	4.15x
	Q1 2024
Q1 2024 Reported Available Cash Before Reserves	\$54,048
Q1 2024 Common Unit Distributions	18,370
Common Unit Distribution Coverage Ratio	2.94x

(a) We define Adjusted Debt as the amounts outstanding under our senior secured credit facility and senior unsecured notes (including any unamortized premiums, discounts or issuance costs) less the amount outstanding under our inventory financing sublimit, and less cash and cash equivalents on hand at the end of the period from our restricted subsidiaries.

(b) This amount reflects adjustments we are permitted to make under our senior secured credit facility for purposes of calculating compliance with our leverage ratio. It includes a pro rata portion of projected future annual EBITDA associated with material organic growth projects, which is calculated based on the percentage of capital expenditures incurred to date relative to the expected budget multiplied by the total annual contractual minimum cash commitments we expect to receive as a result of the project. These adjustments may not be indicative of future results.

(c) Adjusted Consolidated EBITDA for the four-quarter period ending with the most recent quarter, as calculated under our senior secured credit facility.

Segment Margin

(\$ in 000s)

	YTD 2024	2023	2022	2021	2020	2019
Net Income (Loss) Attributable to Genesis Energy, L.P.	\$11,353	\$117,720	\$75,457	(\$165,067)	(\$416,678)	\$95,999
Corporate general and administrative expenses	16,049	73,876	71,820	61,287	51,457	52,755
Depreciation, depletion, amortization and accretion	76,543	291,731	307,519	315,896	302,602	308,115
Impairment expense	-	-	-	-	280,826	-
Interest expense, net	68,734	244,663	226,156	233,724	209,779	219,440
Income tax expense (benefit)	809	(19)	3,169	1,670	1,327	655
Gain on sale of asset, net to our ownership interest ^(a)	-	-	(32,000)	-	22,045	-
Equity compensation adjustments	-	-	-	-	-	65
Change in provision for leased items no longer in use	-	-	(671)	598	1,347	(1,367)
Cancellation of debt income ^(b)	-	-	(8,618)	-	(26,109)	-
Redeemable noncontrolling interest redemption value adjustments ^(c)	-	-	30,443	25,398	16,113	2,233
Plus (minus) Select Items, net ^(d)	7,610	99,091	96,780	144,223	164,764	35,367
Segment Margin^(e)	\$181,098	\$827,062	\$770,055	\$617,729	\$607,473	\$713,262

(a) On April 29, 2022, we sold our Independence Hub platform and recognized a gain on the sale of \$40.0 million, of which \$32.0 million was attributable to our 80% ownership interest.

(b) The year ended December 31, 2022 includes income associated with the repurchase and extinguishment of certain of our senior unsecured notes on the open market.

(c) The year ended December 31, 2022 includes paid-in-kind distributions, accretion on the redemption feature and valuation adjustments to the redemption feature as the associated preferred units were redeemed during the second quarter of 2022.

(d) Refer to additional detail of Select Items later in our earnings press release dated May 2, 2024.

(e) See definition of Segment Margin later in earnings press release dated May 2, 2024.

Available Cash Before Reserves

(\$ in 000s)

	YTD 2024	2023	2022	2021	2020	2019
Net income (loss) attributable to Genesis Energy, L.P.	\$11,353	\$117,720	\$75,457	(\$165,067)	(\$416,678)	\$95,999
Interest expense	68,734	244,663	226,156	233,724	209,779	219,440
Income tax expense (benefit)	809	(19)	3,169	1,670	1,327	655
Gain on sale of asset, net to our ownership interest	-	-	(32,000)	-	22,045	-
Impairment expense	-	-	-	-	280,826	-
Depreciation, depletion, amortization and accretion	76,543	291,731	307,519	315,896	302,602	308,115
EBITDA	157,439	654,095	\$580,301	\$386,223	\$399,901	\$624,209
Redeemable noncontrolling interest redemption value adjustments ^(a)	-	-	30,443	25,398	16,113	2,233
Plus (minus) Select Items, net ^(b)	5,637	102,272	106,327	154,567	165,247	42,153
Adjusted EBITDA ^(c)	163,076	756,367	\$717,071	\$566,188	\$581,261	\$668,595
Maintenance capital utilized ^(d)	(18,100)	(67,650)	(57,400)	(53,150)	(40,833)	(26,875)
Interest expense, net	(68,734)	(244,663)	(226,156)	(233,724)	(209,779)	(219,440)
Cash tax expense	(300)	(1,048)	(815)	(690)	(650)	(590)
Distributions to preferred unitholders ^(e)	(21,894)	(91,837)	(80,052)	(74,736)	(74,736)	(62,190)
Other	-	-	-	-	-	-
Available Cash before Reserves^(f)	\$54,048	\$351,169	\$352,648	\$203,888	\$255,263	\$359,500
Less: One-time Gain on Sale of Assets						
Adjusted Available Cash before Reserves						
Common Unit Distributions	\$18,370	\$73,514	\$73,548	\$73,548	\$73,548	\$269,676
Common Unit Distribution Coverage Ratio	2.94x	4.78x	4.79x	2.77x	3.47x	1.33x

(a) The year ended December 31, 2022 includes paid-in-kind distributions, accretion on the redemption feature and valuation adjustments to the redemption feature as the associated preferred units were redeemed during the second quarter of 2022.

(b) Refer to additional detail of Select Items in our earnings press release dated May 2, 2024.

(c) See definition of Adjusted EBITDA later in our earnings press release dated May 2, 2024.

(d) Maintenance capital expenditures in the first quarter 2024 and first quarter 2023 were \$26.5 million and \$24.0 million, respectively. Our maintenance capital expenditures are principally associated with our alkali and marine transportation businesses.

(e) Distributions to preferred unitholders attributable to the first quarter 2024 are payable on May 15, 2024 to unitholders of record at close of business on April 30, 2024.

(f) Represents the Available Cash before Reserves to common unitholders.

Adjusted Debt & Adjusted Consolidated EBITDA

(\$ in 000s)

	3/31/2024	2023	2022	2021	2020	2019
Long-term debt						
Senior secured credit facility	\$383,200	\$298,300	\$205,400	\$49,000	\$643,700	\$959,300
Senior unsecured notes, net of debt issuance costs, discount and premium	3,064,971	3,062,955	2,856,312	2,930,505	2,750,016	2,469,937
Less: Outstanding inventory financing sublimit borrowings	(23,900)	(19,300)	(4,700)	(9,700)	(34,400)	(4,300)
Less: Cash and cash equivalents	(6,533)	(8,498)	(7,821)	(5,090)	(4,835)	(8,412)
Adjusted Debt^(a)	\$3,417,738	\$3,333,457	\$3,049,191	\$2,964,715	\$3,354,481	\$3,416,525
Consolidated EBITDA (per our senior secured credit facility)	\$722,899	\$753,861	\$693,692	\$576,229	\$576,013	\$668,595
Consolidated EBITDA Adjustments ^(b)	100,009	88,479	42,593	18,043	26,353	-
Adjusted Consolidated EBITDA (per our senior secured credit facility)^(c)	\$822,908	\$842,340	\$736,285	\$594,272	\$602,366	\$668,595
Adjusted Debt / Adjusted Consolidated EBITDA	4.15x	3.96x	4.14x	4.99x	5.57x	5.11x

(a) We define Adjusted Debt as the amounts outstanding under our senior secured credit facility and senior unsecured notes (including any unamortized premiums, discounts or issuance costs) less the amount outstanding under our inventory financing sublimit, and less cash and cash equivalents on hand at the end of the period from our restricted subsidiaries.

(b) This amount reflects adjustments we are permitted to make under our senior secured credit facility for purposes of calculating compliance with our leverage ratio. It includes a pro rata portion of projected future annual EBITDA associated with material organic growth projects, which is calculated based on the percentage of capital expenditures incurred to date relative to the expected budget multiplied by the total annual contractual minimum cash commitments we expect to receive as a result of the project. These adjustments may not be indicative of future results.

(c) Adjusted Consolidated EBITDA for the four-quarter period ending with the most recent quarter, as calculated under our senior secured credit facility.

Select Items

(\$ in 000s)

	YTD 2024	2023	2022	2021	2020	2019
Applicable to all Non-GAAP Measures						
Differences in timing of cash receipts for certain contractual arrangements ^(a)	\$8,072	\$56,341	\$51,102	\$15,482	\$40,848	(\$8,478)
Distributions from unrestricted subsidiaries not included in income ^(b)	-	-	32,000	70,000	70,490	8,421
Certain non-cash items:						
Unrealized losses (gains) on derivative transactions excluding fair value hedges, net of changes inventory value investees	(5,081)	36,688	(5,717)	30,700	1,189	10,926
Loss on debt extinguishment	-	4,627	794	1,627	31,730	-
Adjustment regarding equity investees ^(c)	6,808	24,635	21,199	26,207	17,042	20,847
Other	(2,189)	(23,200)	(2,598)	207	3,465	3,651
Sub-total Select Items, net ^(d)	\$7,610	\$99,091	\$96,780	\$144,223	\$164,764	\$35,367
Applicable only to Adjusted EBITDA and Available Cash before Reserves						
Certain transaction costs	23	105	7,339	8,946	937	3,755
Equity compensation adjustments	0	0	0	0	0	(137)
Other	(1,996)	3,076	2,208	1,398	(454)	3,168
Total Select Items, net ^(e)	\$5,637	\$102,272	\$106,327	\$154,567	\$165,247	\$42,153

(a) Includes the difference in timing of cash receipts from or billings to customers during the period and the revenue we recognize in accordance with GAAP on our related contracts. For purposes of our non-GAAP measures, we add those amounts in the period of payment and deduct them in the period in which GAAP recognizes them.

(b) The year ended December 31, 2022 includes \$32.0 million in cash receipts associated with the sale of the Independence Hub platform by our 80% owned unrestricted subsidiary (as defined under our senior secured credit agreement), Independence Hub, LLC.

(c) Represents the net effect of adding distributions from equity investees and deducting earnings of equity investees net to us.

(d) Represents all Select Items applicable to all Non-GAAP measures.

(e) Represents Select Items applicable to Adjusted EBITDA and Available Cash before Reserves.