

**2024 Second Quarter
Results Conference Call
August 1, 2024**

Notice: This transcript contains references to non-GAAP financial measures. A presentation of the most directly comparable GAAP measures and reconciliations to non-GAAP financial measures used in this presentation is available on our website at genlp.com and click on the non-GAAP Reconciliations icon at the Investor Relations page.

Welcome to the 2024 Second Quarter Conference Call for Genesis Energy. Genesis Energy has four business segments. The offshore pipeline transportation segment is engaged in providing the critical infrastructure to move oil produced from the long-lived, world-class reservoirs from the deepwater Gulf of Mexico to onshore refining centers. The soda and sulfur services segment includes trona and trona-based exploring, mining, processing, producing, marketing and selling activities, as well as the processing of sour gas streams to remove sulfur at refining operations. The onshore facilities and transportation segment is engaged in the transportation, handling, blending, storage and supply of energy products, including crude oil and refined products. The marine transportation segment is engaged in the maritime transportation of primarily refined petroleum products. Genesis' operations are primarily located in Wyoming, the Gulf Coast States and the Gulf of Mexico.

During this conference call, management may be making forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934. The law provides safe harbor protection to encourage companies to provide forward-looking information. Genesis intends to avail itself of those safe harbor provisions and directs you to its most recently filed and future filings with the Securities Exchange Commission. We also encourage you to visit our website at genesisenergy.com where a copy of the press release we issued today is located. The press release also presents a reconciliation of non-GAAP financial measures to the most comparable GAAP financial measures.

At this time, I would like to introduce Grant Sims, CEO of Genesis Energy, L.P. Mr. Sims will be joined by Kristen Jesulaitis, Chief Financial Officer and Chief Legal Officer, Ryan Sims, President and Chief Commercial Officer and Louie Nicol, Chief Accounting Officer.

[Grant]

Good morning to everyone... and thank you for listening to the call.

As we mentioned in our earnings release this morning, we continue to move closer and closer to the important inflection point when we will complete our current major capital spending program... and be a short time away from a notable step change in earnings... and cash flow. We have always viewed 2024 as kind of a transition year... and have instead been more focused on 2025 and beyond. As such, I thought it would be most useful to comment further on the internal discussions that have been ongoing at the board level regarding capital allocation and strategic priorities for Genesis.

As we have detailed in the past... and subject to certain assumptions... the current annual cash costs of running our businesses... including all cash interest payments... cash maintenance capital requirements... principal and interest payments on our Alkali senior secured notes...cash taxes... approximately 88 million dollars' worth of payments on the currently outstanding 11.24% coupon convertible preferred units... and...roughly 73.5 million dollars' worth of cash payments based on the current common unit distribution of \$0.60 per annum...all adds up to be approximately 620 million dollars per year.

That's the annual cash cost of running our businesses... as currently capitalized. At this point, we have spent everything we anticipated to spend on our Granger expansion... and the vast majority of the cash required on our offshore expansion projects has already been...or soon

will be... spent. While a little of this expansion capital will slip into the first part of 2025, due to some previously disclosed producer delays... the billion plus dollars of growth capital we have deployed over the last several years should all be out the door by the end of the first quarter 2025... in advance of first production from our contracted offshore developments coming on-line and starting to ramp in the second quarter next year. Looking out over the coming years, we have identified no growth capital projects... and remain committed to not pursuing any meaningful growth capital projects in the near-term... in essence, because we believe we have laid the foundation for meaningfully higher... and sustainable... Adjusted EBITDA... for the foreseeable future... and really don't NEED to pursue anything.

As we look ahead to the full year of 2025...assuming a mid-year start up for our contracted offshore developments... a marginal sequential recovery in our soda ash business... and steady to marginally increasing performance in our Marine Transportation segment...we believe Genesis should be able to generate approximately \$800 million in Adjusted EBITDA in 2025... and we could be approaching... and potentially exceeding... \$900 million of Adjusted EBITDA in 2026... at least based on how we see our future world today.

It is easy to figure out that...upon completion of our capital spending program... coupled with the absence of any meaningful future growth capital requirements in the near-term... we expect to be generating significant amounts of cash over the next several years and beyond.

Looking at the balance sheet, the combination of our successful capital markets transactions... including our most recent bond offering in May... and the recent extension of our senior secured credit facility into 2028 that we announced a couple of weeks ago... has positioned the partnership with no near-term debt maturities. Given the expansion of certain buckets and permitted investments recently agreed to in our senior secured credit facility... we

have ensured the partnership has more than adequate financial flexibility... and liquidity... to continue to simplify and strengthen our capital structure by redeeming our high-cost convertible preferred... and paying down debt in absolute terms. These actions should, in turn... lower our cost of capital... and ultimately reduce the long-term annual cash costs of running our businesses... affording us... over time...even more flexibility and levers we can pull to maximize unitholder value.

With this backdrop... and given our confidence in this future cash flow... today, we are announcing that the board of directors has approved an increase in our quarterly common unit distribution of one and a half cents per unit... starting with the third quarter distribution, which is scheduled to be paid in mid-November. This represents a 10% increase over the second quarter's distribution... and yet only represents an incremental... annual cash cost of approximately \$7.3 million. The board believes this is an important first step... and should signal to the market the confidence we have in the future performance of our businesses. Subject to future Board deliberation and approval, we could envision this common unit distribution growth continuing in coming quarters and years as we realize increasing EBITDA... and benefit from the reduced cash obligations to run our business resulting from the redemption of high coupon securities throughout our capital structure.

By way of illustration... if we were to continue this level of quarterly distribution growth for say... ten quarters in a row... the quarterly distribution... by the end of 2026... would double from where it currently is...and yet... would only represent an incremental... annual cash cost of approximately \$73.5 million per year. By 2027, we will have likely redeemed hundreds of millions of dollars of the high-cost convertible preferred...and/or paid down meaningful amounts of debt...and therefore would have reduced the cash cost of running our businesses. This, in

turn, would result in even greater cash flow...everything else the same...and we would be able to accelerate the redemption of the remaining preferred... further reduce outstanding debt...as well as extend our flexibility to further increase the distribution...and/or take other strategic steps to drive unitholder value.

In summary...absent unforeseen circumstances... we believe we have positioned the partnership with more than adequate financial flexibility... and a clear line of sight on robust commercial opportunities...to hopefully be able to create long-term value for everyone in the capital structure in the coming years.

Now I will touch briefly on our individual business segments.

As mentioned in our earnings release, our offshore segment was negatively affected by what can be characterized as technical issues at a couple of large fields... and a couple of months' delay from our original expectations in the start-up of a couple of new sub-sea developments. I want to emphasize that the occasional technical issue offshore and/or delays in bringing new developments on-line are not uncommon. While the timing of the production might move to the right a little...or even a few quarters...there are rarely ever... ANY long-term impacts to the production profile or the reservoir. The oil will still be produced... and ultimately flow through our pipelines.

Our offshore expansion projects remain on schedule... and we continue to expect to complete most of the construction work by the end of this year. We expect to finalize the connection of the new SYNC pipeline to the Shenandoah floating production system once it arrives at its final location in the Gulf of Mexico... with such work likely spilling over to the first quarter of 2025.

Both the Shenandoah and Salamanca developments... and their combined almost 200,000 barrels of oil per day of incremental production handling capacity... remain on schedule to be on-line in the second quarter of 2025. As we have mentioned in the past, these two developments alone, will provide us with anticipated incremental annual Segment Margin of approximately \$90 million at the contracted take-or-pay level...and upwards of \$120 million at 75% of the producers' respective forecast. These amounts could approach \$160 million per annum... net to us...to the extent the producers meet or exceed 100% of their respective forecasts when fully ramped. We continue to expect both these fields to ramp very quickly and reach initial peak production within three to six months of their respective dates of first production.

These two new floating production facilities are also expected to serve as host platforms for additional future sub-sea developments or tie-back opportunities which could sustain or increase these cash flows to us for years and years into the future. In fact, a group of producers... lead by Beacon... has recently taken a final investment decision on the Monument field that will be developed as a 17-mile subsea tie-back to the new Shenandoah floating production unit. The Shenandoah FPU has been expanded to accommodate an additional 20,000 barrels per day from Monument starting in mid to late 2026. We would expect to finalize agreements to move these volumes through our SYNC lateral and on to shore through the CHOPS pipeline... under terms and conditions generally consistent with those for Shenandoah.

Monument is the first example of what is likely a broader set of incremental opportunities that have been identified, but are not fully sanctioned by the producers involved, in the geographic vicinity of our new SYNC pipeline... as well as around our other existing pipeline infrastructure in the central Gulf of Mexico. Importantly, our ongoing discussions around the

connection of additional in-field, sub-sea and/or secondary recovery development opportunities would not require any incremental capital on our part... and could turn to production as early as next year...and certainly over the next few years.

We remain advantageously positioned in the central Gulf of Mexico and believe our steady and marginally increasing base of volumes transported...combined with these new developments coming on-line in mid-2025 and 2026...PLUS the potential for additional sub-sea tie-back and development opportunities... just like Winterfell and Warrior and Monument...gives us the opportunity to deliver significantly higher and sustainable cash flows from our offshore transportation segment for many years... and decades to come.

Turning now to our soda and sulfur services segment. Our soda ash business generally performed in-line with our expectations...despite some lingering production challenges at our Westvaco operations... as well as not having a full quarter's worth of production from Granger due to the need to replace the defective component parts we discussed last quarter. With these items now behind us...we expect the back half of the year to be more representative of the true production capabilities of our soda ash operations.

The global macro conditions for soda ash continue to show signs of bottoming. The market dynamics within China so far this year continue to be strong... as evidenced by year-to-date export totals of soda ash from China being down 56 percent year-over-year... whilst imports into China were up 266 percent for the same period. Furthermore, third party research indicates that apparent demand for soda ash within China has grown by 28% year-to-date... with the large drivers being the steady production of lithium carbonate, EV production and solar glass... which are up by approximately 53 percent, 29 percent and 23 percent, respectively... year-over-year through the end of June.

We also continue to see changes in the flow of physical volumes around the globe... most notably with natural soda ash tons that were moving to Asia last year that are now moving into Europe... to displace high-cost synthetic soda ash or to fill the holes left by the shuttering of high-cost synthetic production facilities in the region. This thematic is supported by third party research indicating that exports of natural soda from Turkey to Asia (Ex. China) during the first 5 months of the year were down 17 percent year-over-year. At the same time, Turkish exports to Europe and the Middle East/Africa were up 16 percent... and 14 percent year-over-year, respectively...through May.

We believe these changes in physical flows... and the steady demand for soda ash within China... combined with recent increases in certain transportation costs and some supply disruptions from other U.S. producers in the second quarter...have yet to fully trickle into the export markets...all should lead to continued tightness in our traditional export markets... and the potential for soda ash prices to improve over the balance of the year... AND importantly... in advance of our contract negotiations for our open volumes in 2025. Regardless of these real-time dynamics...there is no doubt that over time markets work. Physical volumes always flow to the highest valued markets. The market data points I mentioned... the expected continued return of normalized global economic growth...and the continued increase in world-wide demand from various low carbon transition initiatives...all lead us to believe that the market is in fact rebalancing... and is poised to become increasingly more balanced ...which in turn should provide support for higher prices... and a sequential improvement in the financial performance for our soda ash business over the coming quarters... and years ahead. Our sulfur services business performed in-line with our expectations during the quarter.

Our marine transportation segment continues to meet or exceed our expectations as

market conditions and demand fundamentals continue to remain very favorable. We continue to operate with utilization rates at or near 100 percent of practical available capacity for all classes of our vessels... and expect the progression of day rates to be commensurate with those underlying fundamentals as our existing term and spot charters renew over the remainder of the year and into 2025. These fundamentals...combined with the completion of most of our previously scheduled dry-docking work... should drive sequential segment improvement in the back half of this year and continue into next year.

As I have mentioned in the past...and will reiterate again today...the value proposition for Genesis remains unchanged and totally in-tact. We have clear line of sight to the end of our current growth capital program in the next few quarters. As we sit here today, we look forward to the increasing financial performance of our businesses next year... and accelerating into 2026... driven primarily by... identified and contracted growth in our offshore transportation... a lighter dry-docking schedule and full year of day rates at historically high levels driving improved performance in our marine transportation segment...and...in addition... a likely sequential improvement in soda ash pricing resulting in an improvement in the financial results from our soda ash operations.

I want to emphasize again that Genesis is not...and never has been... a 2024 story. Instead it's a 25 and 26 story... where we reasonably expect to ultimately be capable of generating upwards of \$250 - \$350 million dollars...or more... of excess cash per year...AND be able to sustain around those levels for many years to come. This will allow us to simplify our capital structure... lower our overall cost of capital... maintain prudent leverage... and have the ability to opportunistically drive long-term value for our unitholders.

Finally, I would like to say the management team and the board of directors remain

steadfast in our commitment to building long-term value for all our stakeholders...regardless of where you are in the capital structure. We believe the decisions we are making reflect this commitment and our confidence in Genesis moving forward. I would once again like to recognize our entire workforce for their individual efforts and unwavering commitment to safe and responsible operations. I am extremely proud to be associated with each and every one of you.

With that, I'll turn it back to the moderator for questions.

#####