



# Genie Energy Ltd

(NYSE: GNE)

## Investor Presentation

March 2023



# Safe Harbor Statement

This presentation contains forward-looking statements. Statements that are not historical facts are forward-looking statements and such forward-looking statements are statements made pursuant to the Safe Harbor Provisions of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include:

- statements about Genie's and its divisions' future performance;
- projections of Genie's and its divisions' results of operations or financial condition; and
- statements regarding Genie's plans, objectives or goals, including those relating to its strategies, initiatives, competition, acquisitions, dispositions and/or its products and offerings.

Words such as "believe," "anticipate," "plan," "expect," "intend," "target," "estimate," "project," "predict," "forecast," "guideline," "aim," "will," "should," "likely," "continue" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Readers are cautioned not to place undue reliance on these forward-looking statements and all such forward-looking statements are qualified in their entirety by reference to the following cautionary statements.

Forward-looking statements are based on Genie's current expectations, estimates and assumptions and because forward-looking statements address future results, events and conditions, they, by their very nature, involve inherent risks and uncertainties, many of which are unforeseeable and beyond the Genie's control. Such known and unknown risks, uncertainties and other factors may cause Genie's actual results, performance or other achievements to differ materially from the anticipated results, performance or achievements expressed, projected or implied by these forward-looking statements.

These factors include those discussed under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Genie's periodic filings made with the Securities and Exchange Commission.

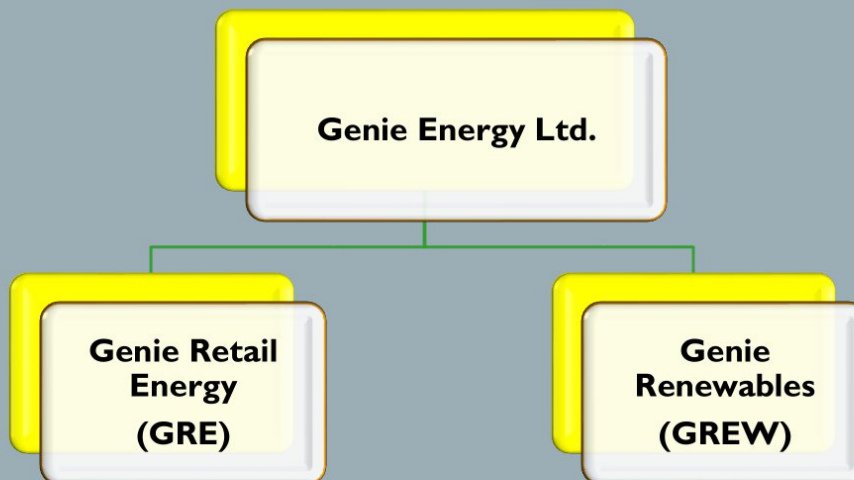
Genie cautions that such factors are not exhaustive and that other risks and uncertainties may cause actual results to differ materially from those in forward-looking statements.

Forward-looking statements speak only as of the date they are made and are statements of Genie's current expectations concerning future results, events and conditions and Genie is under no obligation to update any of the forward-looking statements, whether as a result of new information, future events or otherwise.



## Genie Energy At A Glance

**Genie** is a leading provider of electricity, natural gas and green energy to retail and commercial customers in the U.S.



**\$316M**

2022 Revenue

**49.1%**

2022 GM

**\$83M**

2022 Adj. EBITDA\*\*\*

**\$78M**

2022 Operating Inc.

**\$2.28**

2022 GAAP EPS\*\*

**~2.8%**

Dividend Yield (3/17/23)

**\$105M**

Cash (no debt)\*

**\$15.7M**

2022 Stock Repurchased

**~2.0X**

EV/2022 Adj. EBITDA

\*as of 12/31/22

\*\* from continuing operations

\*\*\*see recons in appendix



## Track Record of Driving Shareholder Returns

### Experienced Management Team/Board

CEO Michael Stein  
CFO Avi Goldin  
Chairman Howard Jonas  
Lead Ind. Dir. Wesley Perry

Company	Market Value @9/14/09	Most Recent Market Value*
Genie Energy (NYSE: GNE)	10/28/11 (Spin-off)	\$285M
IDT Corp (NYSE: IDT)	\$53M	\$860M
IDW Media (NYSE American: IDW)	9/14/09 (Spin-off)	\$10M
Straight Path Communications (NYSE: STRP)	7/31/13 (Spin-off)	\$2,164M (sold to VZ 2/18)
Rafael Holdings (NYSE: RFL)	3/26/18 (Spin-off)	\$39M
Zedge (NYSE American: ZDGE)	6/1/16 (Spin-off)	\$32M
<b>Total</b>	<b>\$53M</b>	<b>\$3,390M</b>



\* Based on Yahoo market value as of 3/20/23



## Investment Highlights

**Large market  
opportunity**

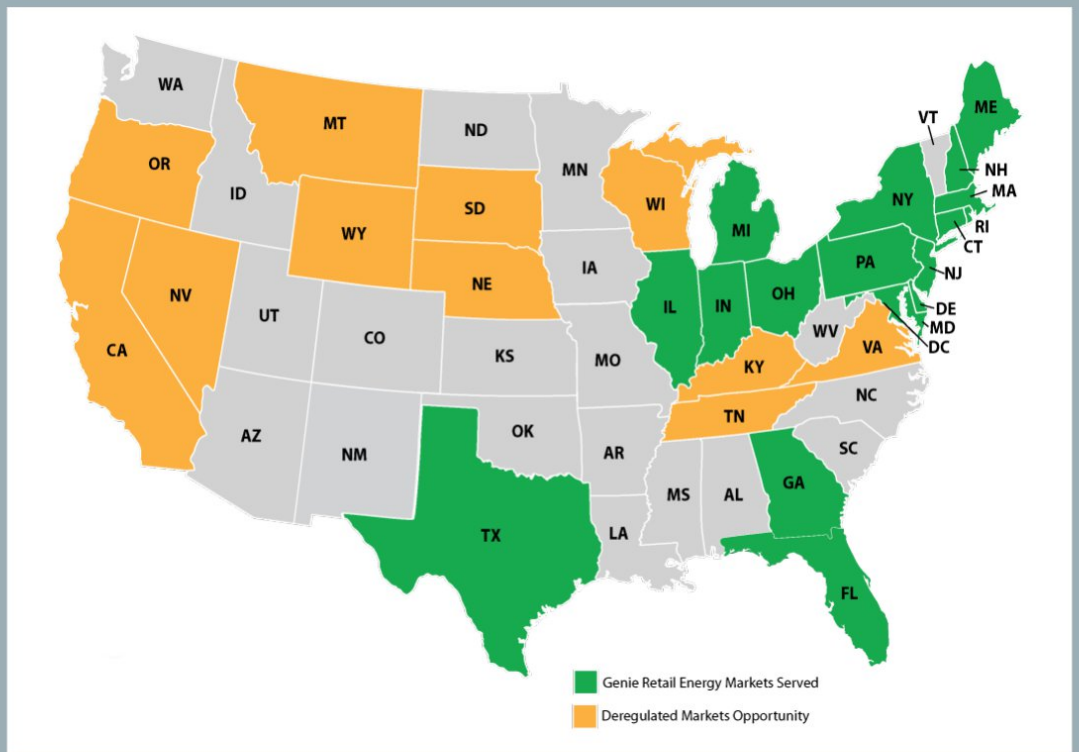
**Attractive  
Growth Profile**

**Portfolio & Risk  
Management Are  
Differentiators**

**Strong Balance  
Sheet/Cash Flow  
Provide Strategic  
Flexibility**

**LARGE MARKET  
OPPORTUNITY**





## Our Opportunity: Selling Electricity & Natural Gas in De- Regulated U.S. Markets...

- GRE has a presence in 18/28 states + Washington D.C.
- Additional states considering de-regulation in various forms



# ...And in Developing, Owning & Operating Solar Farms

## Favorable Regulatory Environment

*“In the next half decade, the long-term tax incentives and manufacturing provisions in the IRA provide the market certainty needed to boost expected solar deployment by over 40% compared to pre-IRA projections.”*

*- Solar Energy Industry Association*

# 141 GW\*

Installed Capacity

## ~5%\*

% of Total US Electricity  
Generation

## ~50%\*

of new grid capacity  
(22)

\*Solar Energy Industry Association



### Community

## 8X

DOE Est. Growth thru 2025



### Commercial

## >600K

Commercial Facilities

## 1%

Penetration



### Utility

### Components

Shortages due to global supply  
chain issues



**ATTRACTIVE  
GROWTH PROFILE**

## Our Organic Growth Strategy is...



### Retail

- Take share in existing markets
- Opportunistically expand retail book geographically
- Introduce new products
- Focus on customer retention to manage churn

### Solar

- Develop, own & operate solar farms
- Differentiate solar through vertical integration



## ...Complemented by Inorganic Growth

**01**

**Retail  
Acquisitions –  
customer books  
or companies**

**02**

**Direct purchase  
& development  
of solar farms by  
GREW**

**03**

**General Partner  
for Sunlight  
Energy  
Investments-  
owned solar  
farms**

**04**

**Acquire new  
renewable  
technologies**



# How We Grow in Retail

## Customers Acquisition

Multiple sales channels

Diverse portfolio of products

Deep data analysis to identify market opportunities & optimize offerings

Targeted M&A

## Risk Management

Hedging strategies reduce commodity volatility risk

Geographic diversity reduces weather/regulatory risks

Utilities assume bad debt risk in most markets

## Customer Retention

Superior customer service

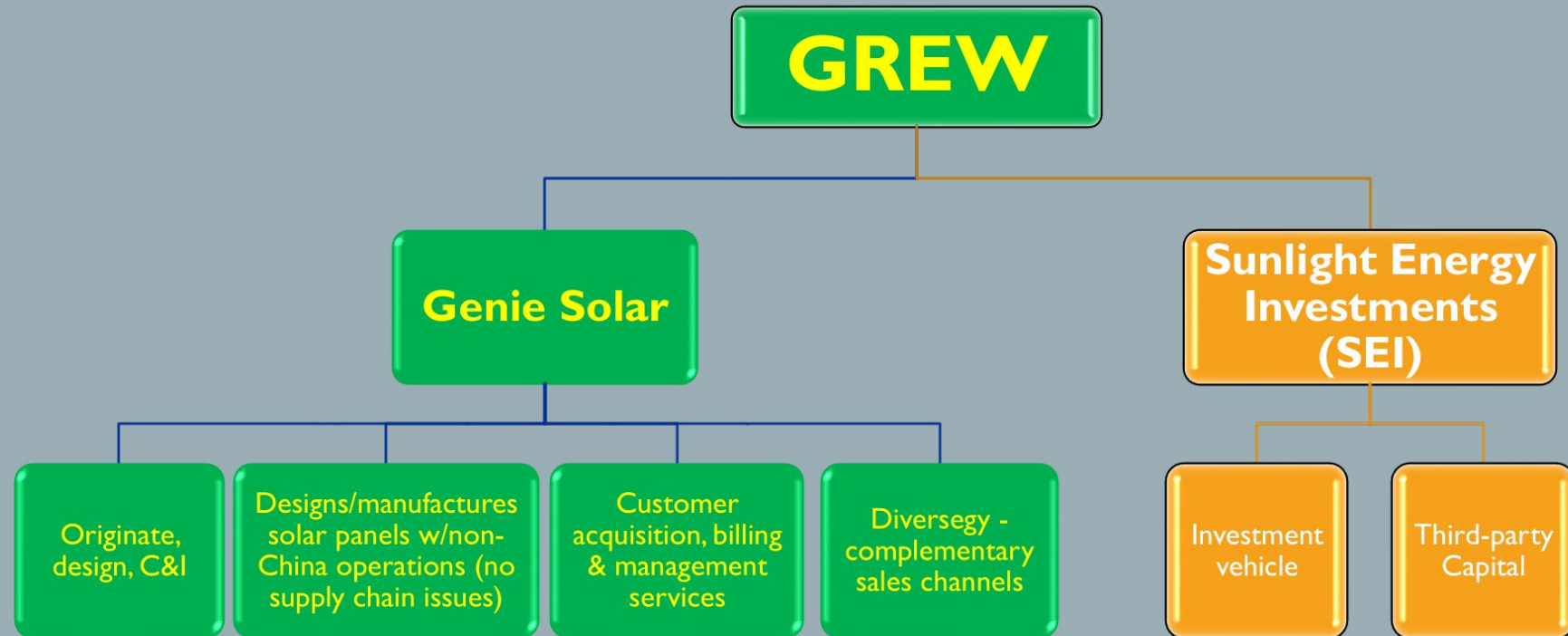
Customer rewards program

## Attractive Financial Returns

Targeted payback period tailored to product & customer type



# How We Grow in Solar: Vertical Integration

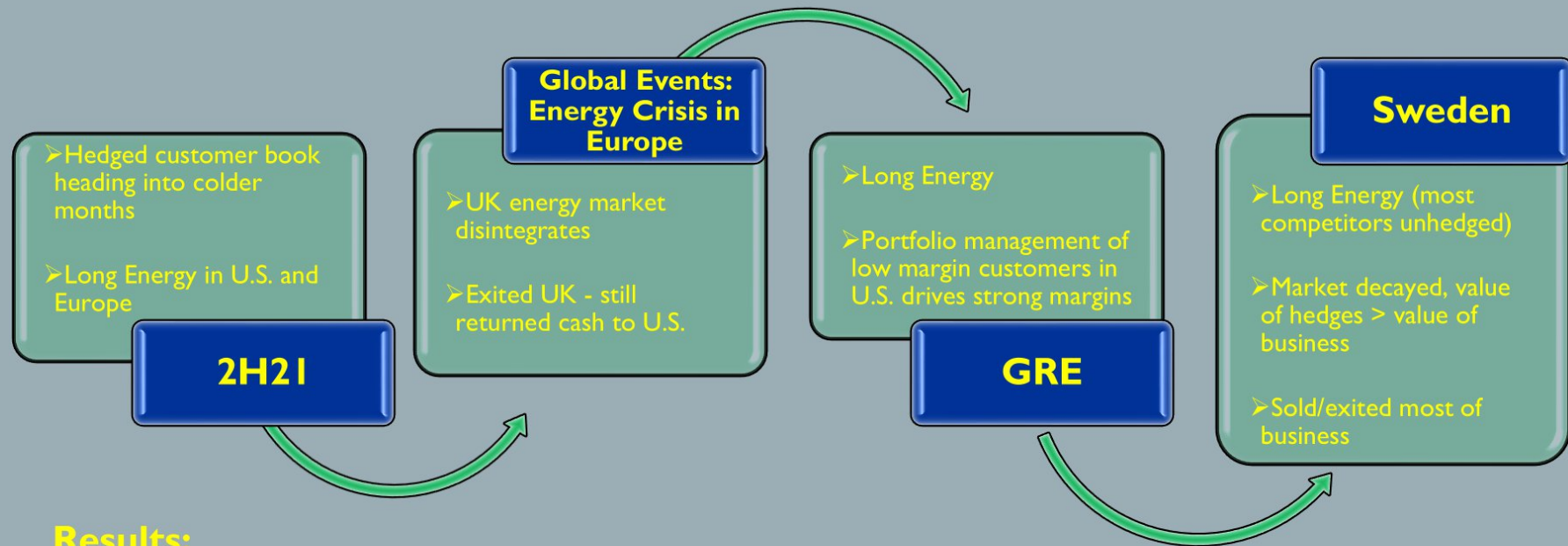




## PORTFOLIO AND RISK MANAGEMENT



# Hedging Program Provides Portfolio Optionality



## Results:

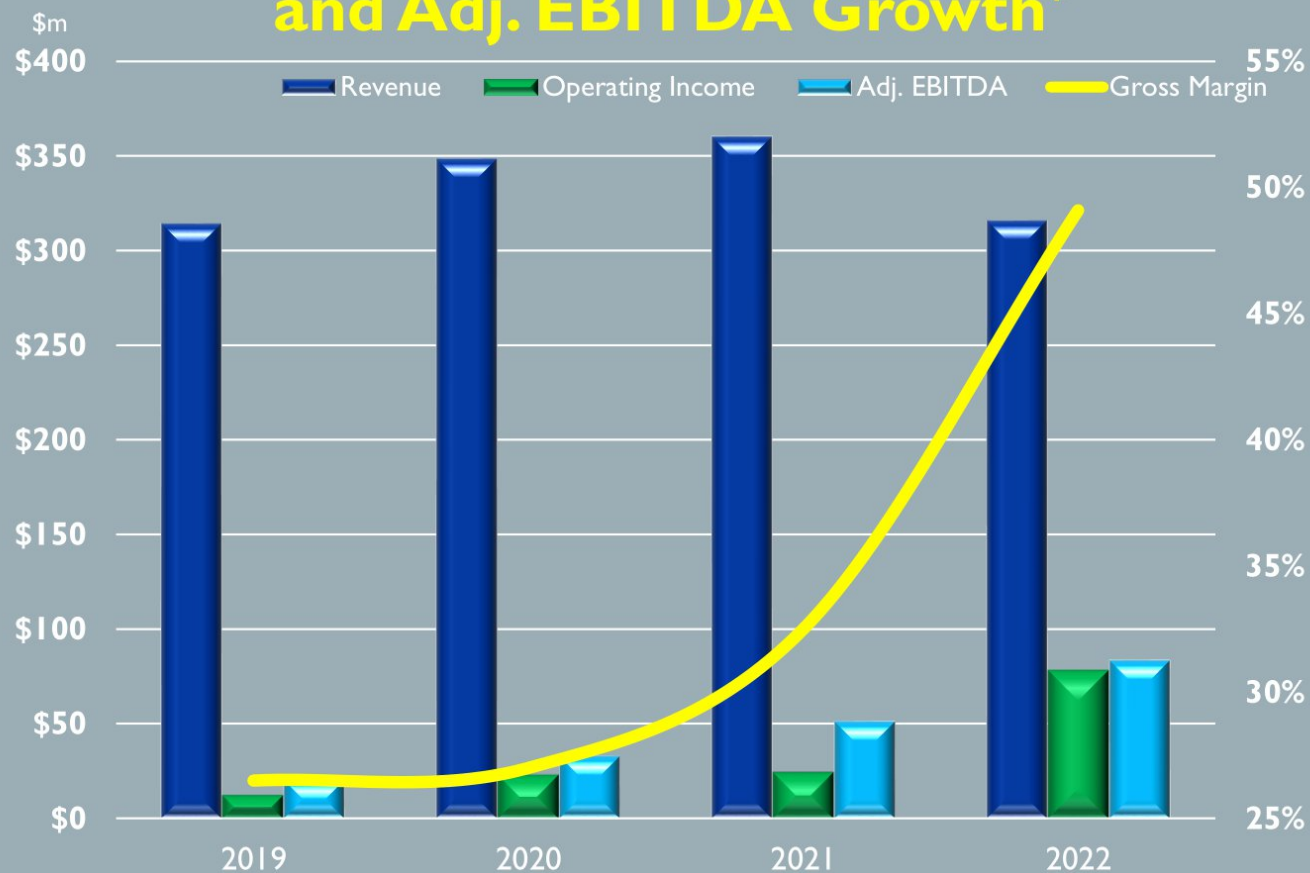
- > Record gross margin, adjusted EBITDA & cash flow
- > Paid dividends, repurchased common/preferred stock & provided investment capital for attractive projects



# FINANCIAL SUMMARY



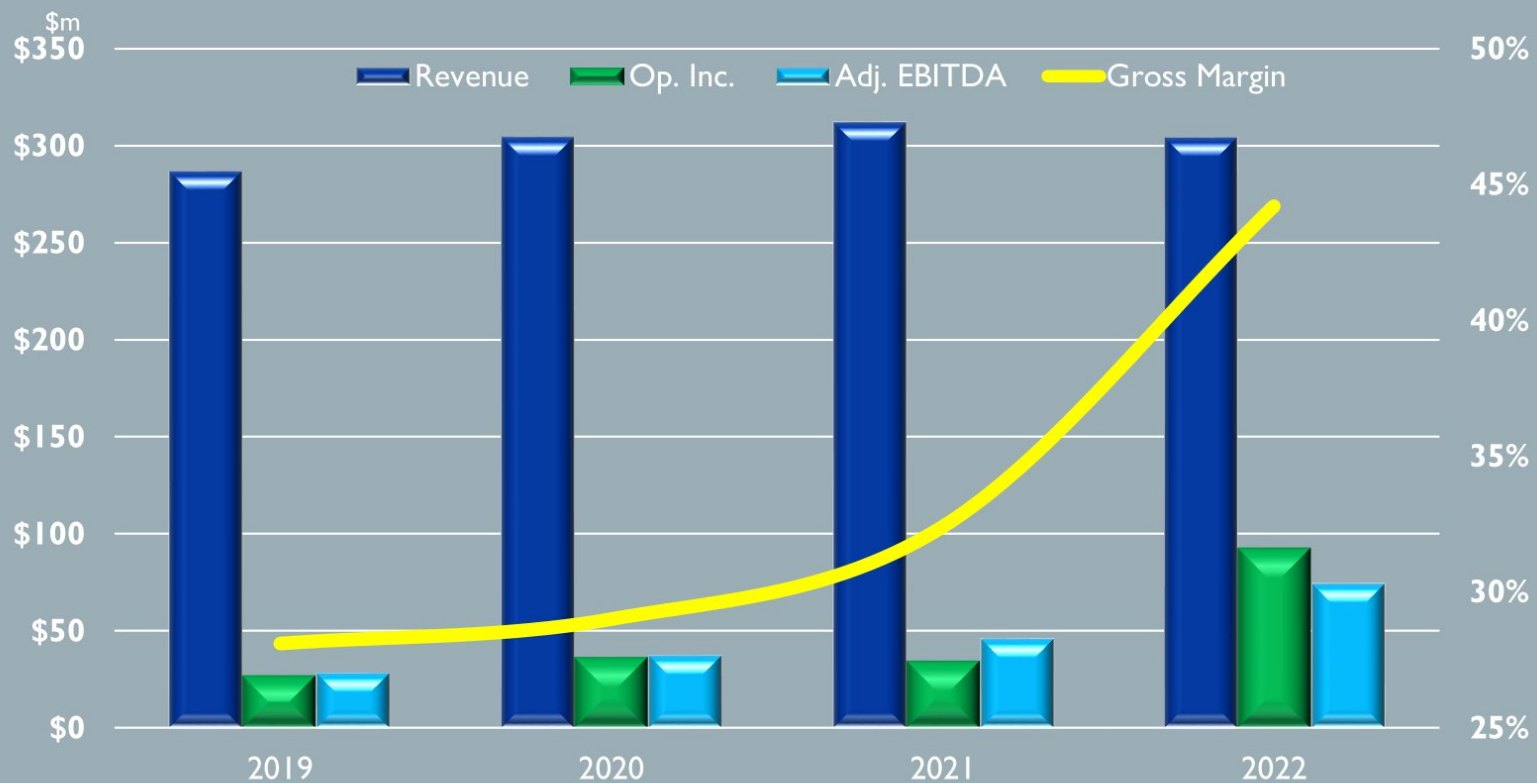
## GNE: Significant Margin Expansion and Adj. EBITDA Growth\*



\*Pro forma excluding the impact of Texas Winter Storm Uri, GREI a/o 12/31/22.  
Please see reconciliations in Appendix



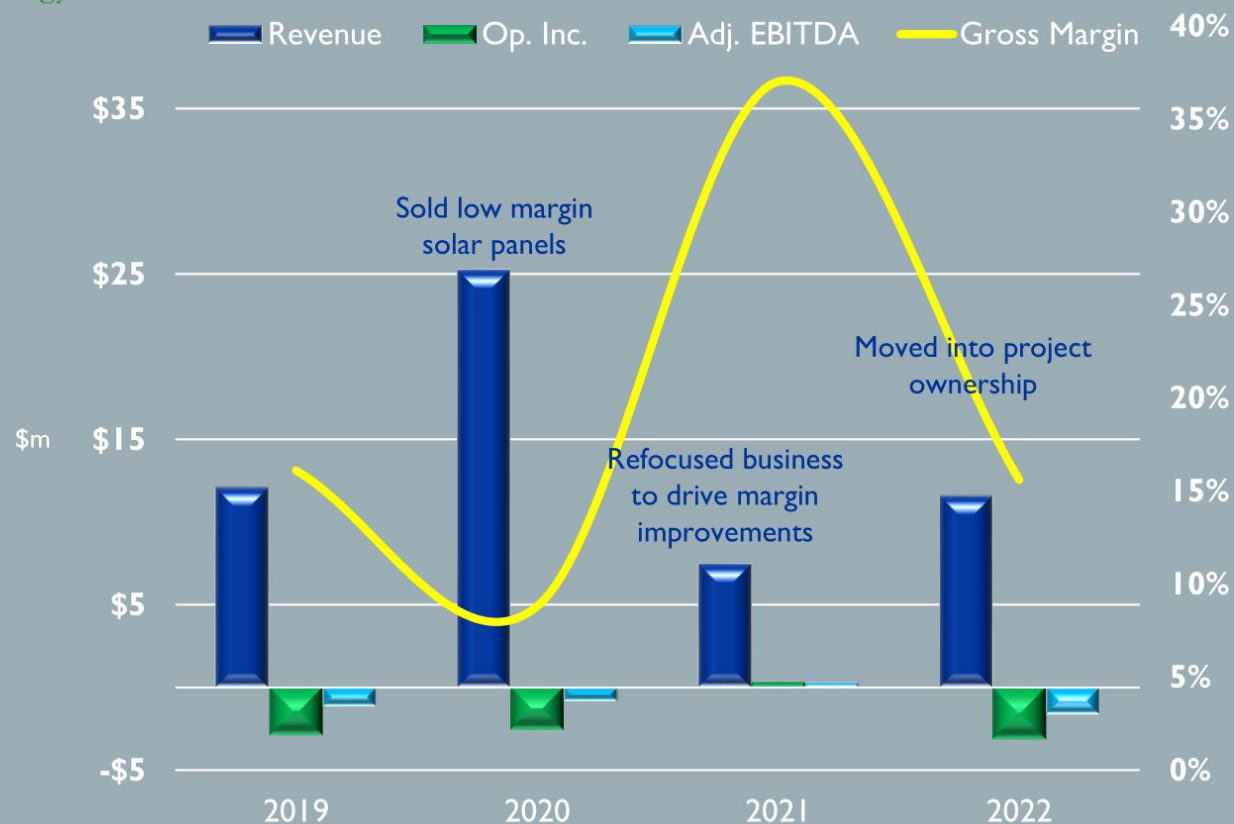
## Driven by GRE Strength\*



\*Pro forma excluding the impact of Texas Winter Storm Uri operations a/o 12/31/22. Please see reconciliations in Appendix



## GREW Positioning for Future Growth\*



### 2022+

- Formed Sunlight Energy Investments
- Expanding salesforce

**65MW**

Acquired development rights\*\*

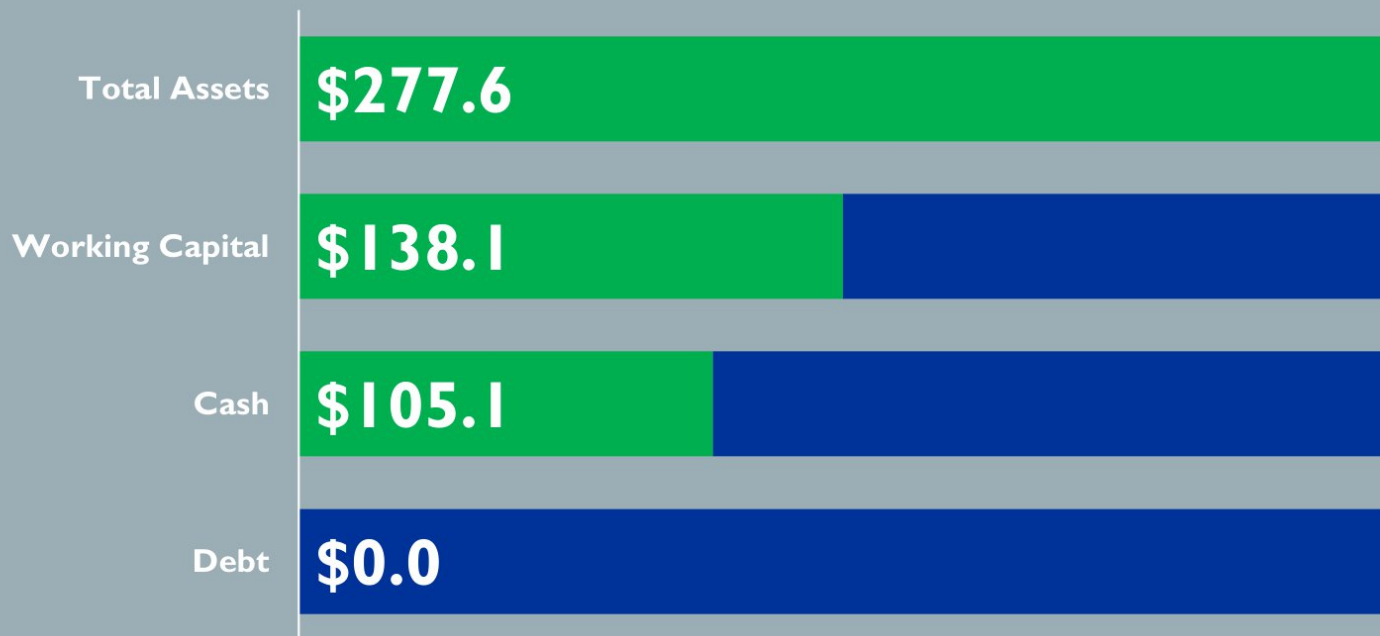
**1+GW**

Pipeline\*\*\*

\* Please see reconciliations in Appendix \*\* pending permitting \*\*\*actively under evaluation or bid



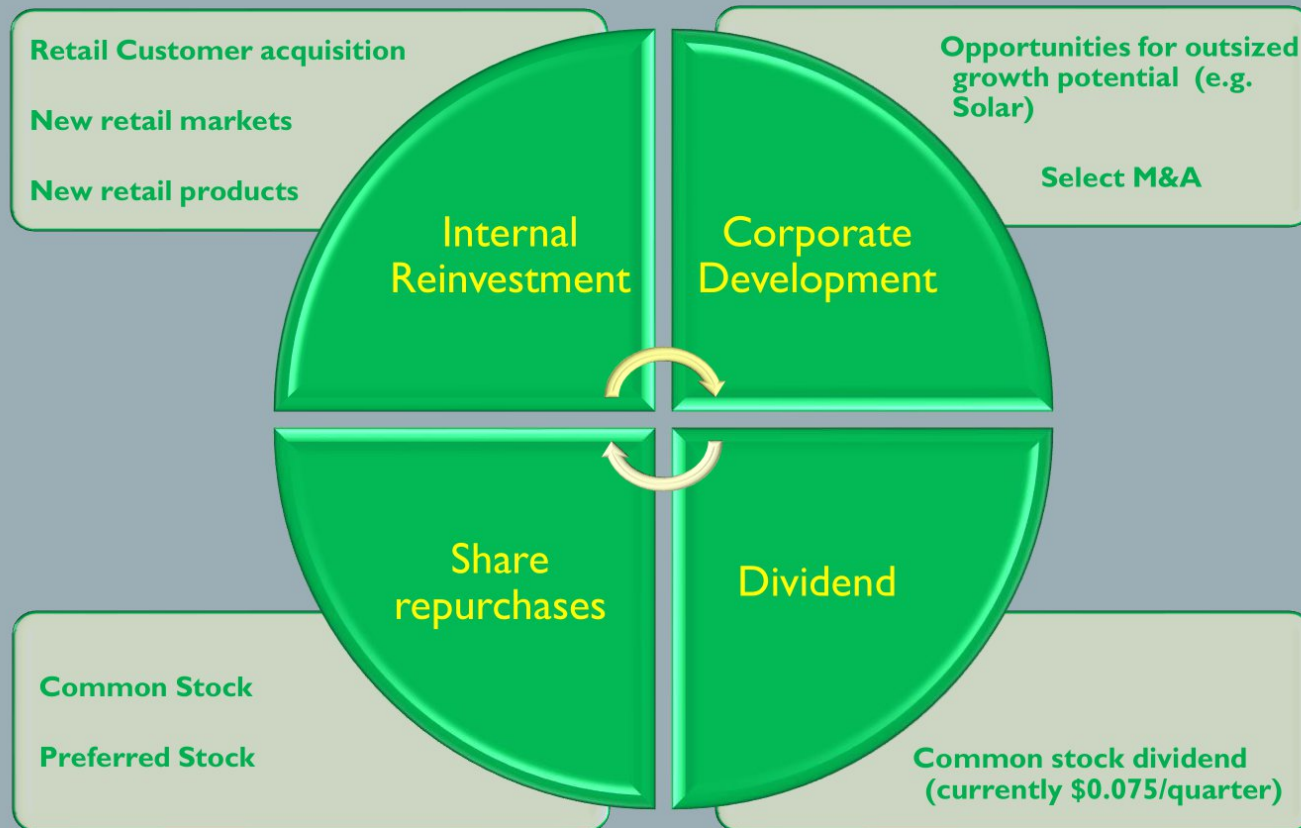
## Strong Balance Sheet Provides Optionality\*



\* As of 12/31/22



# Capital Allocation Strategy Drives Shareholder Returns



## Summary

**Large market  
opportunity**

**Attractive  
Growth Profile**

**Portfolio & Risk  
Management Are  
Differentiators**

**Strong Balance  
Sheet/Cash Flow  
Provide Strategic  
Flexibility**



THANK YOU!

**Michael Stein**

Chief Executive Officer

**Avi Goldin**

Chief Financial Officer

**IR Contact:**

Brian Siegel  
Senior Managing Director  
Hayden IR  
(346) 396-8696  
[brian@haydenir.com](mailto:brian@haydenir.com)



## APPENDIX: \*Pro-forma Financials

Genie Retail Energy				
\$ (000's)	2019	2020	2021	2022
Revenue				
Electricity	\$246,690	\$270,890	\$273,020	\$241,830
Gas	\$39,930	\$33,560	\$38,810	\$62,140
Total Revenue	\$286,610	\$304,450	\$311,830	\$303,970
COGS				
Electricity	\$180,160	\$197,040	\$188,480	\$106,380
Gas	\$25,820	\$19,100	\$22,470	\$44,610
Total COGS	\$205,990	\$216,140	\$210,950	\$150,990
Gross Profit	\$80,620	\$88,310	\$100,880	\$152,980
Gross Margin	28.1%	29.0%	32.4%	50.3%
SG&A	\$53,450	\$51,800	\$56,190	\$60,420
Pro-Forma EBITDA	\$28,340	\$37,440	\$46,000	\$93,840

\* Pro-forma excluding the impact of Texas Winter Storm Uri a/o 12/31/21



## Reconciliation Tables

### Slides 17,24 – Genie Energy Financials - Consolidated

	2019	2020	2021	2022
Consolidated revenue (as reported)	\$300,100	\$338,430	\$323,270	\$315,540
Less:				
Revenue of Genie Japan	\$1,400	\$8,770	\$3,930	---
Pro forma consolidated revenue	\$298,700	\$329,660	\$319,340	\$315,540
Consolidated gross profit (as reported)	\$82,330	\$91,480	\$91,640	\$154,780
Less:				
Gross profit (loss) of Genie Japan	(\$240)	\$960	(\$2,020)	---
Gross (loss) profit from Winter Storm Uri	---	---	(\$10,000)	---
Pro-forma consolidated gross profit	\$82,570	\$90,520	\$103,660	\$154,780
Pro forma consolidated gross profit margin	27.6%	27.5%	32.5%	49.1%
Income (Loss) from Operations	\$12,620	\$23,140	\$24,530	\$77,740
Add Back:				
Non-Cash Compensation	\$1,050	\$970	\$2,820	\$2,970
Depreciation & Amortization	\$1,960	\$1,100	\$440	\$390
Impairment	\$400	\$1,400	---	\$2,070
Consolidated Adjusted EBITDA (as reported)	\$16,020	\$26,610	\$27,780	\$83,160
Less:				
Adjusted EBITDA of Genie Japan	(\$4,500)	(\$3,340)	(\$3,360)	---
Profit (loss) from Winter Storm Uri	---	---	(\$10,000)	---
Adjusted EBITDA of GOGAS	(\$1,260)	(\$2,120)	(\$180)	(\$420)
Pro forma consolidated Adjusted EBITDA	\$21,790	\$32,070	\$41,320	\$83,580



## Reconciliation Tables

### Slides 18 – GRE Financial Highlights

	2019	2020	2021	2022
GRE revenue (as reported)	\$286,610	\$304,450	\$311,830	\$303,970
GRE gross profit (as reported)	\$80,620	\$88,310	\$90,880	\$152,980
Less				
Gross profit (loss) from Winter Storm Uri	---	---	(\$10,000)	---
Pro-forma GRE gross profit	\$80,620	\$88,310	\$100,880	\$152,980
Pro-forma GRE gross profit margin	28.1%	29.0%	32.4%	50.3%
Income (Loss) from Operations	\$27,180	\$36,510	\$34,690	\$92,560
Add Back:				
Non-Cash Compensation	\$460	\$460	\$930	\$950
Depreciation & Amortization	\$700	\$460	\$380	\$340
Impairment	---	---	---	---
GRE Adjusted EBITDA (as reported)	\$28,340	\$37,440	\$36,000	\$93,840
Less				
Profit (loss) from Winter Storm Uri			(\$10,000)	---
Pro forma GRE Adjusted EBITDA	\$28,340	\$37,440	\$46,000	\$93,840



## Reconciliation Tables

Slides 19 – GREW Financial Highlights

	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
Income (Loss) from Operations	(\$2,890)	(\$2,570)	\$250	(\$3,130)
Add Back:				
Non-Cash Compensation	---	---	---	---
Depreciation & Amortization	\$1,010	\$330	\$50	\$50
Impairment	\$400	\$1,400	---	---
GREW Adjusted EBITDA (as reported)	(\$1,490)	(\$850)	\$300	(\$3,080)