



Genie Energy Ltd

(NYSE: GNE)

Investor Presentation

March 2024



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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.

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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.

2023 Financial Highlights

\$429M

Revenue

34.1%

Gross Margin

\$6.27

Net Cash /share
(\$0 Debt)

~1.6%

Dividend Yield¹

Genie Energy Ltd.

**Genie Retail
Energy
(GRE)**

**Genie
Renewables
(GREW)**

~4.9X

EV¹/Adj. EBITDA

¹Based on stock price as of 3/11/23



Track Record of Driving Shareholder Returns

Experienced Management Team/Board

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



STRAIGHTPATH
CONNECTING PEOPLE WITH INTEGRITY

ZEDGE™

RAFAEL

Holdings, Inc.

IDW

| Company | Market Value | Recent Market Value* |
|---|--------------------------------|------------------------------------|
| Genie Energy (NYSE: GNE) | 10/28/11 (Spin-off) | \$447 |
| IDT Corp (NYSE: IDT) | \$53M (9/14/09) | \$956M |
| IDW Media (OTCBB: IDW) | 9/14/09 (Spin-off) | \$6M |
| Straight Path Communications (formerly NYSE: STRP) | 7/31/13 (Spin-off) | \$2,164M (sold to VZ Feb'18) |
| Rafael Holdings (NYSE: RFL) | 3/26/18 (Spin-off) | \$41M |
| Zedge (NYSE American: ZDGE) | 6/1/16 (Spin-off) | \$46M |
| Total | \$53M | \$3,660M |

* Based on market values as of 3/11/23 or as shown

Investment Highlights

Large market
opportunity

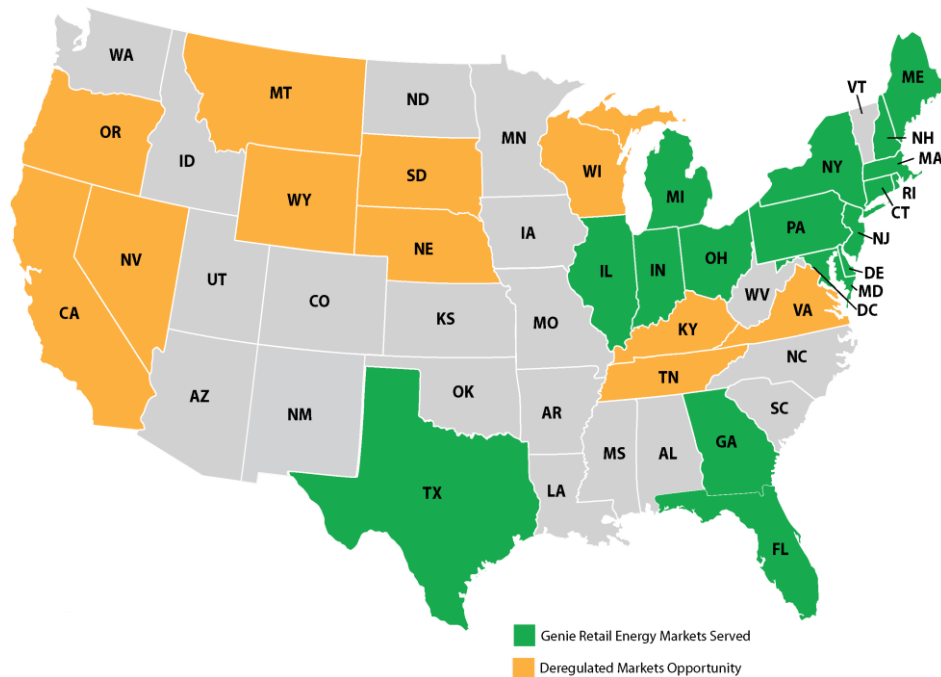
Attractive
Growth Profile

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 38% compared to pre-IRA projections.”

- Solar Energy Industry Association, 2023

177GWdc*

Installed Capacity
(through 4Q23)

>5%*

% of Total US Electricity
Generation
(through 4Q23)

~53%*

of new grid capacity
(4Q23)



Community

7%

CAGR thru 2028*



Commercial

>600K

Commercial Facilities

1%

Penetration



Utility

Components

Supply chain issues receding



**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

- **Originate, 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 and
operation of
solar farms by
GREW**

03

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

04

**Invest in new
renewable
technologies**



How We Grow in Retail

Customer 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 via in-sourced, US-based customer service team

Customer rewards program

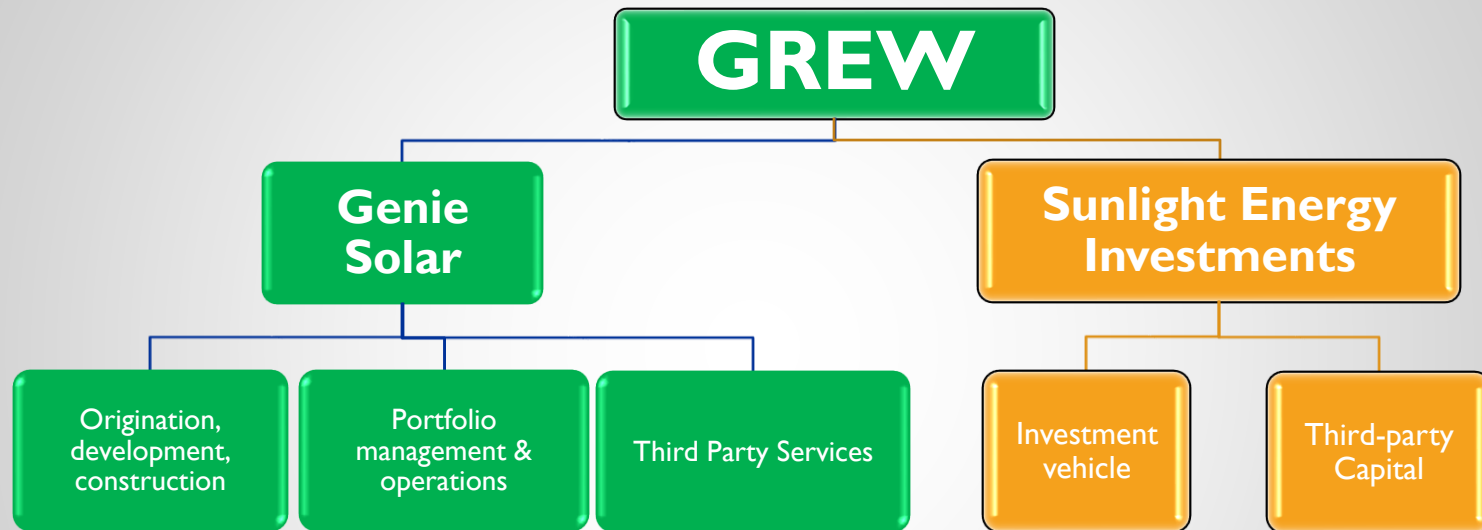
New technology investments

Attractive Financial Returns

Targeted payback period tailored to product & customer type



How We Grow in Solar: Vertical Integration



| | <u>Total</u> | <u>Operational</u> | Development Pipeline* | | |
|---------------|--------------|--------------------|-----------------------|-------------------|---------------------|
| | | | <u>Site Control</u> | <u>Permitting</u> | <u>Construction</u> |
| Potential MW | 98 | 9 | 72 | 6 | 10 |
| Project Count | 14 | 1 | 10 | 1 | 2 |

*as of 12/31/23

Portfolio Businesses

Includes:

- Early investments in non-core businesses
- Attractive long-term potential



Portfolio Highlight: Diversegy

One of the nation's leading retail energy brokerage firms

- **Sales channels:** sales agents; brokers; commercial sales orgs
- **Customers:** commercial, industrial and government orgs
- **Competitive advantages:** robust technology platform; advisory/audits (identify efficiency/cost savings) transparent reporting; best-in-class support; large energy supplier network; nationally licensed
- **Recurring revenue stream**

182%

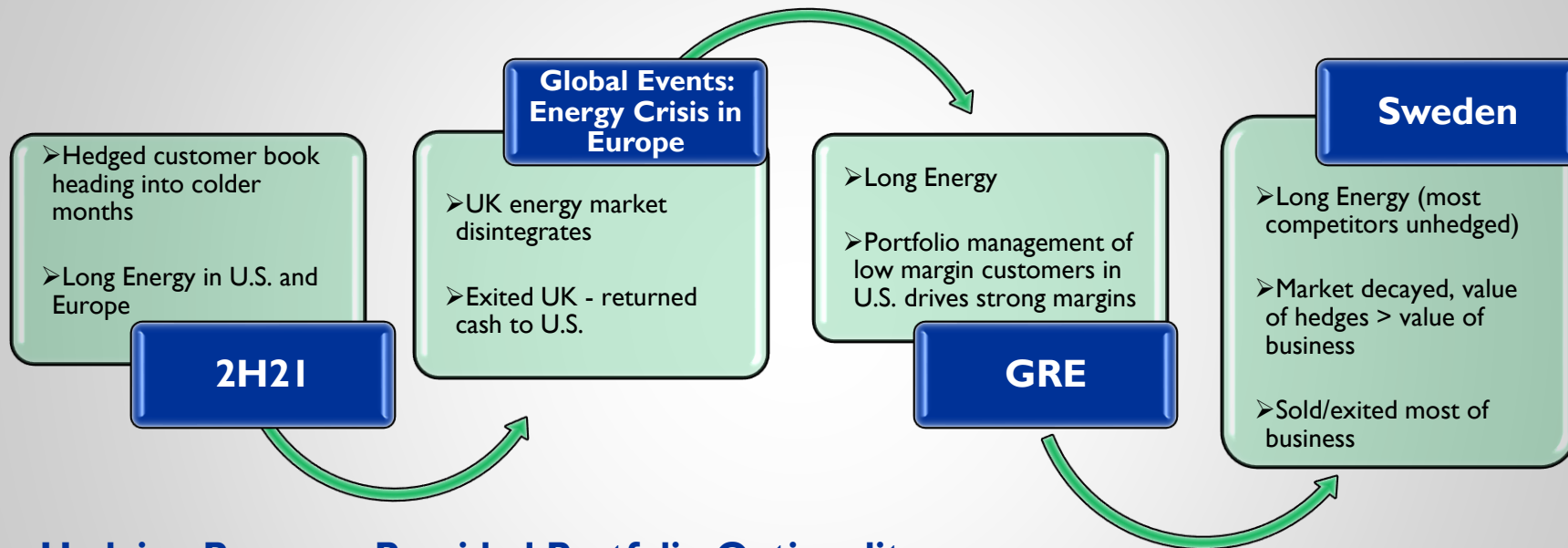
2023 Revenue Growth



PORTFOLIO AND RISK MANAGEMENT



Hedging Program: How We Opportunistically Drove Massive Returns for 2022



Hedging Program Provided Portfolio Optionality

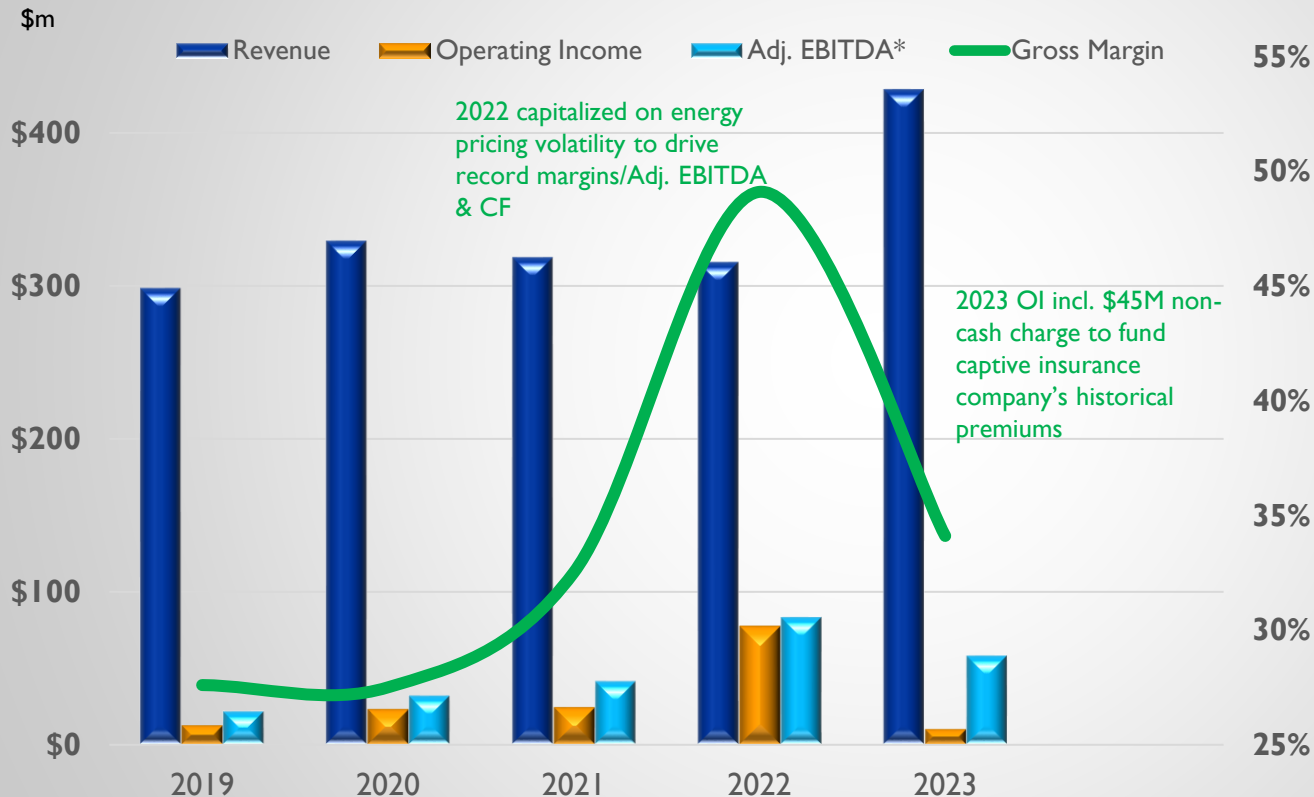
- Record gross margin, Adjusted EBITDA & cash flow – **not sustainable, but significantly strengthened balance sheet and repositioned GNE for significantly higher normalized results in 2023 and beyond**
- Paid dividends, repurchased common/preferred stock & provided investment capital for attractive projects



FINANCIAL SUMMARY



GNE: Significant Margin Expansion and Adj. EBITDA Growth Lead to Higher Baselines

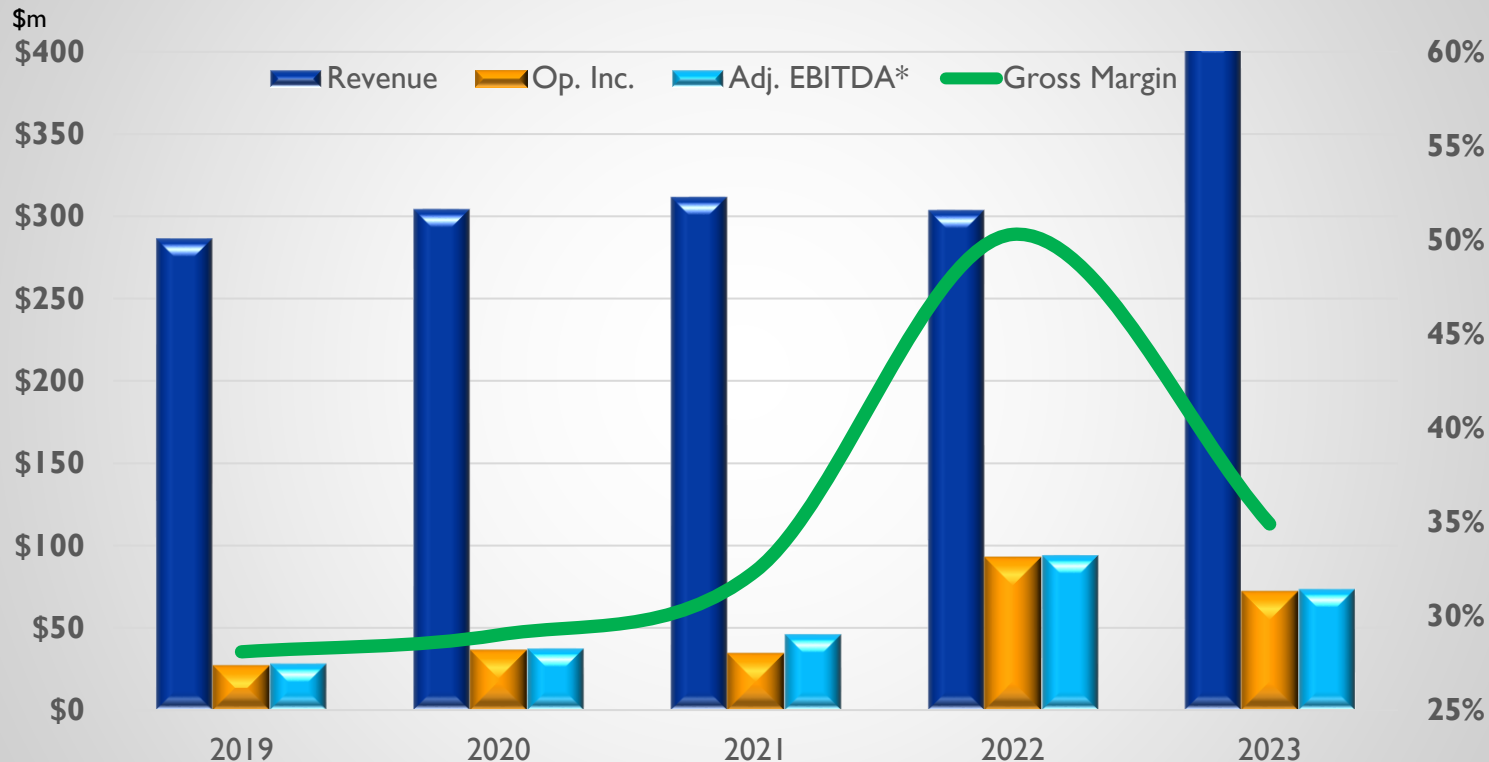


➤ Growth in 2023 increased our baseline Adj. EBITDA run rate to **\$40-50M** from \$25-30M in 2021

*Non-GAAP measures – see reconciliation to closest GAAP measures in the Appendix



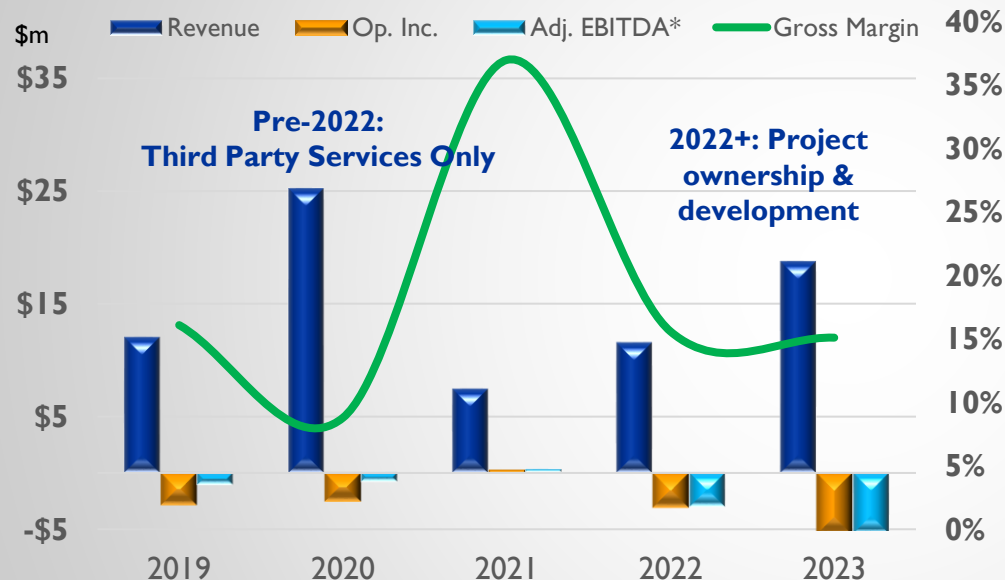
Driven by GRE Strength*



*Non-GAAP measures – See reconciliation to closest GAAP measures in Appendix



GREW: Positioned for Future Growth*

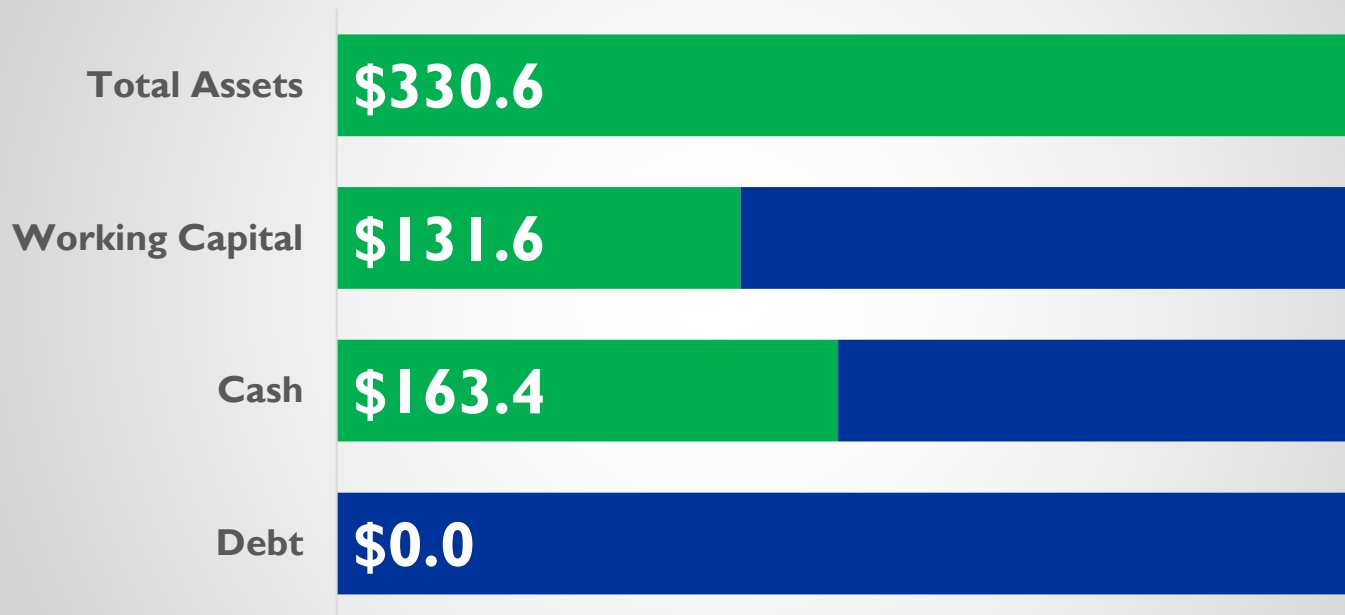


2023/2024

- Project acquisition and development
- Investing in internal capabilities e.g. expanding salesforce

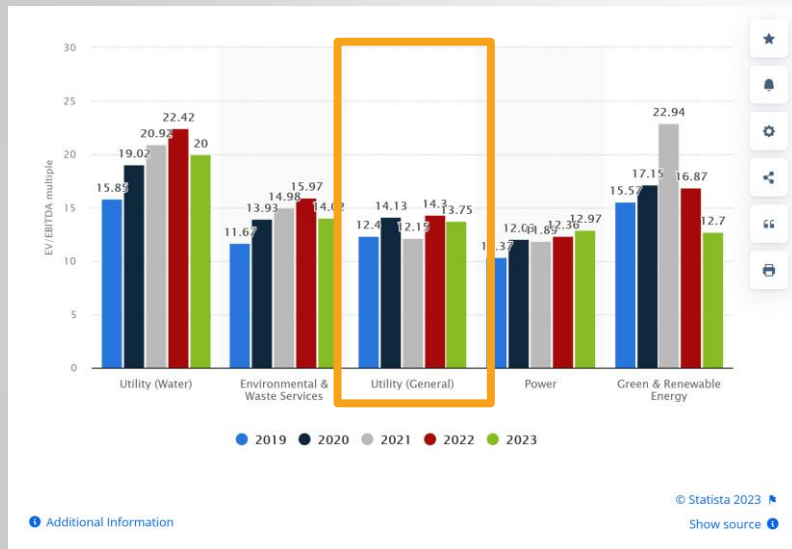


Strong Balance Sheet Provides Optionality*



* As of 12/31/23, Cash includes Cash and Cash Equivalents, short and long-term restricted cash and marketable securities

Valuation Comps*

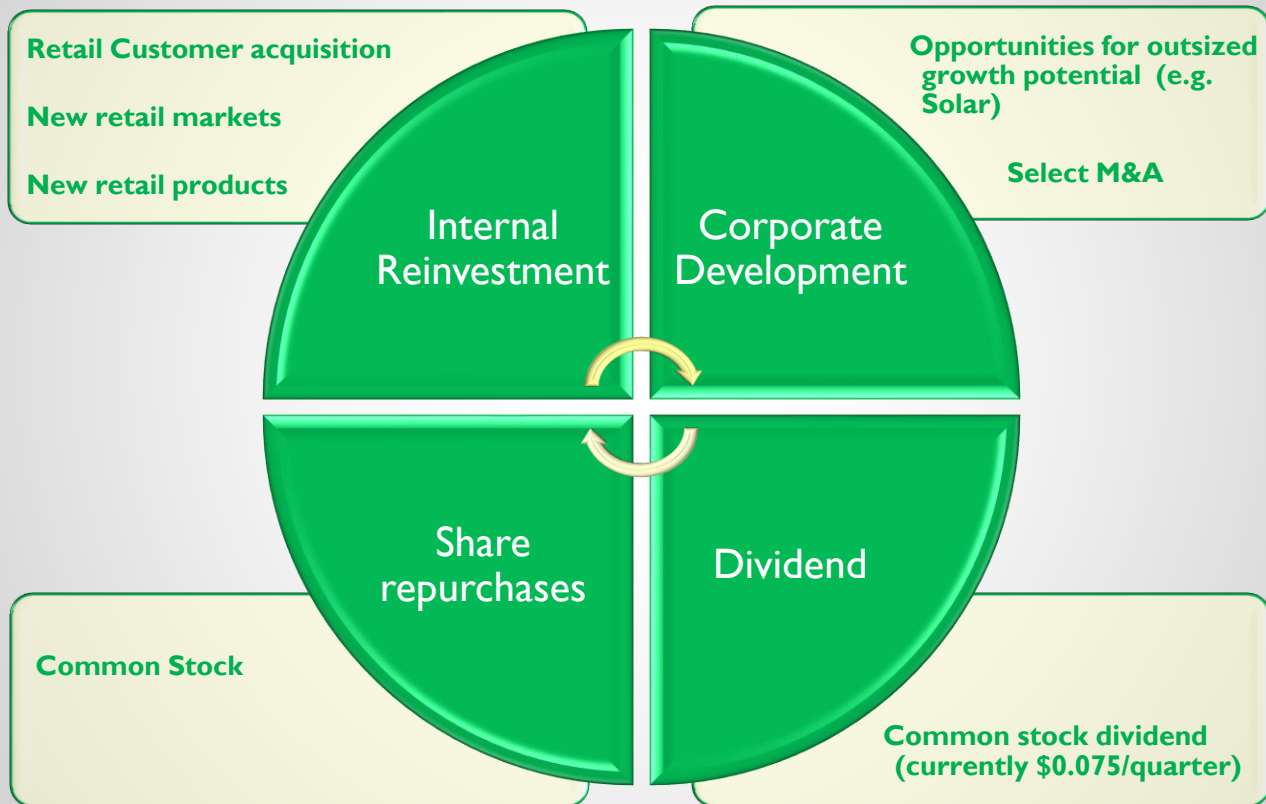


| | | |
|------------------------|-------------|---------|
| GNE Stock Price | a/o 3/11/24 | \$17.15 |
| GNE Market Cap | a/o 3/11/24 | \$447M |
| GNE Cash (\$0 debt) | | \$163M |
| GNE Enterprise Value | | \$283M |
| GNE Adj. EBITDA | | \$58M |
| GNE EV/EBITDA Multiple | a/o 3/11/24 | 4.9X |
| GNE PE Ratio | a/o 3/11/24 | 8.3X |

| | |
|-----------------------------|----------|
| DJ Utility Index PE | 20.2X |
| Implied GNE Market Cap | \$1,084M |
| EV/EBITDA Multiples: | |
| Utility Industry Current | 13.1 |
| Implied GNE EV | \$763M |

| | |
|----------------------------------|----------------|
| Implied GNE Stock Prices: | |
| EV/EBITDA | \$35.53 |
| PE | \$41.61 |

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

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Avi Goldin

Chief Financial Officer

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APPENDIX: Non-GAAP Measures

Use of Non-GAAP Measures

Adjusted EBITDA, defined as earnings (loss) before interest, taxes, depreciation and amortization, stock compensation expense, transaction-related expenses and other non-recurring expenses, and non-GAAP net income and EPS (which adjust out stock compensation expense, transaction-related expenses and other non-recurring expenses from GAAP net income and EPS), represent measures that we believe are customarily used by investors and analysts to evaluate the financial performance of companies in addition to the GAAP measures we present. Our management also believes these measures are useful in evaluating our core operating results. However, these are not measures of financial performance under GAAP and should not be considered an alternative to net income or operating income/margin as an indicator of our operating performance or to net cash provided by operating activities as a measure of our liquidity.



APPENDIX: Financials

| Genie Consolidated | | | | | |
|--------------------|-----------|-----------|------------|-----------|------------|
| \$ (000's) | 2019 | 2020 | 2021 | 2022 | 2023 |
| Revenue | | | | | |
| GRE | \$286,610 | \$304,450 | \$311,830 | \$303,970 | \$409,880 |
| GREW | \$12,090 | \$25,210 | \$7,510 | \$11,570 | \$18,830 |
| Total Revenue | \$298,700 | \$329,660 | \$319,340 | \$315,540 | \$428,710 |
| COGS | | | | | |
| GRE | \$205,990 | \$216,140 | \$210,950* | \$150,990 | \$266,520 |
| GREW | \$10,140 | \$23,000 | \$4,730 | \$9,770 | \$15,980 |
| Total COGS | \$216,120 | \$239,140 | \$215,680 | \$160,760 | \$282,500 |
| Gross Profit | \$82,570 | \$90,520 | \$103,660 | \$154,780 | \$146,210 |
| Gross Margin | 27.6% | 27.5% | 32.5% | 49.1% | 34.1% |
| SG&A | \$63,840 | \$61,860 | \$66,040 | \$76,970 | \$91,110** |
| Adjusted EBITDA | \$21,790* | \$32,070* | \$41,370* | \$83,220 | \$58,220 |

* Excludes the impact of Texas Winter Storm Uri in 2021 and Genie Retail International – see reconciliation to closest GAAP measure on next slide.

** Excludes the one-time \$45.1mm non-cash charge for captive insurance reserve – see reconciliation to closest GAAP measure on next slide.



Reconciliation Tables

Slides 3,18,26 – Genie Energy Financials - Consolidated

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|--|-----------|-----------|------------|-----------|-----------|
| Consolidated revenue (as reported) | \$300,100 | \$338,430 | \$323,270 | \$315,540 | \$428,710 |
| Less: | | | | | |
| Revenue of Genie Japan | \$1,400 | \$8,770 | \$3,930 | --- | --- |
| Adjusted consolidated revenue | \$298,700 | \$329,660 | \$319,340 | \$315,540 | \$428,710 |
| Consolidated gross profit (as reported) | \$82,330 | \$91,480 | \$91,640 | \$154,780 | \$146,210 |
| Less | | | | | |
| Gross profit (loss) of GREI | (\$240) | \$960 | (\$2,020) | --- | --- |
| Gross loss from Winter Storm Uri | --- | --- | (\$10,000) | --- | --- |
| Adjusted consolidated gross profit | \$82,570 | \$90,520 | \$103,660 | \$154,780 | \$146,210 |
| Adjusted consolidated gross profit margin | 27.6% | 27.5% | 32.5% | 49.1% | 34.1% |
| Income from Operations | \$12,620 | \$23,140 | \$24,530 | \$77,740 | \$9,880 |
| Add Back: | | | | | |
| Non-Cash Compensation | \$1,050 | \$970 | \$2,820 | \$2,970 | \$2,780 |
| Depreciation & Amortization | \$1,960 | \$1,100 | \$440 | \$390 | \$440 |
| Impairment | \$400 | \$1,400 | --- | \$2,070 | \$20 |
| Captive Insurance Reserve | --- | --- | --- | --- | \$45,090 |
| Consolidated Adjusted EBITDA (as reported) | \$16,020 | \$26,610 | \$27,780 | \$83,160 | \$58,220 |
| Less: | | | | | |
| Adjusted EBITDA of GREI | (\$4,500) | (\$3,340) | (\$3,360) | --- | --- |
| Loss from Winter Storm Uri | --- | --- | (\$10,000) | --- | --- |
| Adjusted EBITDA of GOGAS | (\$1,260) | (\$2,120) | (\$180) | --- | --- |
| Consolidated Adjusted EBITDA | \$21,790 | \$32,070 | \$41,320 | \$83,160 | \$58,220 |



Reconciliation Tables

Slide 19 – GRE Financial Highlights

| | 2019 | 2020 | 2021 | 2022 | 2023 |
|-----------------------------------|-----------|-----------|------------|-----------|-----------|
| GRE revenue (as reported) | \$286,610 | \$304,450 | \$311,830 | \$303,970 | \$409,880 |
| GRE gross profit (as reported) | \$80,620 | \$88,310 | \$90,880 | \$152,980 | \$143,360 |
| Less | | | | | |
| Gross loss from Winter Storm Uri | --- | --- | (\$10,000) | --- | --- |
| Adjusted GRE gross profit | \$80,620 | \$88,310 | \$100,880 | \$152,980 | \$143,360 |
| Adjusted GRE gross profit margin | 28.1% | 29.0% | 32.4% | 50.3% | 35.0% |
| Income (Loss) from Operations | \$27,180 | \$36,510 | \$34,690 | \$92,560 | \$71,910 |
| Add Back: | | | | | |
| Non-Cash Compensation | \$460 | \$460 | \$930 | \$950 | \$1,020 |
| Depreciation & Amortization | \$700 | \$460 | \$380 | \$340 | \$330 |
| Impairment | --- | --- | --- | --- | --- |
| GRE Adjusted EBITDA (as reported) | \$28,340 | \$37,440 | \$36,000 | \$93,840 | \$73,270 |
| Less | | | | | |
| Loss from Winter Storm Uri | | | (\$10,000) | --- | --- |
| GRE Adjusted EBITDA | \$28,340 | \$37,440 | \$46,000 | \$93,840 | \$73,270 |



Reconciliation Tables

Slide 20 – GREW Financial Highlights

| | 2019 | 2020 | 2021 | 2022 | TTM |
|------------------------------------|-----------|-----------|-------|-----------|-----------|
| Income (Loss) from Operations | (\$2,890) | (\$2,570) | \$250 | (\$3,130) | (\$5,510) |
| Add Back: | | | | | |
| Non-Cash Compensation | --- | --- | --- | --- | \$30 |
| Depreciation & Amortization | \$1,010 | \$330 | \$50 | \$50 | \$110 |
| Impairment | \$400 | \$1,400 | --- | --- | --- |
| GREW Adjusted EBITDA (as reported) | (\$1,490) | (\$850) | \$300 | (\$3,080) | (\$5,350) |