

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549  
Form 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the quarterly period ended **June 30, 2024**

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission file number 001-38142

**DELEK US HOLDINGS, INC.**

*(Exact name of registrant as specified in its charter)*

**Delaware**

*(State or other jurisdiction of incorporation or organization)*

**35-2581557**

*(I.R.S. Employer Identification No.)*



**310 Seven Springs Way, Suite 500**

*(Address of principal executive offices)*

**Brentwood Tennessee**

**37027**

*(Zip Code)*

**(615) 771-6701**

*(Registrant's telephone number, including area code)*

**Not Applicable**

*(Former name, former address and former fiscal year, if changed since last report)*

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company  Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, par value \$0.01	DK	New York Stock Exchange

At August 1, 2024, there were 64,538,625 shares of common stock, \$0.01 par value, outstanding (excluding securities held by, or for the account of, the Company or its subsidiaries).

**Delek US Holdings, Inc.**  
Quarterly Report on Form 10-Q  
For the Quarterly Period Ended June 30, 2024

**PART I. FINANCIAL INFORMATION**

<b>Item 1. Financial Statements (unaudited)</b>	<u>3</u>
Condensed Consolidated Balance Sheets	<u>3</u>
Condensed Consolidated Statements of Income	<u>4</u>
Condensed Consolidated Statements of Comprehensive Income	<u>5</u>
Condensed Consolidated Statements of Changes in Stockholders' Equity	<u>7</u>
Condensed Consolidated Statements of Cash Flows	<u>8</u>
Notes to Condensed Consolidated Financial Statements	<u>9</u>
<b>Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations</b>	<u>28</u>
<b>Item 3. Quantitative and Qualitative Disclosures about Market Risk</b>	<u>64</u>
<b>Item 4. Controls and Procedures</b>	<u>66</u>

**PART II. OTHER INFORMATION**

<b>Item 1. Legal Proceedings</b>	<u>67</u>
<b>Item 1A. Risk Factors</b>	<u>67</u>
<b>Item 5. Other Information</b>	<u>68</u>
<b>Item 6. Exhibits</b>	<u>71</u>
<b>Signatures</b>	<u>72</u>

## Part I - FINANCIAL INFORMATION

## ITEM 1. FINANCIAL STATEMENTS

## Delek US Holdings, Inc.

Condensed Consolidated Balance Sheets (unaudited)  
(In millions, except share and per share data)

	June 30, 2024	December 31, 2023
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 657.9	\$ 822.2
Accounts receivable, net	771.4	783.7
Inventories, net of inventory valuation reserves	1,010.4	981.9
Other current assets	61.2	78.2
Total current assets	<u>2,500.9</u>	<u>2,666.0</u>
Property, plant and equipment:		
Property, plant and equipment	4,799.4	4,690.7
Less: accumulated depreciation	(2,013.6)	(1,845.5)
Property, plant and equipment, net	<u>2,785.8</u>	<u>2,845.2</u>
Operating lease right-of-use assets	133.5	148.2
Goodwill	729.4	729.4
Other intangibles, net	284.3	296.2
Equity method investments	386.9	360.7
Other non-current assets	122.7	126.1
Total assets	<u>\$ 6,943.5</u>	<u>\$ 7,171.8</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 1,861.4	\$ 1,814.3
Current portion of long-term debt	9.5	44.5
Current portion of obligation under Inventory Intermediation Agreement	—	0.4
Current portion of operating lease liabilities	51.0	54.7
Accrued expenses and other current liabilities	642.9	771.2
Total current liabilities	<u>2,564.8</u>	<u>2,685.1</u>
Non-current liabilities:		
Long-term debt, net of current portion	2,452.2	2,555.3
Obligation under Inventory Intermediation Agreement	472.2	407.2
Environmental liabilities, net of current portion	32.8	110.9
Asset retirement obligations	26.2	43.3
Deferred tax liabilities	262.1	264.1
Operating lease liabilities, net of current portion	96.0	111.2
Other non-current liabilities	54.4	35.0
Total non-current liabilities	<u>3,395.9</u>	<u>3,527.0</u>
Stockholders' equity:		
Preferred stock, \$0.01 par value, 10,000,000 shares authorized, no shares issued and outstanding	—	—
Common stock, \$0.01 par value, 110,000,000 shares authorized, 82,085,570 shares and 81,539,871 shares issued at June 30, 2024 and December 31, 2023, respectively	0.8	0.8
Additional paid-in capital	1,175.8	1,113.6
Accumulated other comprehensive loss	(4.8)	(4.8)
Treasury stock, 17,575,527 shares, at cost, at June 30, 2024 and December 31, 2023, respectively	(694.1)	(694.1)
Retained earnings	328.1	430.0
Non-controlling interests in subsidiaries	177.0	114.2
Total stockholders' equity	<u>982.8</u>	<u>959.7</u>
Total liabilities and stockholders' equity	<u>\$ 6,943.5</u>	<u>\$ 7,171.8</u>

See accompanying notes to the condensed consolidated financial statements

## Delek US Holdings, Inc.

Condensed Consolidated Statements of Income (unaudited)  
(In millions, except share and per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net revenues	\$ 3,421.7	\$ 4,195.6	\$ 6,649.3	\$ 8,119.9
Cost of sales:				
Cost of materials and other	3,099.4	3,766.6	5,896.7	7,206.2
Operating expenses (excluding depreciation and amortization presented below)	185.1	188.7	398.9	359.5
Depreciation and amortization	80.7	82.6	167.1	159.4
Total cost of sales	<u>3,365.2</u>	<u>4,037.9</u>	<u>6,462.7</u>	<u>7,725.1</u>
Operating expenses related to retail and wholesale business (excluding depreciation and amortization presented below)	26.3	31.1	52.1	58.1
General and administrative expenses	63.1	75.8	127.5	147.3
Depreciation and amortization	11.4	6.8	20.2	13.4
Asset impairment	22.1	—	22.1	—
Other operating income, net	(79.9)	(6.1)	(81.5)	(16.9)
Total operating costs and expenses	<u>3,408.2</u>	<u>4,145.5</u>	<u>6,603.1</u>	<u>7,927.0</u>
Operating income	13.5	50.1	46.2	192.9
Interest expense, net	77.7	80.4	165.4	156.9
Income from equity method investments	(30.4)	(25.5)	(52.3)	(40.1)
Other expense (income), net	—	0.5	(0.7)	(6.6)
Total non-operating expense, net	<u>47.3</u>	<u>55.4</u>	<u>112.4</u>	<u>110.2</u>
(Loss) income before income tax (benefit) expense	(33.8)	(5.3)	(66.2)	82.7
Income tax (benefit) expense	(7.7)	(3.8)	(14.9)	12.0
Net (loss) income	<u>(26.1)</u>	<u>(1.5)</u>	<u>(51.3)</u>	<u>70.7</u>
Net income attributed to non-controlling interests	11.1	6.8	18.5	14.7
Net (loss) income attributable to Delek	<u>\$ (37.2)</u>	<u>\$ (8.3)</u>	<u>\$ (69.8)</u>	<u>\$ 56.0</u>
Basic (loss) income per share	<u>\$ (0.58)</u>	<u>\$ (0.13)</u>	<u>\$ (1.09)</u>	<u>\$ 0.84</u>
Diluted (loss) income per share	<u>\$ (0.58)</u>	<u>\$ (0.13)</u>	<u>\$ (1.09)</u>	<u>\$ 0.84</u>
Weighted average common shares outstanding:				
Basic	64,213,899	65,773,609	64,117,943	66,359,537
Diluted	<u>64,213,899</u>	<u>65,773,609</u>	<u>64,117,943</u>	<u>66,835,322</u>

See accompanying notes to the condensed consolidated financial statements

**Delek US Holdings, Inc.****Condensed Consolidated Statements of Comprehensive Income (Loss) (unaudited)**  
(In millions)

	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Net (loss) income	\$ (26.1)	\$ (1.5)	\$ (51.3)	\$ 70.7
Other comprehensive (loss) income:				
Other loss, net of taxes	—	(0.1)	—	(0.1)
Total other comprehensive loss	—	(0.1)	—	(0.1)
Comprehensive (loss) income	\$ (26.1)	\$ (1.6)	\$ (51.3)	\$ 70.6
Comprehensive income attributable to non-controlling interest	11.1	6.8	18.5	14.7
Comprehensive (loss) income attributable to Delek	\$ (37.2)	\$ (8.4)	\$ (69.8)	\$ 55.9

See accompanying notes to the condensed consolidated financial statements

## Delek US Holdings, Inc.

### Condensed Consolidated Statements of Changes in Stockholders' Equity (unaudited) (In millions, except share and per share data)

#### Three Months Ended June 30, 2024

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Treasury Stock		Non- Controlling Interest in Subsidiaries	Total Stockholders' Equity
	Shares	Amount				Shares	Amount		
Balance at March 31, 2024	81,626,016	\$ 0.8	\$ 1,171.8	\$ (4.8)	\$ 381.5	(17,575,527)	\$ (694.1)	\$ 179.9	\$ 1,035.1
Net (loss) income	—	—	—	—	(37.2)	—	—	11.1	(26.1)
Common stock dividends (\$0.25 per share)	—	—	—	—	(16.0)	—	—	—	(16.0)
Distributions to non-controlling interests	—	—	—	—	—	—	—	(13.8)	(13.8)
Equity-based compensation expense	—	—	7.3	—	—	—	—	0.3	7.6
Taxes paid due to the net settlement of equity-based compensation	—	—	(3.9)	—	—	—	—	(0.2)	(4.1)
Exercise of equity-based awards	402,665	—	—	—	—	—	—	—	—
Other	56,889	—	0.6	—	(0.2)	—	—	(0.3)	0.1
Balance at June 30, 2024	82,085,570	\$ 0.8	\$ 1,175.8	\$ (4.8)	\$ 328.1	(17,575,527)	\$ (694.1)	\$ 177.0	\$ 982.8

#### Three Months Ended June 30, 2023

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Treasury Stock		Non- Controlling Interest in Subsidiaries	Total Stockholders' Equity
	Shares	Amount				Shares	Amount		
Balance at March 31, 2023	84,569,103	\$ 0.9	\$ 1,141.2	\$ (5.2)	\$ 557.2	(17,575,527)	\$ (694.1)	\$ 124.3	\$ 1,124.3
Net (loss) income	—	—	—	—	(8.3)	—	—	6.8	(1.5)
Common stock dividends (\$0.23 per share)	—	—	—	—	(15.0)	—	—	—	(15.0)
Distributions to non-controlling interests	—	—	—	—	—	—	—	(9.6)	(9.6)
Equity-based compensation expense	—	—	5.7	—	—	—	—	0.2	5.9
Repurchase of common stock	(1,795,335)	(0.1)	(24.2)	—	(15.7)	—	—	—	(40.0)
Taxes paid due to the net settlement of equity-based compensation	—	—	(2.9)	—	—	—	—	(0.1)	(3.0)
Exercise of equity-based awards	308,196	—	—	—	—	—	—	—	—
Other	68,331	—	2.0	(0.1)	(0.1)	—	—	—	1.8
Balance at June 30, 2023	83,150,295	\$ 0.8	\$ 1,121.8	\$ (5.3)	\$ 518.1	(17,575,527)	\$ (694.1)	\$ 121.6	\$ 1,062.9

## Delek US Holdings, Inc.

### Condensed Consolidated Statements of Changes in Stockholders' Equity (unaudited) (In millions, except share and per share data)

#### Six Months Ended June 30, 2024

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Treasury Shares		Non- Controlling Interest in Subsidiaries	Total Stockholders' Equity
	Shares	Amount				Shares	Amount		
Balance at December 31, 2023	81,539,871	\$ 0.8	\$ 1,113.6	\$ (4.8)	\$ 430.0	(17,575,527)	\$ (694.1)	\$ 114.2	\$ 959.7
Net (loss) income	—	—	—	—	(69.8)	—	—	18.5	(51.3)
Common stock dividends (\$0.495 per share)	—	—	—	—	(31.7)	—	—	—	(31.7)
Distributions to non-controlling interests	—	—	—	—	—	—	—	(23.6)	(23.6)
Equity-based compensation expense	—	—	14.3	—	—	—	—	0.5	14.8
Taxes paid due to the net settlement of equity-based compensation	—	—	(4.4)	—	—	—	—	(0.5)	(4.9)
Exercise of equity-based awards	447,039	—	—	—	—	—	—	—	—
Equity attributable to issuance of Delek Logistics common limited partner units, net of tax	—	—	50.5	—	—	—	—	68.3	118.8
Other	98,660	—	1.8	—	(0.4)	—	—	(0.4)	1.0
Balance at June 30, 2024	82,085,570	\$ 0.8	\$ 1,175.8	\$ (4.8)	\$ 328.1	(17,575,527)	\$ (694.1)	\$ 177.0	\$ 982.8

#### Six Months Ended June 30, 2023

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Treasury Stock		Non- Controlling Interest in Subsidiaries	Total Stockholders' Equity
	Shares	Amount				Shares	Amount		
Balance at December 31, 2022	84,509,517	\$ 0.9	\$ 1,134.1	\$ (5.2)	\$ 507.9	(17,575,527)	\$ (694.1)	\$ 125.9	\$ 1,069.5
Net income	—	—	—	—	56.0	—	—	14.7	70.7
Common stock dividends (\$0.45 per share)	—	—	—	—	(29.7)	—	—	—	(29.7)
Equity-based compensation expense	—	—	12.0	—	—	—	—	0.3	12.3
Distributions to non-controlling interests	—	—	—	—	—	—	—	(19.1)	(19.1)
Repurchase of common stock	(1,811,627)	(0.1)	(24.4)	—	(15.9)	—	—	—	(40.4)
Taxes paid due to the net settlement of equity-based compensation	—	—	(3.4)	—	—	—	—	(0.2)	(3.6)
Exercise of equity-based awards	361,839	—	—	—	—	—	—	—	—
Other	90,566	—	3.5	(0.1)	(0.2)	—	—	—	3.2
Balance at June 30, 2023	83,150,295	\$ 0.8	\$ 1,121.8	\$ (5.3)	\$ 518.1	(17,575,527)	\$ (694.1)	\$ 121.6	\$ 1,062.9

See accompanying notes to the condensed consolidated financial statements

## Delek US Holdings, Inc.

### Condensed Consolidated Statements of Cash Flows (unaudited) (In millions)

	Six Months Ended June 30,	
	2024	2023
<b>Cash flows from operating activities:</b>		
Net (loss) income	\$ (51.3)	\$ 70.7
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	187.3	172.8
Non-cash lease expense	27.6	30.2
Deferred income taxes	(15.9)	12.0
Asset impairment	22.1	—
Income from equity method investments	(52.3)	(40.1)
Dividends from equity method investments	22.7	19.5
Non-cash lower of cost or market/net realizable value adjustment	(10.7)	(9.6)
Loss on extinguishment of debt	3.6	—
Equity-based compensation expense	14.8	12.3
Other	(19.0)	6.3
Changes in assets and liabilities:		
Accounts receivable	12.3	240.2
Inventories and other current assets	(2.9)	280.6
Fair value of derivatives	7.1	(19.4)
Accounts payable and other current liabilities	(5.0)	(134.9)
Obligation under Inventory Intermediation Agreements	64.6	(146.3)
Non-current assets and liabilities, net	(86.7)	(4.1)
Net cash provided by operating activities	<u>118.3</u>	<u>490.2</u>
<b>Cash flows from investing activities:</b>		
Distributions from equity method investments	3.4	7.3
Purchases of property, plant and equipment	(133.3)	(277.6)
Purchase of equity securities	(0.4)	(9.0)
Purchases of intangible assets	(1.3)	(1.3)
Proceeds from sale of property, plant and equipment	9.5	0.7
Insurance proceeds	18.0	—
Net cash used in investing activities	<u>(104.1)</u>	<u>(279.9)</u>
<b>Cash flows from financing activities:</b>		
Proceeds from long-term revolvers	3,013.1	1,547.0
Payments on long-term revolvers	(3,463.4)	(1,781.5)
Proceeds from term debt	852.5	—
Payments on term debt	(536.1)	(12.3)
Proceeds from product and other financing agreements	259.7	656.0
Repayments of product and other financing agreements	(361.8)	(603.2)
Proceeds from Inventory Intermediation Agreement	—	32.2
Proceeds from termination of Supply & Offtake Obligation	—	25.8
Taxes paid due to the net settlement of equity-based compensation	(4.9)	(3.6)
Repurchase of common stock	—	(40.4)
Distribution to non-controlling interest	(23.6)	(19.1)
Proceeds from issuance of Delek Logistic common limited partner units, net	132.2	—
Payment of debt extinguishment costs	(0.3)	—
Dividends paid	(31.7)	(29.7)
Deferred financing costs paid	(14.2)	(1.2)
Net used in financing activities	<u>(178.5)</u>	<u>(230.0)</u>
Net increase (decrease) in cash and cash equivalents	<u>(164.3)</u>	<u>(19.7)</u>
Cash and cash equivalents at the beginning of the period	822.2	841.3
Cash and cash equivalents at the end of the period	<u>\$ 657.9</u>	<u>\$ 821.6</u>

## Delek US Holdings, Inc.

### Condensed Consolidated Statements of Cash Flows (unaudited) (Continued) (In millions)

	Six Months Ended June 30,	
	2024	2023
<b>Supplemental disclosures of cash flow information:</b>		
Cash paid during the period for:		
Interest, net of capitalized interest of \$0.7 million and \$0.7 million in the 2024 and 2023 periods, respectively	\$ 145.2	159.9
Income taxes	\$ 3.2	\$ 6.6
<b>Non-cash investing activities:</b>		
Decrease in accrued capital expenditures	\$ (6.6)	\$ (24.3)
<b>Non-cash financing activities:</b>		
Non-cash lease liability arising from obtaining right-of-use assets during the period	\$ 14.1	\$ 22.9

See accompanying notes to the condensed consolidated financial statements





## Delek US Holdings, Inc.

### Notes to Condensed Consolidated Financial Statements (unaudited)

#### 1. Organization and Basis of Presentation

Delek US Holdings, Inc. operates through its consolidated subsidiaries, which include Delek US Energy, Inc. ("Delek Energy") (and its subsidiaries) and Alon USA Energy, Inc. ("Alon") (and its subsidiaries). The terms "we," "our," "us," "Delek" and the "Company" are used in this report to refer to Delek and its consolidated subsidiaries. Delek's common stock is listed on the New York Stock Exchange ("NYSE") under the symbol "DK."

Our condensed consolidated financial statements include the accounts of Delek and its subsidiaries. Certain information and footnote disclosures normally included in annual financial statements prepared in accordance with United States ("U.S.") Generally Accepted Accounting Principles ("GAAP") have been condensed or omitted, although management believes that the disclosures herein are adequate to make the financial information presented not misleading. Our unaudited condensed consolidated financial statements have been prepared in conformity with GAAP applied on a consistent basis with those of the annual audited consolidated financial statements included in our Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC") on February 28, 2024 (the "Annual Report on Form 10-K") and in accordance with the rules and regulations of the SEC. These unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto for the year ended December 31, 2023 included in our Annual Report on Form 10-K.

Our condensed consolidated financial statements include Delek Logistics Partners, LP ("Delek Logistics", NYSE:DKL), which is a variable interest entity ("VIE"). As the indirect owner of the general partner of Delek Logistics, we have the ability to direct the activities of this entity that most significantly impact its economic performance. We are also considered to be the primary beneficiary for accounting purposes for this entity and are Delek Logistics' primary customer. In the event that Delek Logistics incurs a loss, our operating results will reflect such loss, net of intercompany eliminations, to the extent of our ownership interest in this entity.

On July 31, 2024, a wholly owned subsidiary of Delek, entered into a definitive equity purchase agreement (the "Retail Purchase Agreement") with a subsidiary of Fomento Económico Mexicano, S.A.B. de C.V. ("FEMSA"). Under the terms of the Retail Purchase Agreement, Delek agreed to sell, and FEMSA has agreed to purchase, 100% of the equity interests in four of Delek's wholly-owned subsidiaries that own and operate 249 retail fuel and convenience stores (the "Retail Stores") under the Delek US Retail brand for a cash consideration of \$350.0 million plus the purchase of inventory and other customary adjustments under the Retail Purchase Agreement for indebtedness (the "Retail Transaction"). See Note 18 for further information.

On August 2, 2024, Delek Logistics entered into a Purchase and Sale Agreement with H2O Midstream Holdings, LLC (the "Seller") to purchase 100% of the limited liability company interests in H2O Midstream Intermediate, LLC, H2O Midstream Permian LLC, and H2O Midstream LLC (the "Purchased Interests" or "H2O Midstream"), related to the Seller's water disposal and recycling operations, in the Midland Basin in Texas (the "H2O Purchase Agreement") for total consideration of \$230.0 million, subject to customary adjustments under the H2O Purchase Agreement for net working capital and indebtedness. See Note 18 for further information.

In the opinion of management, all adjustments necessary for a fair presentation of the financial condition and the results of operations for the interim periods have been included. All significant intercompany transactions and account balances have been eliminated in consolidation. All adjustments are of a normal, recurring nature. Operating results for the interim period should not be viewed as representative of results that may be expected for any future interim period or for the full year.

#### Reclassifications

Certain prior period amounts have been reclassified in order to conform to the current period presentation.

#### Accounting Pronouncements Not Yet Adopted

##### ASU 2024-02, Codification Improvements - Amendments to Remove References to the Concepts Statements

In March 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2024-02 Codification Improvements - Amendments to Remove References to the Concepts Statements ("ASU 2024-02"), which amends the Accounting Standards Codification ("Codification") to remove references to various concepts statements and impacts a variety of topics in the Codification. The ASU is intended to simplify the Codification and draw a distinction between authoritative and non-authoritative literature. ASU 2024-02 is effective for annual reporting periods beginning after December 15, 2024, with early adoption permitted and can be applied on either a prospective or retroactive basis. The Company does not expect this update to have a material impact on our condensed consolidated financial statements and related disclosures.

**ASU 2023-09, Income Taxes(Topic 740): Improvements to Income Tax Disclosures**

In December 2023, the FASB issued ASU 2023-09 Income Taxes(Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09"). The standard is intended to enhance the transparency and decision usefulness of income tax disclosures. ASU 2023-09 requires disaggregated information about a reporting entity's effective tax rate reconciliation as well as information on income taxes paid. The amendments in this ASU are effective for annual periods beginning after December 15, 2024, with early adoption permitted, and should be applied on a prospective basis with the option to apply the standard retrospectively. The Company is currently evaluating the provisions of the amendments and the impact on its future condensed consolidated financial statements, but does not currently expect adopting this new guidance will have a material impact on our condensed consolidated financial statements and related disclosures.

**ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures**

In November 2023, the FASB issued ASU 2023-07 Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures ("ASU 2023-07"). ASU 2023-07 expands reportable segment disclosure requirements by requiring disclosures of significant reportable segment expenses that are regularly provided to the chief decision maker ("CODM") and included within each reported measure of a segment's profit or loss, an amount and description of its composition for other segment items, and interim disclosures of a reportable segment's profit or loss and assets. The ASU also requires disclosure of the title and position of the individual or group identified as the CODM and an explanation of how the CODM uses the reported measures of a segment's profit or loss in assessing segment performance and deciding how to allocate resources. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024, and should be applied retrospectively to all prior periods presented in the financial statements. The adoption of ASU 2023-07 should not have a material impact on our condensed consolidated financial statements and related disclosures. See Note 2 for further information.

**ASU 2023-06, Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative**

In October 2023, the FASB issued ASU 2023-06 Codification Amendments in Response to the SEC's Disclosure Update and Simplification Initiative ("ASU 2023-06"). The main provision of ASU 2023-06 is to clarify or improve disclosure and presentation requirements of a variety of topics, which will allow users to more easily compare entities subject to the SEC's existing disclosures with those entities that were not previously subject to the requirements, and align the requirements in the FASB accounting standard codification with the SEC's regulations. The effective date for each amendment will be the date on which the SEC's removal of that related disclosure from Regulation S-X or Regulation S-K becomes effective, with early adoption prohibited. The Company is currently evaluating the provisions of the amendments and the impact on its future condensed consolidated financial statements, but does not currently expect adopting this new guidance will have a material impact on our condensed consolidated financial statements and related disclosures.

**2. Segment Data**

We aggregate our operating units into three reportable segments: Refining, Logistics, and Retail. Operations that are not specifically included in the reportable segments are included in Corporate, Other and Eliminations, which consist of the following:

- our corporate activities;
- results of certain immaterial operating segments, including our Canadian crude trading operations (as discussed in Note 9); and
- intercompany eliminations.

During the second quarter 2024, we realigned our reportable segments for financial reporting purposes to reflect changes in the manner in which our chief operating decision maker, or CODM, assesses financial information for decision-making purposes. The change represents reporting the operating results of our 50% interest in a joint venture that owns asphalt terminals located in the southwestern region of the U.S. within the refining segment. Prior to this change, these operating results were reported as part of corporate, other and eliminations. While this reporting change did not change our consolidated results, segment data for previous years has been restated and is consistent with the current year presentation throughout the financial statements and the accompanying notes.

The disaggregated financial results for the reporting segments have been prepared using a management approach, which is consistent with the basis and manner in which management internally disaggregates financial information for the purposes of assisting internal operating decisions. The CODM evaluates performance based upon EBITDA attributable to Delek. We define EBITDA attributable to Delek for any period as net income (loss) attributable to Delek plus interest expense, income tax expense (benefit), depreciation and amortization. Segment EBITDA should not be considered a substitute for results prepared in accordance with U.S. GAAP and should not be considered alternatives to net income (loss), which is the most directly comparable financial measure to EBITDA that is in accordance with U.S. GAAP. Segment EBITDA, as determined and measured by us, should also not be compared to similarly titled measures reported by other companies.

Assets by segment are not a measure used to assess the performance of the Company by the CODM and thus are not disclosed.

**Refining Segment**

The refining segment processes crude oil and other feedstocks for the manufacture of transportation motor fuels, including various grades of gasoline, diesel fuel and aviation fuel, asphalt and other petroleum-based products that are distributed through owned and third-party product terminals. The refining segment includes the following:

- Tyler, Texas refinery (the "Tyler refinery");
- El Dorado, Arkansas refinery (the "El Dorado refinery");
- Big Spring, Texas refinery (the "Big Spring refinery"); and
- Krotz Springs, Louisiana refinery (the "Krotz Springs refinery").

The refining segment also owns three biodiesel facilities, located in Crossett, Arkansas, Cleburne, Texas and New Albany, Mississippi. During the second quarter of 2024, we made the decision to idle the biodiesel facilities, while exploring viable and sustainable alternatives. See Note 15 for further information. In addition, the refining segment includes our wholesale crude operations and our 50% interest in a joint venture that owns asphalt terminals located in the southwestern region of the U.S.

#### Logistics Segment

Our logistics segment owns and operates crude oil, refined products and natural gas logistics and marketing assets as well as water disposal and recycling assets. The logistics segment generates revenue by charging fees for gathering, transporting and storing crude oil and natural gas, marketing, distributing, transporting and storing intermediate and refined products and disposing and recycling water in select regions of the southeastern United States, the Delaware Basin in New Mexico and West Texas for our refining segment and third parties, and sales of wholesale products in the West Texas market.

#### Retail Segment

Our retail segment consists of 250 owned and leased convenience store sites as of June 30, 2024, located primarily in West Texas and New Mexico. These convenience stores typically offer various grades of fuel, food and beverage products, general merchandise, and certain food and other services. Substantially all of the motor fuel sold through our retail segment is supplied by our Big Spring refinery, which is transferred to the retail segment at prices substantially determined by reference to published commodity pricing information.

#### Business Segment Operating Performance

The following is a summary of business segment operating performance as measured by EBITDA attributable to Delek for the period indicated (in millions):

	Three Months Ended June 30, 2024				
(In millions)	Refining	Logistics	Retail	Corporate, Other and Eliminations	Consolidated
Net revenues (excluding intercompany fees and revenues)	\$ 3,097.9	\$ 107.7	\$ 216.1	\$ —	\$ 3,421.7
Inter-segment fees and revenues	209.3	156.9	—	(366.2)	—
Total revenues	\$ 3,307.2	\$ 264.6	\$ 216.1	\$ (366.2)	\$ 3,421.7
Segment EBITDA attributable to Delek	\$ 17.3	\$ 100.6	\$ 12.4	\$ (5.4)	\$ 124.9
Depreciation and amortization	(57.4)	(24.2)	(3.7)	(6.8)	(92.1)
Interest expense, net	(7.0)	(35.2)	(0.1)	(35.4)	(77.7)
Income tax benefit					7.7
Net loss attributable to Delek					\$ (37.2)
Income from equity method investments	\$ 11.9	\$ 7.9	\$ —	\$ 10.6	\$ 30.4
Capital spending <sup>(1)</sup>	\$ 47.0	\$ 10.2	\$ 6.5	\$ 7.1	\$ 70.8

	Three Months Ended June 30, 2023				
(In millions)	Refining	Logistics	Retail	Corporate, Other and Eliminations	Consolidated
Net revenues (excluding intercompany fees and revenues)	\$ 3,849.0	\$ 113.9	\$ 232.7	\$ —	\$ 4,195.6
Inter-segment fees and revenues	203.5	133.0	—	(336.5)	—
Total revenues	\$ 4,052.5	\$ 246.9	\$ 232.7	\$ (336.5)	\$ 4,195.6
Segment EBITDA attributable to Delek	\$ 121.8	\$ 90.9	\$ 15.0	\$ (70.0)	\$ 157.7
Depreciation and amortization	(59.8)	(23.7)	(2.6)	(3.3)	(89.4)
Interest expense, net	(12.2)	(35.0)	—	(33.2)	(80.4)
Income tax benefit					3.8
Net loss attributable to Delek					\$ (8.3)
Income from equity method investments	\$ 11.4	\$ 7.3	\$ —	\$ 6.8	\$ 25.5
Capital spending <sup>(1)</sup>	\$ 29.5	\$ 19.4	\$ 5.3	\$ 7.0	\$ 61.2

## Six Months Ended June 30, 2024

(In millions)	Refining	Logistics	Retail	Corporate, Other and Eliminations	Consolidated
Net revenues (excluding intercompany fees and revenues)	\$ 6,019.5	\$ 220.2	\$ 409.6	\$ —	\$ 6,649.3
Inter-segment fees and revenues	396.0	296.5	—	(692.5)	—
Total revenues	\$ 6,415.5	\$ 516.7	\$ 409.6	\$ (692.5)	\$ 6,649.3
Segment EBITDA attributable to Delek	\$ 122.4	\$ 200.3	\$ 18.9	\$ (73.6)	\$ 268.0
Depreciation and amortization	(118.8)	(50.7)	(7.2)	(10.6)	(187.3)
Interest expense, net	(19.1)	(75.5)	(0.1)	(70.7)	(165.4)
Income tax benefit					14.9
Net loss attributable to Delek					\$ (69.8)
Income from equity method investments	\$ 15.9	\$ 16.4	\$ —	\$ 20.0	\$ 52.3
Capital spending <sup>(1)</sup>	\$ 68.5	\$ 25.4	\$ 10.6	\$ 12.2	\$ 116.7

## Six Months Ended June 30, 2023

(In millions)	Refining	Logistics	Retail	Corporate, Other and Eliminations	Consolidated
Net revenues (excluding intercompany fees and revenues)	\$ 7,449.8	\$ 232.4	\$ 437.7	\$ —	\$ 8,119.9
Inter-segment fees and revenues	397.2	258.0	—	(655.2)	—
Total revenues	\$ 7,847.0	\$ 490.4	\$ 437.7	\$ (655.2)	\$ 8,119.9
Segment EBITDA attributable to Delek	\$ 317.3	\$ 182.3	\$ 21.4	\$ (123.3)	\$ 397.7
Depreciation and amortization	(116.4)	(44.8)	(5.3)	(6.3)	(172.8)
Interest expense, net	(21.2)	(67.6)	(0.2)	(67.9)	(156.9)
Income tax expense					(12.0)
Net income attributable to Delek					\$ 56.0
Income from equity method investments	\$ 15.2	\$ 13.6	\$ —	\$ 11.3	\$ 40.1
Capital spending <sup>(1)</sup>	\$ 177.1	\$ 55.5	\$ 8.0	\$ 12.7	\$ 253.3

<sup>(1)</sup> Capital spending includes additions on an accrual basis.

### 3. Earnings Per Share

Basic earnings per share (or "EPS") is computed by dividing net income (loss) by the weighted average common shares outstanding. Diluted earnings per share is computed by dividing net income, as adjusted for changes to income that would result from the assumed settlement of the dilutive equity instruments included in diluted weighted average common shares outstanding, by the diluted weighted average common shares outstanding. For all periods presented, we have outstanding various equity-based compensation awards that are considered in our diluted EPS calculation (when to do so would be dilutive), and is inclusive of awards disclosed in Note 16 to these condensed consolidated financial statements. For those instruments that are indexed to our common stock, they are generally dilutive when the market price of the underlying indexed share of common stock is in excess of the exercise price.

The following table sets forth the computation of basic and diluted earnings per share.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Numerator:</b>				
Numerator for EPS				
Net (loss) income	\$ (26.1)	\$ (1.5)	\$ (51.3)	\$ 70.7
Less: Income attributed to non-controlling interests	11.1	6.8	18.5	14.7
Numerator for basic and diluted EPS attributable to Delek	\$ (37.2)	\$ (8.3)	\$ (69.8)	\$ 56.0
<b>Denominator:</b>				
Weighted average common shares outstanding (denominator for basic EPS)	64,213,899	65,773,609	64,117,943	66,359,537
Dilutive effect of stock-based awards	—	—	—	475,785
Weighted average common shares outstanding, assuming dilution (denominator for diluted EPS)	64,213,899	65,773,609	64,117,943	66,835,322
<b>EPS:</b>				
Basic (loss) income per share	\$ (0.58)	\$ (0.13)	\$ (1.09)	\$ 0.84
Diluted (loss) income per share	\$ (0.58)	\$ (0.13)	\$ (1.09)	\$ 0.84
The following equity instruments were excluded from the diluted weighted average common shares outstanding because their effect would be anti-dilutive:				
Antidilutive stock-based compensation (because average share price is less than exercise price)	1,397,499	2,572,768	1,250,217	2,149,803
Antidilutive due to loss	664,225	464,170	660,263	—
Total antidilutive stock-based compensation	2,061,724	3,036,938	1,910,480	2,149,803

#### 4. Delek Logistics

Delek Logistics is a publicly traded limited partnership formed by Delek in 2012 that owns and operates crude oil, refined products and natural gas logistics and marketing assets as well as water disposal and recycling assets. A substantial majority of Delek Logistics' assets are integral to Delek's refining and marketing operations. As of June 30, 2024, we owned a 72.6% interest in Delek Logistics, consisting of 34,311,278 common limited partner units and the non-economic general partner interest. The limited partner interests in Delek Logistics not owned by us are reflected in net income attributable to non-controlling interest in the accompanying condensed consolidated statements of income and in non-controlling interest in subsidiaries in the accompanying condensed consolidated balance sheets.

On March 12, 2024, Delek Logistics completed a public offering of its common units in which it sold 3,584,416 common units (including an overallotment option of 467,532 common units) to the underwriters of the offering at a price to the public of \$38.50 per unit. The proceeds received from this offering (net of underwriting discounts, commissions and expenses) were \$132.2 million and were used to repay a portion of the outstanding borrowings under the Delek Logistics Revolving Facility (defined below). Underwriting discounts totaled \$5.5 million.

As a result of this common unit issuance and our resulting Delek Logistics ownership change, we adjusted additional paid-in capital and equity attributable to Delek Logistics' non-controlling interest holders to reallocate Delek Logistics' equity among its unitholders.

Delek Logistics is a VIE, as defined under GAAP, and is consolidated into our condensed consolidated financial statements, representing our logistics segment. The assets of Delek Logistics can only be used to settle its own obligations and its creditors have no recourse to our assets. Exclusive of intercompany balances and the marketing agreement intangible asset between Delek Logistics and Delek which are eliminated in consolidation, the Delek Logistics condensed consolidated balance sheets are included in the condensed consolidated balance sheets of Delek. The Delek Logistics condensed consolidated balance sheets are presented below (in millions):

	As of June 30, 2024	As of December 31, 2023
<b>ASSETS</b>		
Cash and cash equivalents	\$ 5.1	\$ 3.8
Accounts receivable	49.0	41.1
Accounts receivable from related parties	39.5	28.4
Inventory	1.8	2.3
Other current assets	1.2	0.7
Property, plant and equipment, net	919.1	936.2
Equity method investments	235.9	241.3
Operating lease right-of-use assets	16.6	19.0
Goodwill	12.2	12.2
Intangible assets, net	331.2	343.0
Other non-current assets	11.7	14.2
Total assets	<u>\$ 1,623.3</u>	<u>\$ 1,642.2</u>
<b>LIABILITIES AND DEFICIT</b>		
Accounts payable	\$ 26.2	\$ 26.3
Current portion of long-term debt	—	30.0
Current portion of operating lease liabilities	6.0	6.7
Accrued expenses and other current liabilities	37.8	27.6
Long-term debt, net of current portion	1,566.3	1,673.8
Asset retirement obligations	10.4	10.0
Operating lease liabilities, net of current portion	6.7	8.3
Other non-current liabilities	21.2	21.4
Deficit	(51.3)	(161.9)
Total liabilities and deficit	<u>\$ 1,623.3</u>	<u>\$ 1,642.2</u>

## 5. Equity Method Investments

### Wink to Webster Pipeline

Prior to its contribution to Delek Logistics on August 5, 2024 (see Note 18 for additional information), we owned a 50% investment in W2W Holdings LLC ("HoldCo") which was formed by us and MPLX Operations LLC ("MPLX") to obtain financing and fund capital calls associated with our collective and contributed interests in the Wink to Webster Pipeline LLC ("WWP") joint venture. The Company had previously determined that HoldCo is a VIE. While we had the ability to exert significant influence through participation in board and management committees, we were not the primary beneficiary since we did not have a controlling financial interest in HoldCo, and no single party had the power to direct the activities that most significantly impact HoldCo's economic performance.

Distributions received from WWP were first applied to service the debt of HoldCo's wholly owned finance LLC, with excess distributions made to the HoldCo members as provided for in the W2W Holdings LLC Agreement and as allowed for under its debt agreements. The obligations of the HoldCo members under the W2W Holdings LLC Agreement were guaranteed by the parents of the member entities.

As of June 30, 2024, except for the guarantee of member obligations under the joint venture, we do not have other guarantees with or to HoldCo, nor any third-party associated with HoldCo contracted work. The Company's maximum exposure to any losses incurred by HoldCo is limited to its investment.

As of June 30, 2024 and December 31, 2023, Delek's HoldCo investment balance totaled \$70.3 million and \$51.4 million, respectively.

### Delek Logistics Investments

Delek Logistics has a 33% membership interest in Red River Pipeline Company LLC ("Red River"), which owns a 16-inch crude oil pipeline running from Cushing, Oklahoma to Longview, Texas. As of June 30, 2024 and December 31, 2023, Delek's investment balance in Red River totaled \$139.1 million and \$141.1 million, respectively.

In addition to Red River, Delek Logistics has two other pipeline joint ventures in which we own a 50% membership interest in the entity formed with an affiliate of Plains All American Pipeline, L.P. to operate one of these pipeline systems and a 33% membership interest in Andeavor Logistics Rio Pipeline LLC which operates the other pipeline system. As of June 30, 2024 and December 31, 2023, Delek Logistics' investment balance in these joint ventures was \$96.8 million and \$100.3 million, respectively.

### Other Investments

In addition to our pipeline joint ventures, we also have a 50% interest in a joint venture that owns asphalt terminals located in the southwestern region of the U.S., as well as a 50% interest in a joint venture that owns, operates and maintains a terminal consisting of an ethanol unit train facility with an ethanol tank in Arkansas. As of June 30, 2024 and December 31, 2023, Delek's investment balance in these joint ventures was \$80.7 million and \$67.9 million, respectively.

### 6. Inventory

Crude oil feedstocks, refined products, blendstocks and asphalt inventory for all of our operations, excluding merchandise inventory in our retail segment, are stated at the lower of cost determined using the first-in, first-out ("FIFO") basis or net realizable value. Retail merchandise inventory consists of cigarettes, beer, convenience merchandise and food service merchandise and is stated at estimated cost as determined by the retail inventory method.

The following table presents the components of inventory for each period presented:

	Titled Inventory	Inventory Intermediation Agreement <sup>(1)</sup>	Total
<b>June 30, 2024</b>			
Feedstocks, raw materials and supplies	\$ 258.8	\$ 143.6	\$ 402.4
Refined products and blendstock	266.7	306.3	573.0
Merchandise inventory and other	35.0	—	35.0
Total	<u>\$ 560.5</u>	<u>\$ 449.9</u>	<u>\$ 1,010.4</u>
<b>December 31, 2023</b>			
Feedstocks, raw materials and supplies	\$ 250.2	\$ 116.9	\$ 367.1
Refined products and blendstock	278.6	304.8	583.4
Merchandise inventory and other	31.4	—	31.4
Total	<u>\$ 560.2</u>	<u>\$ 421.7</u>	<u>\$ 981.9</u>

<sup>(1)</sup> Refer to Note 7 - Inventory Intermediation Obligations for further information.

At June 30, 2024, we recorded a pre-tax inventory valuation reserve of \$0.9 million due to a market price decline below our cost of certain inventory products. At December 31, 2023, we recorded a pre-tax inventory valuation reserve of \$11.6 million. We recognized a net reduction in cost of materials and other in the accompanying condensed consolidated statements of income related to the change in pre-tax inventory valuation of \$1.9 million and \$10.7 million for the three and six months ended June 30, 2024, respectively, and \$7.9 million and \$9.6 million for the three and six months ended June 30, 2023, respectively.



## 7. Inventory Intermediation Obligations

The following table summarizes our outstanding obligations under our Inventory Intermediation Agreement:

	As of June 30, 2024	As of December 31, 2023
<b>Obligations under Inventory Intermediation Agreement</b>		
Obligations related to Base Layer Volumes	\$ 472.2	\$ 407.2
Current portion	—	0.4
Total obligations under Inventory Intermediation Agreement	\$ 472.2	\$ 407.6
Other (receivable) payable for monthly activity true-up	\$ (0.6)	\$ (9.3)

Included in the Inventory Intermediation Agreement are cost of financing associated with the value of the inventory and other periodic charges, which we include in interest expense, net in the condensed consolidated statements of income. In addition to the cost of financing charges, we have other intermediation fees which include market structure settlements, where we may pay or receive amounts based on market conditions and volumes subject to the intermediation agreement. These market structure settlements are recorded in cost of materials and other in the condensed consolidated statements of income. The following table summarizes these fees:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Net fees and (income) expenses:</b>				
Inventory intermediation fees	\$ 10.1	\$ 7.6	\$ 4.5	\$ 13.5
Interest expense, net	\$ 15.0	\$ 15.6	\$ 31.5	\$ 29.6

### Inventory Intermediation Agreement

On December 22, 2022, Delek entered into an inventory intermediation agreement ("Inventory Intermediation Agreement") with Citigroup Energy Inc. ("Citi") in connection with DK Trading & Supply, LLC ("DKTS"), an indirect subsidiary of Delek. Pursuant to the Inventory Intermediation Agreement, Citi will (i) purchase from and sell to DKTS crude oil and other petroleum feedstocks in connection with refining processing operations at El Dorado, Big Spring, and Krotz Springs, (ii) purchase from and sell to DKTS all refined products produced by such refineries other than certain excluded products and (iii) in connection with such purchases and sales, DKTS will enter into certain market risk hedges in each case, on the terms and subject to certain conditions. The Inventory Intermediation Agreement results in up to \$800 million of working capital capacity for DKTS.

On December 21, 2023, DKTS amended the Inventory Intermediation Agreement to among other things, (i) extend the term of the Inventory Intermediation Agreement from December 30, 2024 to January 31, 2026, (ii) reduce Citi's unilateral term extension option from a twelve month extension period to a six month extension period and (iii) increase the amount of the payment deferral mechanism from \$70 million to \$250 million. As of June 30, 2024 and December 31, 2023, we had letters of credit outstanding of \$195.0 million and \$230.0 million, respectively, supporting the Inventory Intermediation Agreement.

The Inventory Intermediation Agreement provides for the lease to Citi of crude oil and refined product storage facilities. At the inception of the Inventory Intermediation Agreement, we transferred title to a certain number of barrels of crude and other inventories to Citi, and the Inventory Intermediation Agreement requires the repurchase of the remaining inventory (including certain "Base Layer Volumes") at termination. As of June 30, 2024 and December 31, 2023, the volumes subject to the Inventory Intermediation Agreement totaled 5.4 million barrels and 5.4 million barrels, including Base Layer Volumes associated with our non-current inventory intermediation obligation of 5.5 million barrels.

The Inventory Intermediation Agreement is accounted for as an inventory financing arrangement under the fair value election provided by Accounting Standards Codification ("ASC") 815 *Derivatives and Hedging* ("ASC 815") and ASC 825, *Financial Instruments* ("ASC 825"). Therefore, the crude oil and refined products barrels subject to the Inventory Intermediation Agreement will continue to be reported in our condensed consolidated balance sheets until processed and sold to a third party. At each reporting period, we record a liability equal to the repurchase obligation to Citi at current market prices. The repurchase obligations associated with the Base Layer Volumes are reflected as non-current liabilities on our condensed consolidated balance sheets to the extent that they are not contractually due within twelve months. The remaining obligation resulting from our monthly activity, including long and short inventory positions valued at market-indexed pricing, are included in current liabilities (or receivables) on our condensed consolidated balance sheets.

Gains (losses) related to changes in fair value due to commodity-index price are recorded as a component of cost of materials and other in the condensed consolidated statements of income. With respect to the repurchase obligation, we recognized gains (losses) attributable to changes in fair value due to commodity-index price totaling \$19.3 million and \$(62.5) million during the three and six months ended June 30, 2024, respectively, and totaling \$26.3 million and \$39.0 million during the three and six months ended June 30, 2023, respectively.

## 8. Long-Term Obligations

Outstanding borrowings under debt instruments are as follows (in millions):

	June 30, 2024	December 31, 2023
Delek Term Loan Credit Facility	935.7	940.5
Delek Logistics Revolving Facility	330.2	780.5
Delek Logistics Term Loan Facility	—	281.3
Delek Logistics 2025 Notes	—	250.0
Delek Logistics 2028 Notes	400.0	400.0
Delek Logistics 2029 Notes	850.0	—
United Community Bank Revolver	5.0	5.0
Principle amount of long-term debt	2,520.9	2,657.3
Less: Unamortized discount and premium and deferred financing costs	(59.2)	(57.5)
Total debt, net of unamortized discount and premium and deferred financing costs	2,461.7	2,599.8
Less: Current portion of long-term debt	9.5	44.5
Long-term debt, net of current portion	\$ 2,452.2	\$ 2,555.3

### Delek Term Loan Credit Facility

On November 18, 2022, Delek entered into an amended and restated term loan credit agreement (the "Delek Term Loan Credit Facility") providing for a senior secured term loan facility with an initial principal of \$950.0 million at a discount of 4.00%. This senior secured facility allows for \$400.0 million in incremental loans subject to certain restrictions. Repayment terms include quarterly principal payments of \$2.4 million with the balance of principal due on November 19, 2029. At Delek's option, borrowings bear interest at either the Adjusted Term Secured Overnight Financing Rate ("SOFR") or base rate as defined by the agreement, plus an applicable margin of 2.50% per annum with respect to base rate borrowings and 3.50% per annum with respect to SOFR borrowings. At June 30, 2024 and December 31, 2023, the weighted average borrowing rate was approximately 8.94% and 8.96%, respectively. The effective interest rate was 10.23% as of June 30, 2024.

### Delek Logistics Term Loan Facility

On October 13, 2022, Delek Logistics entered into a senior secured term loan with an original principal of \$300.0 million ("the Delek Logistics Term Loan Facility"). The outstanding principal balance of \$281.3 million was paid on March 13, 2024 from a portion of the proceeds received from the issuance of the Delek Logistics 2029 Notes as indicated below. At Delek Logistics' option, borrowings bore interest at either the SOFR or U.S. dollar prime rate, plus an applicable margin. The applicable margin was 2.50% for the first year and 3.00% for the second year for U.S. dollar prime rate borrowings. SOFR borrowings include a credit spread adjustment of 0.10% to 0.25% plus an applicable margin of 3.50% for the first year and 4.00% for the second year. Debt extinguishment costs were \$2.1 million and are recorded in interest expense, net in the accompanying condensed consolidated statements of income.

### Revolving Credit Facilities

Available capacity and amounts outstanding for each of our revolving credit facilities as of June 30, 2024 are shown below (in millions):

	Total Capacity	Outstanding Borrowings	Outstanding Letters of Credit	Available Capacity	Maturity Date
Delek Revolving Credit Facility <sup>(1)</sup>	\$ 1,100.0	\$ —	\$ 269.5	\$ 830.5	October 26, 2027
Delek Logistics Revolving Facility <sup>(2)</sup>	\$ 1,150.0	\$ 330.2	\$ —	\$ 819.8	October 13, 2027
United Community Bank Revolver <sup>(3)</sup>	\$ 25.0	\$ 5.0	\$ —	\$ 20.0	June 30, 2026

<sup>(1)</sup> Total capacity includes letters of credit up to \$500.0 million. This facility requires a quarterly unused commitment fee based on average commitment usage, currently at 0.30% per annum. Interest is measured at either the SOFR, base rate, or Canadian dollar bankers' acceptances rate ("CDOR"), plus an applicable margin of 0.25% to 0.75% per annum with respect to base rate borrowings or 1.25% to 1.75% per annum with respect to SOFR and CDOR.

<sup>(2)</sup> Total capacity includes letters of credit up to \$146.9 million and \$31.9 million for swing line loans. This facility requires a quarterly unused commitment fee based on average commitment usage, currently at 0.40% per annum. Interest is measured at either the U.S. dollar prime rate plus an applicable margin of 1.00% to 2.00% depending on Delek Logistics' leverage ratio, or a SOFR rate plus a credit spread adjustment of 0.10% to 0.25% and an applicable margin ranging from 2.00% to 3.00% depending on the leverage ratio. As of June 30, 2024 and December 31, 2023, the weighted average interest rate was 8.00% and 8.46%, respectively.

<sup>(3)</sup> Interest is measured as a variable rate equal to the Wall Street Journal Prime Rate minus 0.50%. Requires a quarterly fee of 0.25% per year on the average unused revolving commitment. The weighted average borrowing rate as of June 30, 2024 and December 31, 2023 was 7.75% and 7.75%, respectively.

**Delek Logistics Revolving Facility**

On March 29, 2024, Delek Logistics entered into a fourth amendment to the Delek Logistics Revolving Facility which among other things increased the U.S. Revolving Credit Commitments (as defined in the Delek Logistics Credit Facility) by an amount equal to \$100.0 million resulting in aggregate lender commitments under the Delek Logistics Revolving Credit Facility in an amount of \$1,150.0 million.

**United Community Bank Revolver**

On June 20, 2024, we amended the United Community Bank Revolver to extend the maturity date to June 30, 2026.

**Delek Logistics 2029 Notes**

On March 13, 2024, Delek Logistics and its wholly owned subsidiary Delek Logistics Finance Corp. ("Finance Corp." and together with Delek Logistics, the "Co-issuers"), sold \$650.0 million in aggregate principal amount of the Co-issuers 8.625% Senior Notes due 2029 (the "Delek Logistics 2029 Notes"), at par, pursuant to an indenture with U.S. Bank Trust Company, National Association as trustee. Net proceeds were used to redeem the Delek Logistics 2025 Notes including accrued interest, pay off the Delek Logistics Term Loan Facility including accrued interest and to repay a portion of the outstanding borrowings under the Delek Logistics Revolving Facility.

On April 17, 2024, the Co-issuers sold \$200.0 million in aggregate principal amount of additional 8.625% senior notes due 2029 (the "Additional 2029 Notes"), at 101.25%. The Additional 2029 Notes were issued under the same indenture as the Delek Logistics 2029 Notes and formed a part of the same series of notes as the Delek Logistics 2029 Notes. The net proceeds were used to repay a portion of the outstanding borrowings under the Delek Logistics Revolving Facility.

The Delek Logistics 2029 Notes are general unsecured senior obligations of the Co-issuers and are unconditionally guaranteed jointly and severally on a senior unsecured basis by Delek Logistics' subsidiaries other than Finance Corp. and will be unconditionally guaranteed on the same basis by certain of Delek Logistics' future subsidiaries. The Delek Logistics 2029 Notes rank equal in right of payment with all existing and future senior indebtedness of the Co-issuers, and senior in right of payment to any future subordinated indebtedness of the Co-issuers. Delek Logistics recorded \$13.5 million of debt issuance costs and will be amortized over the term of the Delek Logistics 2029 Notes and included in interest expense in the condensed consolidated statements of income. The premium recognized for the Additional 2029 Notes was \$2.5 million and will be amortized over the term of the Delek Logistics 2029 Notes and included in interest expense in the condensed consolidated statements of income. The Delek Logistics 2029 Notes will mature on March 15, 2029, and interest is payable semi-annually in arrears on each March 15 and September 15, commencing September 15, 2024.

At any time prior to March 15, 2026, the Co-issuers may redeem up to 35% of the aggregate principal amount of the Delek Logistics 2029 Notes with the net cash proceeds of one or more equity offerings by Delek Logistics at a redemption price of 108.625% of the redeemed principal amount, plus accrued and unpaid interest, if any, subject to certain conditions and limitations. Prior to March 15, 2026, the Co-issuers may also redeem all or part of the Delek Logistics 2029 Notes at a redemption price of the principal amount plus accrued and unpaid interest, if any, plus a "make whole" premium, subject to certain conditions and limitations. In addition, beginning on March 15, 2026, the Co-issuers may, subject to certain conditions and limitations, redeem all or part of the Delek Logistics 2029 Notes, at a redemption price of 104.313% of the redeemed principal for the twelve-month period beginning on March 15, 2026, 102.156% for the twelve-month period beginning on March 15, 2027, and 100.00% beginning on March 15, 2028 and thereafter, plus accrued and unpaid interest, if any.

In the event of a change of control, accompanied or followed by a ratings downgrade within a certain period of time, subject to certain conditions and limitations, the Co-issuers will be obligated to make an offer for the purchase of the Delek Logistics 2029 Notes from holders at a price equal to 101.00% of the principal amount thereof, plus accrued and unpaid interest.

As of June 30, 2024, the effective interest rate was 8.95%.

**Delek Logistics 2028 Notes**

On May 24, 2021, Delek Logistics and Finance Corp. issued general unsecured senior obligations comprised of \$400.0 million in aggregate principal amount of 7.125% senior notes maturing June 1, 2028 ("the Delek Logistics 2028 Notes"). The Delek Logistics 2028 Notes are unconditionally guaranteed jointly and severally on a senior unsecured basis by Delek Logistics' subsidiaries (other than Finance Corp.) and will be unconditionally guaranteed on the same basis by certain of Delek Logistics' future subsidiaries. Interest is payable semi-annually in arrears on June 1 and December 1. As of June 30, 2024, the effective interest rate was 7.39%.

**Delek Logistics 2025 Notes**

In May 2018, Delek Logistics and Finance Corp. issued general unsecured senior obligations comprised of \$250.0 million in aggregate principal of 6.75% senior notes maturing on May 15, 2025 ("the Delek Logistics 2025 Notes"). Concurrent with the issuance of the Delek Logistics 2029 Notes, Delek Logistics made a cash tender offer (the "Offer") for all of the outstanding Delek Logistic 2025 Notes with a conditional notice of full redemption for the remaining balance not received from the Offer. The Company received tenders from holders of approximately \$156.2 million in aggregate principal amount. All the remaining Delek Logistic 2025 Notes were redeemed by March 29, 2024, pursuant to the notice of conditional redemption. Debt extinguishment costs were \$1.5 million and are recorded in interest expense, net in the accompanying condensed consolidated statements of income.

### **Guarantees Under Revolver and Term Facilities**

The obligations of the borrowers under the Delek Term Loan Credit Facility and the Delek Revolving Credit Facility are guaranteed by Delek and each of its direct and indirect, existing and future, wholly-owned domestic subsidiaries, subject to customary exceptions and limitations, and excluding Delek Logistics Partners, LP, Delek Logistics GP, LLC, and each subsidiary of the foregoing (collectively, the "MLP Subsidiaries"). Borrowings under the Delek Term Loan Credit Facility and the Delek Revolving Credit Facility are also guaranteed by DK Canada Energy ULC, a British Columbia unlimited liability company and a wholly-owned restricted subsidiary of Delek.

The obligations under the Delek Logistics Revolving Facility are secured by first priority liens on substantially all of Delek Logistics' tangible and intangible assets.

### **Restrictive Terms and Covenants**

Under the terms of our debt facilities, we are required to comply with usual and customary financial and non-financial covenants. Certain of our debt facilities contain limitations on future transactions such as incurrence of additional indebtedness, investments, affiliate transactions, asset acquisitions or dispositions, and dividends or distributions. As of June 30, 2024, we were in compliance with covenants on all of our debt instruments.

Some of Delek's subsidiaries have restrictions in their respective credit facilities limiting their use of assets. As of June 30, 2024, we had no subsidiaries with restricted net assets which would prohibit earnings from being transferred to the parent company for its use.

## **9. Derivative Instruments**

We use the majority of our derivatives to reduce normal operating and market risks with the primary objective of reducing the impact of market price volatility on our results of operations. As such, our use of derivative contracts is aimed at:

- limiting our exposure to commodity price fluctuations on inventory above or below target levels (where appropriate) within each of our segments;
- managing our exposure to commodity price risk associated with the purchase or sale of crude oil, feedstocks/intermediates and finished grade fuel within each of our segments;
- managing our exposure to market crack spread fluctuations;
- managing the cost of our Renewable Identification Numbers ("RINs") credits required by the U.S. Environmental Protection Agency ("EPA") to blend biofuels into fuel products ("RINs Obligation") using future commitments to purchase or sell RINs at fixed prices and quantities; and
- limiting the exposure to interest rate fluctuations on our floating rate borrowings.

We primarily utilize commodity swaps, futures, forward contracts and options contracts, generally with maturity dates of three years or less, and from time to time interest rate swaps or caps to achieve these objectives. Futures contracts are standardized agreements, traded on a futures exchange, to buy or sell the commodity at a predetermined price and location at a specified future date. Options provide the right, but not the obligation to buy or sell a commodity at a specified price in the future. Commodity swaps and futures contracts require cash settlement for the commodity based on the difference between a fixed or floating price and the market price on the settlement date, and options require payment/receipt of an upfront premium. Because these derivatives are entered into to achieve objectives specifically related to our inventory and production risks, such gains and losses (to the extent not designated as accounting hedges and recognized on an unrealized basis in other comprehensive income) are recognized in cost of materials and other.

Forward contracts are agreements to buy or sell a commodity at a predetermined price at a specified future date, and for our transactions, generally require physical delivery. Forward contracts where the underlying commodity will be used or sold in the normal course of business qualify as normal purchases and normal sales ("NPNS") pursuant to ASC 815. If we elect the NPNS exception, such forward contracts are not accounted for as derivative instruments but rather are accounted for under other applicable GAAP. Commodity forward contracts accounted for as derivative instruments are recorded at fair value with changes in fair value recognized in earnings in the period of change. Our Canadian crude trading operations are accounted for as derivative instruments, and the related unrealized and realized gains and losses are recognized in other operating income, net on the condensed consolidated statements of income. Additionally, as of and for the three and six months ended June 30, 2024, other forward contracts accounted for as derivatives that are specific to managing crude costs rather than for trading purposes are recognized in cost of materials and other on the condensed consolidated statements of income in our refining segment, and are included in our disclosures of commodity derivatives in the tables below.

Futures, swaps or other commodity related derivative instruments that are utilized to specifically provide economic hedges on our Canadian forward contract or investment positions are recognized in other operating income, net because that is where the related underlying transactions are reflected.

From time to time, we also enter into future commitments to purchase or sell RINs at fixed prices and quantities, which are used to manage the costs associated with our RINs Obligation. These future RINs commitment contracts meet the definition of derivative instruments under ASC 815, and are recorded at estimated fair value in accordance with the provisions of ASC 815. Changes in the fair value of these future RINs commitment contracts are recorded in cost of materials and other on the condensed consolidated statements of income. As of June 30, 2024, we do not believe there is any material credit risk with respect to the counterparties to any of our derivative contracts.

The following table presents the fair value of our derivative instruments as of June 30, 2024 and December 31, 2023. The fair value amounts below are presented on a gross basis and do not reflect the netting of asset and liability positions permitted under our master netting arrangements, including cash collateral on deposit with our counterparties. We have elected to offset the recognized fair value amounts for multiple derivative instruments executed with the same counterparty in our financial statements. As a result, the asset and liability amounts below differ from the amounts presented in our condensed consolidated balance sheets. See Note 10 for further information regarding the fair value of derivative instruments (in millions).

Derivative Type	Balance Sheet Location	June 30, 2024		December 31, 2023	
		Assets	Liabilities	Assets	Liabilities
Derivatives not designated as hedging instruments:					
Commodity derivatives <sup>(1)</sup>	Other current assets	\$ —	\$ —	\$ 6.6	\$ (7.1)
Commodity derivatives <sup>(1)</sup>	Other current liabilities	27.8	(38.3)	—	(0.8)
RINs commitment contracts <sup>(2)</sup>	Other current assets	0.3	—	—	—
RINs commitment contracts <sup>(2)</sup>	Other current liabilities	—	(7.5)	—	(3.1)
Total gross fair value of derivatives		28.1	(45.8)	6.6	(11.0)
Less: Counterparty netting and cash collateral <sup>(3)</sup>		27.8	(35.8)	5.3	(7.1)
Total net fair value of derivatives		\$ 0.3	\$ (10.0)	\$ 1.3	\$ (3.9)

<sup>(1)</sup> As of June 30, 2024 and December 31, 2023, we had open derivative positions representing 33,183,000 and 55,336,870 barrels, respectively, of crude oil and refined petroleum products. Additionally, as of June 30, 2024, we had open derivative positions representing 4,005,000 million British Thermal Units ("MMBTU") of natural gas products. We had no open derivative positions of natural gas products as of December 31, 2023.

<sup>(2)</sup> As of June 30, 2024 and December 31, 2023, we had open RINs commitment contracts representing 50,750,000 and 41,636,461 RINs, respectively.

<sup>(3)</sup> As of June 30, 2024 and December 31, 2023, \$8.0 million and \$1.8 million, respectively, of cash collateral held by counterparties has been netted with the derivatives with each counterparty.

Total gains (losses) on our non-trading commodity derivatives and RINs commitment contracts recorded in the condensed consolidated statements of income are as follows (in millions) <sup>(2)</sup>:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
(Losses) gains on hedging derivatives not designated as hedging instruments recognized in cost of materials and other <sup>(1)</sup>	\$ (7.5)	\$ 5.3	\$ (29.2)	\$ 10.7
Losses on non-trading physical forward contract commodity derivatives in cost of materials and other	—	—	—	(2.4)
Total (losses) gains	\$ (7.5)	\$ 5.3	\$ (29.2)	\$ 8.3

<sup>(1)</sup> (Losses) gains on commodity derivatives that are economic hedges but not designated as hedging instruments include unrealized (losses) gains of \$(0.2) million and \$(9.2) million for the three and six months ended June 30, 2024, respectively, and \$(6.6) million and \$23.3 million for the three and six months ended June 30, 2023, respectively.

<sup>(2)</sup> See separate table below for disclosures about "trading derivatives".

Total gains (losses) on our trading derivatives (none of which were designated as hedging instruments) recorded in other operating (income) expense, net on the condensed consolidated statements of income are as follows (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Trading Physical Forward Contract Commodity Derivatives</b>				
Realized gains	\$ 0.1	\$ 5.9	\$ (0.1)	\$ 7.2
Unrealized gains	—	1.9	—	0.1
Total	\$ 0.1	\$ 7.8	\$ (0.1)	\$ 7.3
<b>Trading Hedging Commodity Derivatives</b>				
Realized losses	\$ —	\$ (3.1)	\$ —	\$ (1.7)
Unrealized gains	—	1.2	—	2.3
Total	\$ —	\$ (1.9)	\$ —	\$ 0.6

## 10. Fair Value Measurements

Our assets and liabilities that are measured at fair value include commodity derivatives, investment commodities, environmental credits obligations, and our Inventory Intermediation Agreement. ASC 820, Fair Value Measurements ("ASC 820") requires disclosures that categorize assets and liabilities measured at fair value into one of three different levels depending on the observability of the inputs employed in the measurement. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are observable inputs other than quoted prices included within Level 1 for the asset or liability, either directly or indirectly through market-corroborated inputs. Level 3 inputs are unobservable inputs for the asset or liability reflecting our assumptions about pricing by market participants.

Our commodity derivative contracts, which consist of commodity swaps, exchange-traded futures, options and physical commodity forward purchase and sale contracts (that do not qualify for the NPNS exception under ASC 815), are valued based on exchange pricing and/or price index developers such as Platts or Argus and are, therefore, classified as Level 2.

Our RINs commitment contracts are future commitments to purchase or sell RINs at fixed prices and quantities and are used to manage the costs associated with our "Consolidated Net RINs Obligation" which is the sum of our individual obligated parties' Net RINs Obligations as well as RINs held by our non-obligated parties which meet our recognition criteria. These RINs commitment contracts (which are forward contracts accounted for as derivatives – see Note 9) are categorized as Level 2, and are measured at fair value based on quoted prices from an independent pricing service.

Our environmental credits obligation includes the Consolidated Net RINs Obligation, as well as other environmental credit obligation positions subject to fair value accounting pursuant to our accounting policy. The environmental credits obligation is categorized as Level 2, if measured at fair value either directly through observable inputs or indirectly through market-corroborated inputs, and gains (losses) related to changes in fair value are recorded as a component of cost of materials and other in the condensed consolidated statements of income. With respect to our Consolidated Net RINs Obligation, we recognized gains (losses) of \$0.3 million on changes in fair value for the three and six months ended June 30, 2024, and totaling \$(2.1) million and \$(1.8) million for the three and six months ended June 30, 2023, respectively, primarily attributable to changes in the market prices of the underlying credits that occurred at the end of each quarter.

We elected to account for our Inventory Intermediation step-out liability at fair value in accordance with ASC 825, as it pertains to the fair value option. This standard permits the election to carry financial instruments and certain other items similar to financial instruments at fair value on the balance sheet, with all changes in fair value reported in earnings. With respect to the Inventory Intermediation Agreement, we apply fair value measurement as follows: (1) we determine fair value for our amended variable step-out liability based on changes in fair value related to market volatility based on a floating commodity-index price, and for our amended fixed step-out liability based on changes to interest rates and the timing and amount of expected future cash settlements where such obligation is categorized as Level 2. Gains (losses) related to changes in fair value due to commodity-index price are recorded as a component of cost of materials and other, and changes in fair value due to interest rate risk are recorded as a component of interest expense in the condensed consolidated statements of income; and (2) we determine fair value of the commodity-indexed revolving over/short inventory financing liability based on the market prices for the consigned crude oil and refined products collateralizing the financing/funding where such obligation is categorized as Level 2 and is presented in the current portion of the obligation under Inventory Intermediation Agreement on our condensed consolidated balance sheets. Gains (losses) related to the change in fair value are recorded as a component of cost of materials and other in the condensed consolidated statements of income. See Note 7 for discussion of gains and losses recognized from changes in fair value.

The fair value of the Delek Logistics 2028 Notes is measured based on quoted market prices in an active market, defined as Level 1 in the fair value hierarchy. The carrying value (excluding unamortized debt issuance costs) and estimated fair value of these notes was \$400.0 million and \$394.9 million, respectively, as of June 30, 2024, and \$400.0 million and \$380.4 million, respectively, at December 31, 2023.

Also, the fair value of the Delek Logistics 2029 Notes is measured based on quoted market prices in an active market, defined as Level 1 in the fair value hierarchy. The carrying value (excluding unamortized debt issuance costs) and estimated fair value of these notes was \$850.0 million and \$874.2 million, respectively, as of June 30, 2024.

The fair value approximates the historical or amortized cost basis comprising our carrying value for all other financial instruments and therefore are not included in the table below. The fair value hierarchy for our financial assets and liabilities accounted for at fair value on a recurring basis was as follows (in millions):

	As of June 30, 2024			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Commodity derivatives	\$ —	\$ 27.8	\$ —	\$ 27.8
RINs commitment contracts	—	0.3	—	0.3
Total assets	—	28.1	—	28.1
<b>Liabilities</b>				
Commodity derivatives	—	(38.3)	—	(38.3)
RINs commitment contracts	—	(7.5)	—	(7.5)
Environmental credits obligation deficit	—	(62.8)	—	(62.8)
Inventory Intermediation Agreement obligation	—	(472.2)	—	(472.2)
Total liabilities	—	(580.8)	—	(580.8)
Net liabilities	\$ —	\$ (552.7)	\$ —	\$ (552.7)
	As of December 31, 2023			
	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Commodity derivatives	\$ —	\$ 6.6	\$ —	\$ 6.6
RINs commitment contracts	—	—	—	—
Total assets	—	6.6	—	6.6
<b>Liabilities</b>				
Commodity derivatives	—	(7.9)	—	(7.9)
RINs commitment contracts	—	(3.1)	—	(3.1)
Environmental credits obligation deficit	—	(39.6)	—	(39.6)
Inventory Intermediation Agreement obligation	—	(407.6)	—	(407.6)
Total liabilities	—	(458.2)	—	(458.2)
Net liabilities	\$ —	\$ (451.6)	\$ —	\$ (451.6)

The derivative values above are based on analysis of each contract as the fundamental unit of account as required by ASC 820. In the table above, derivative assets and liabilities with the same counterparty are not netted where the legal right of offset exists. This differs from the presentation in the financial statements which reflects our policy, wherein we have elected to offset the fair value amounts recognized for multiple derivative instruments executed with the same counterparty and where the legal right of offset exists. As of June 30, 2024 and December 31, 2023, \$8.0 million and \$1.8 million, respectively, of cash collateral was held by counterparty brokerage firms and has been netted with the net derivative positions with each counterparty. See Note 9 for further information regarding derivative instruments.

### Non-Recurring Fair Value Measurements

During the second quarter of 2024, we recorded an impairment for our three biodiesel facilities. Our estimate of the fair value of the impaired long-lived assets as of June 30, 2024, were primarily based on the expectation that these assets are unlikely to generate future cash flows either through continued operation or through proceeds from the sale of the assets and thus they were written down to \$0.5 million, which is the estimated fair value of the land. See Note 15 for further information regarding the asset impairment recorded.

## 11. Commitments and Contingencies

### Litigation

In the ordinary conduct of our business, we are from time to time subject to lawsuits, investigations and claims, including environmental claims and employee-related matters. Although we cannot predict with certainty the ultimate resolution of lawsuits, investigations and claims asserted against us, including civil penalties or other enforcement actions, we do not believe that any currently pending legal proceeding or proceedings to which we are a party will have a material adverse effect on our financial statements. Certain environmental matters that have or may result in penalties or assessments are discussed below in the "Environmental, Health and Safety" section of this note.

### Environmental, Health and Safety

We are subject to extensive federal, state and local environmental and safety laws and regulations enforced by various agencies, including the EPA, the U.S. Department of Transportation and the Occupational Safety and Health Administration, as well as numerous state, regional and local environmental, safety and pipeline agencies. These laws and regulations govern the discharge of materials into the environment, waste management practices, pollution prevention measures and the composition of the fuels we produce, as well as the safe operation of our plants and pipelines and the safety of our workers and the public. Numerous permits or other authorizations are required under these laws and regulations for the operation of our refineries, renewable fuels facilities, terminals, pipelines, underground storage tanks, trucks, rail cars and related operations, and may be subject to revocation, modification and renewal.

These laws and permits raise potential exposure to future claims and lawsuits involving environmental and safety matters which could include soil and water contamination, air pollution, personal injury and property damage allegedly caused by substances which we manufactured, handled, used, released or disposed of, transported, or that relate to pre-existing conditions for which we have assumed responsibility. We believe that our current operations are in substantial compliance with existing environmental and safety requirements. However, there have been and will continue to be ongoing discussions about environmental and safety matters between us and federal and state authorities, including notices of violations, citations and other enforcement actions, some of which have resulted or may result in changes to operating procedures and in capital expenditures. While it is often difficult to quantify future environmental or safety related expenditures, we anticipate that continuing capital investments and changes in operating procedures will be required for the foreseeable future to comply with existing and new requirements, as well as evolving interpretations and more strict enforcement of existing laws and regulations.

As of June 30, 2024, we have recorded an environmental liability of approximately \$35.5 million, primarily related to the estimated probable costs of remediating or otherwise addressing certain environmental issues of a non-capital nature at our refineries, as well as terminals, some of which we no longer own. This liability includes estimated costs for ongoing investigation and remediation efforts for known contamination of soil and groundwater. Approximately \$2.7 million of the total liability is expected to be expended over the next 12 months, with most of the balance expended by 2032, although some costs may extend up to 30 years. In the future, we could be required to extend the expected remediation period or undertake additional investigations of our refineries, pipelines and terminal facilities, which could result in the recognition of additional remediation liabilities.

On June 27, 2024, we settled a dispute that was in litigation related to a property that we historically operated as an asphalt and marine fuel terminal both as an owner and, subsequently, as a lessee under an in-substance lease agreement (the "License Agreement"). The settlement included the purchase of the property for \$10.0 million and \$42.0 million for settlement of the litigation for a total of \$52.0 million. The total settlement was comprised of \$24.0 million of cash paid at closing and a promissory note for \$28.0 million to be paid in three equal installments of \$9.3 million on each of April 1, 2025, April 1, 2026 and April 1, 2027, plus accrued interest. The settlement charge is recorded in other operating income, net in the condensed consolidated statements of income.

The License Agreement, which provided us the license to continue operating our asphalt and marine fuel terminal operations on the property for a term of ten years and expired in June 2020, also ascribed a contractual noncontingent indemnification guarantee to certain of our wholly-owned subsidiaries related to certain incremental environmental remediation activities, predicated on the completion of certain property development activities ascribed to the lessor was formally terminated in the settlement. As a result of the termination of the License Agreement, we are no longer obligated to remove equipment from the property for certain development activities and as a result we have reversed the \$17.9 million asset retirement obligation recorded in connection with the Delek/Alon Merger, effective July 1, 2017, since we own the property and intend to operate the property as an asphalt and marine fuel terminal and there was no remaining basis in the equipment. Additionally, as a result of the settlement we reduced the non-contingent guarantee and environmental liability to \$1.0 million since our risk of a contingent guarantee was eliminated and determined it appropriate to retain an accrual based on what we can reasonably estimate as the cost of the initial steps once operations cease or a cleanup is ordered. Total net gain from the property settlement was \$53.4 million and is recorded in other operating income, net in the condensed consolidated statements of income.



We are also subject to various regulatory requirements related to carbon emissions and the compliance requirements to remit environmental credit obligations due to the EPA or other regulatory agencies, the most significant of which relates to the RINs Obligation subject to the EPA's Renewable Fuel Standard - 2 ("RFS-2") regulations. The RFS-2 regulations are highly complex and evolving, requiring us to periodically update our compliance systems. As part of our on-going monitoring and compliance efforts, on an annual basis we engage a third party to perform procedures to review our RINs inventory, processes and compliance. The results of such procedures may include procedural findings but may also include findings regarding the usage of RINs to meet past obligations, the treatment of exported RINs, and the propriety of RINs on-hand and related adjustments to our RINs inventory, which (to the extent they are valued) offset our RINs Obligation. Such adjustments may also require communication with the EPA if they involve reportable non-compliance which could lead to the assessment of penalties.

### Other Losses and Contingencies

Delek maintains property damage insurance policies which have varying deductibles. Delek also maintains business interruption insurance policies, with varying coverage limits and waiting periods. Covered losses in excess of the deductible and outside of the waiting period will be recoverable under the property and business interruption insurance policies.

#### El Dorado Refinery Fire

On February 27, 2021, our El Dorado refinery experienced a fire in its Penex unit. Contrary to initial assessments, and despite occurring during the early stages of turnaround activity, the facility did suffer operational disruptions as a result of the fire. An additional \$10.5 million of insurance proceeds and other recoveries was recognized as a gain, in excess of property damage losses, during the three and six months ended June 30, 2024. An additional \$10.6 million of other recoveries was recognized as a gain, related to business interruption claims, during the three and six months ended June 30, 2024. We recognized a gain of \$0.9 million during the three and six months ended June 30, 2023, respectively, related to business interruption claims. Such gains are included in other operating income, net in the condensed consolidated statements of income.

## 12. Income Taxes

Under ASC 740, Income Taxes ("ASC 740"), we generally use an estimated annual tax rate to record income taxes. For interim financial reporting, except in specified cases, the quarterly income tax provision aligns with the estimated annual tax rate, updated each quarter based on revised full-year pre-tax book earnings. In certain situations, the estimated annual tax rate may distort the interim income tax provision due to significant permanent differences. In such cases, the interim income tax provision is based on the year-to-date effective tax rate, adjusting for permanent differences proportionally. In the three and six months ended June 30, 2024, income taxes were calculated based on the estimated annual effective tax rate versus the year-to-date effective tax rate. In the three and six months ended June 30, 2023, income taxes were calculated based on the estimated annual tax rate. Our effective tax rate was 22.8% and 22.5% for the three and six months ended June 30, 2024, respectively, and 71.7% and 14.5% for the three and six months ended June 30, 2023, respectively. The difference between the effective tax rate and the statutory rate is generally attributable to permanent differences and discrete items. The change in our effective tax rate for the three and six months ended June 30, 2024 as compared to the three and six months ended June 30, 2023 was primarily due to a decrease in quarter to date pre-tax earnings and the impact of fixed dollar favorable permanent adjustments on the quarter.

## 13. Related Party Transactions

Our related party transactions consist primarily of transactions with our equity method investees (See Note 5). Transactions with our related parties were as follows for the periods presented (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues <sup>(1)</sup>	\$ 39.5	\$ 32.0	\$ 61.5	\$ 49.9
Cost of materials and other <sup>(2)</sup>	\$ 48.2	\$ 52.8	\$ 106.0	\$ 98.2

<sup>(1)</sup> Consists primarily of asphalt sales which are recorded in the refining segment.

<sup>(2)</sup> Consists primarily of pipeline throughput fees paid by the refining segment and asphalt purchases.

## 14. Other Current Assets and Liabilities

The detail of other current assets is as follows (in millions):

Other Current Assets	June 30, 2024	December 31, 2023
Prepaid expenses	\$ 45.3	\$ 47.8
Income and other tax receivables	7.9	15.5
Short-term derivative assets (see Note 9)	0.3	1.3
Investment commodities	—	4.0
Other	7.7	9.6
<b>Total</b>	<b>\$ 61.2</b>	<b>\$ 78.2</b>

The detail of accrued expenses and other current liabilities is as follows (in millions):

Accrued Expenses and Other Current Liabilities	June 30, 2024	December 31, 2023
Crude purchase liabilities	\$ 180.0	\$ 190.7
Income and other taxes payable	136.2	166.9
Product financing agreements	110.7	224.2
Consolidated Net RINs Obligation deficit (see Note 10)	62.8	39.6
Employee costs	47.8	67.0
Short-term derivative liabilities (see Note 9)	10.0	3.9
Deferred revenue	7.2	16.0
Other	88.2	62.9
<b>Total</b>	<b>\$ 642.9</b>	<b>\$ 771.2</b>

## 15. Restructuring and Other Charges

During the fiscal year 2022, we initiated a cost optimization plan to improve efficiencies and align our workforce with strategic activities and operations.

During the second quarter of 2024, we made the decision to idle the Crossett, Arkansas, Cleburne, Texas and New Albany, Mississippi biodiesel facilities, while exploring viable and sustainable alternatives. Those alternatives could include restarting if market conditions improve, marketing for sale or permanently closing any of the facilities. Our decision to idle these facilities was driven by the decline in the overall biodiesel market and aligns with our continued operational and cost optimization efforts. As a result, we conducted an evaluation of impairment and based on our review we recorded a \$22.1 million impairment which included property, plant and equipment and right of use assets. In addition, \$0.4 million of severance and benefit expenses were recognized in the three and six months ended June 30, 2024.

The detail of restructuring costs is as follows (in millions):

		Three Months Ended June 30, 2024				
Type of Costs	Statement of Income Location	Refining	Logistics	Retail	Corporate, Other and Eliminations	Consolidated
Consulting fees and severance costs	General and administrative expenses	\$ —	\$ —	\$ —	\$ 0.1	\$ 0.1
Severance costs	Operating expenses	0.4	—	—	—	0.4
Impairment	Asset impairment	22.1	—	—	—	22.1
<b>Total</b>		<b>\$ 22.5</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 0.1</b>	<b>\$ 22.6</b>

		Three Months Ended June 30, 2023				
Type of Costs	Statement of Income Location	Refining	Logistics	Retail	Corporate, Other and Eliminations	Consolidated
Consulting fees and severance costs	General and administrative expenses	\$ —	\$ —	\$ —	4.3	\$ 4.3
<b>Total</b>		<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 4.3</b>	<b>\$ 4.3</b>

## Six Months Ended June 30, 2024

Type of Costs	Statement of Income Location	Six Months Ended June 30, 2024				
		Refining	Logistics	Retail	Corporate, Other and Eliminations	Consolidated
Consulting fees and severance costs	General and administrative expenses	\$ —	\$ —	\$ —	\$ 3.3	\$ 3.3
Severance costs	Operating expenses	0.4	—	—	—	0.4
Impairment	Asset impairment	22.1	—	—	—	22.1
Total		\$ 22.5	\$ —	\$ —	\$ 3.3	\$ 25.8

## Six Months Ended June 30, 2023

Type of Costs	Statement of Income Location	Six Months Ended June 30, 2023				
		Refining	Logistics	Retail	Corporate, Other and Eliminations	Consolidated
Consulting fees and severance costs	General and administrative expenses	\$ —	\$ —	\$ —	\$ 2.9	\$ 2.9
Total		\$ —	\$ —	\$ —	\$ 2.9	\$ 2.9

## 16. Equity-Based Compensation

### Delek US Holdings, Inc. 2006 and 2016 and Alon USA Energy, Inc. 2005 Long-Term Incentive Plans (collectively, the "Incentive Plans")

Compensation expense related to equity-based awards granted under the Incentive Plans amounted to \$6.5 million and \$12.8 million for the three and six months ended June 30, 2024, respectively, and \$4.9 million and \$10.8 million for the three and six months ended June 30, 2023, respectively. These amounts are included in general and administrative expenses and operating expenses in the accompanying condensed consolidated statements of income. As of June 30, 2024, there was \$54.4 million of total unrecognized compensation cost related to non-vested share-based compensation arrangements, which is expected to be recognized over a weighted-average period of 1.8 years.

We issued net shares of common stock of 402,665 and 447,039 as a result of exercised or vested equity-based awards during the three and six months ended June 30, 2024, respectively, and 308,196 and 361,839 for the three and six months ended June 30, 2023, respectively. These amounts are net of 167,658 and 203,092 shares withheld to satisfy employee tax obligations related to the exercises and vesting during the three and six months ended June 30, 2024, respectively, and 125,645 and 146,108 shares during the three and six months ended June 30, 2023, respectively.

## 17. Shareholders' Equity

### Dividends

For 2024, our Board of Directors declared the following dividends:

Approval Date	Dividend Amount Per Share	Record Date	Payment Date
February 20, 2024	\$0.245	March 1, 2024	March 8, 2024
May 2, 2024	\$0.250	May 17, 2024	May 24, 2024
July 31, 2024	\$0.255	August 12, 2024	August 19, 2024

### Stock Repurchase Program

Our Board of Directors has authorized a share repurchase program under which repurchases of Delek common stock may be executed through open market transactions or privately negotiated transactions, in accordance with applicable securities laws. The timing, price and size of repurchases are made at the discretion of management and will depend on prevailing share prices, general economic and market conditions and other considerations. The authorization has no expiration date. During the three and six months ended June 30, 2023, 1,795,335 and 1,811,627 shares of our common stock were repurchased and cancelled at the time of the transaction for a total of \$40.0 million and \$40.4 million, respectively. No common stock repurchases were made in the three and six month ended June 30, 2024. As of June 30, 2024, there was \$185.1 million of authorization remaining under Delek's aggregate stock repurchase program.

## 18. Subsequent Events

### **Planned Sale of Retail**

On July 31, 2024, a wholly owned subsidiary of Delek, entered into a definitive equity purchase agreement (the "Retail Purchase Agreement") with a subsidiary of FEMSA. Under the terms of the Retail Purchase Agreement, Delek agreed to sell, and FEMSA has agreed to purchase, 100% of the equity interests in four of Delek's wholly-owned subsidiaries that own and operate 249 Retail Stores under the Delek US Retail brand for a cash consideration of \$350.0 million plus the purchase of inventory and other customary adjustments under the Retail Purchase Agreement for indebtedness (the "Retail Transaction"). The closing of the Retail Transaction is currently anticipated to occur by the end of 2024, subject to certain customary closing conditions, including, among other things, the receipt of required governmental and other third party approvals (or the termination or expiration of applicable waiting periods). The Retail Transaction includes a long-term agreement whereby Delek will sell to FEMSA certain motor fuel products for use at the Retail Stores.

### **Planned H2O Midstream Acquisition**

On August 2, 2024, Delek Logistics entered into a Purchase and Sale Agreement with H2O Midstream Holdings, LLC (the "Seller") to purchase 100% of the limited liability company interests in H2O Midstream Intermediate, LLC, H2O Midstream Permian LLC, and H2O Midstream LLC (the "Purchased Interests" or "H2O Midstream"), related to the Seller's water disposal and recycling operations, in the Midland Basin in Texas (the "H2O Purchase Agreement") for total consideration of \$230.0 million, subject to customary adjustments under the H2O Purchase Agreement for net working capital and indebtedness ("H2O Transaction"). The purchase price is comprised of approximately \$160.0 million in cash and \$70.0 million of preferred equity. Delek Logistics paid a deposit under the H2O Purchase Agreement of \$23.0 million. The deposit may be retained by the Seller upon certain termination events described in the H2O Purchase Agreement. At closing, the deposit will be applied to the purchase price to be paid under the H2O Purchase Agreement. The closing of the H2O Transaction is currently anticipated to occur by the end of 2024.

### **Wink to Webster Pipeline**

On August 1, 2024, we purchased an additional 0.6% indirect investment in Wink to Webster Pipeline LLC for \$18.6 million, bringing our total indirect ownership in the pipeline joint venture to 15.6%. On August 5, 2024, we contributed all of our 50% investment in HoldCo which includes our 15.6% indirect interest in the Wink to Webster Pipeline LLC joint venture and related joint venture indebtedness, to a subsidiary of Delek Logistics. Total consideration was comprised of \$86.6 million in cash, forgiveness of a \$60.0 million payable to Delek Logistics and 2,300,000 of Delek Logistics common units.

### **Delek Logistics**

On August 5, 2024, we amended and extended expired, or soon to be expired, commercial agreements with subsidiaries of Delek Logistics under which the Delek Logistics subsidiaries provide various services, including crude oil gathering and crude oil, intermediate and refined products transportation and storage services, and marketing, terminalling and offloading services to us. These agreements have an initial term of five to seven years, with the ability to extend for an additional five years at our option. In addition, we also entered into an assignment agreement with a subsidiary of Delek Logistics to assign the Big Spring Refinery Marketing Agreement to Delek Holdings. As a result of these agreements, we transferred 2,500,000 of our Delek Logistics common units to Delek Logistics to be retired.

We also entered into an amended and restated Omnibus Agreement with Delek Logistics that provides us an option to purchase certain critical assets from Delek Logistics at market value during the period beginning upon any change in control or sale of substantially all assets involving Delek Logistics and extending (i) in the case of a transaction involving a third party, for six months following closing, and (ii) for any other transaction, for four years following closing.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is management's analysis of our financial performance and of significant trends that may affect our future performance. The MD&A should be read in conjunction with our condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q and in the Annual Report on Form 10-K filed with the Securities and Exchange Commission ("SEC") on February 28, 2024 (the "Annual Report on Form 10-K"). Those statements in the MD&A that are not historical in nature should be deemed forward-looking statements that are inherently uncertain.

Delek US Holdings, Inc. is a registrant pursuant to the Securities Act of 1933, as amended ("Securities Act") and is listed on the New York Stock Exchange ("NYSE") under the ticker symbol "DK". Unless otherwise noted or the context requires otherwise, the terms "we," "our," "us," "Delek" and the "Company" are used in this report to refer to Delek US Holdings, Inc. and its consolidated subsidiaries for all periods presented. You should read the following discussion of our financial condition and results of operations in conjunction with our historical condensed consolidated financial statements and notes thereto.

The Company announces material information to the public about the Company, its products and services and other matters through a variety of means, including filings with the SEC, press releases, public conference calls, the Company's website ([www.delekus.com](http://www.delekus.com)), the investor relations section of its website ([ir.delekus.com](http://ir.delekus.com)), the news section of its website ([www.delekus.com/news](http://www.delekus.com/news)), and/or social media, including its X (previously known as Twitter) account ([@DelekUSHoldings](https://twitter.com/DelekUSHoldings)). The Company encourages investors and others to review the information it makes public in these locations, as such information could be deemed to be material information. Please note that this list may be updated from time to time.

### Forward-Looking Statements

This Quarterly Report on Form 10-Q contains "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934 ("Exchange Act"). These forward-looking statements reflect our current estimates, expectations and projections about our future results, performance, prospects and opportunities. Forward-looking statements include, among other things, statements that refer to the acquisition of 3 Bear (subsequently renamed to Delek Delaware Gathering ("Delaware Gathering")) (the "Delaware Gathering Acquisition"), including any statements regarding the expected benefits, synergies, growth opportunities, impact on liquidity and prospects, and other financial and operating benefits thereof, the information concerning possible future results of operations, business and growth strategies, including as the same may be impacted by any ongoing military conflict, such as the war between Russia and Ukraine ("the Russia-Ukraine War"), financing plans, expectations that regulatory developments or other matters will or will not have a material adverse effect on our business or financial condition, our competitive position and the effects of competition, the projected growth of the industry in which we operate, and the benefits and synergies to be obtained from our completed and any future acquisitions or dispositions, including the planned sale of our Retail Stores and H2O Midstream acquisition, statements of management's goals and objectives, and other similar expressions concerning matters that are not historical facts. Words such as "may," "will," "should," "could," "would," "predicts," "potential," "continue," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates," "appears," "projects" and similar expressions, as well as statements in future tense, identify forward-looking statements.

Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward-looking information is based on information available at the time and/or management's good faith belief with respect to future events, and is subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in the statements. Important factors that, individually or in the aggregate, could cause such differences include, but are not limited to:

- volatility in our refining margins or fuel gross profit as a result of changes in the prices of crude oil, other feedstocks and refined petroleum products;
- reliability of our operating assets;
- actions of our competitors and customers;
- changes in, or the failure to comply with, the extensive government regulations applicable to our industry segments, including current and future restrictions on commercial and economic activities in response to future public health crises;
- our ability to execute our long-term sustainability strategy and growth through acquisitions and dispositions such as the planned sale of our Retail Stores, the planned H2O Midstream acquisition, the Delaware Gathering Acquisition and joint ventures, including our ability to successfully integrate acquisitions, complete strategic transactions, safety initiatives and capital projects, realize expected synergies, cost savings and other benefits therefrom, return value to shareholders, or achieve operational efficiencies;
- diminishment in value of long-lived assets may result in an impairment in the carrying value of the assets on our balance sheet and a resultant loss recognized in the statement of operations;
- the impact on commercial activity and other economic effects of any widespread public health crisis, including uncertainty regarding the timing, pace and extent of economic recovery following any such crisis;
- general economic and business conditions affecting the southern, southwestern and western United States ("U.S."), particularly levels of spending related to travel and tourism;
- volatility under our derivative instruments;
- deterioration of creditworthiness or overall financial condition of a material counterparty (or counterparties);
- unanticipated increases in cost or scope of, or significant delays in the completion of, our capital improvement safety initiative and periodic turnaround projects;
- risks and uncertainties with respect to the quantities and costs of refined petroleum products supplied to our pipelines and/or held in our terminals;
- operating hazards, natural disasters, weather related disruptions, casualty losses and other matters beyond our control;
- increases in our debt levels or costs;
- possibility of accelerated repayment on a portion of our Inventory Intermediation Agreement obligation if the purchase price adjustment feature triggers a change on the re-pricing dates;
- changes in our ability to continue to access the credit markets;
- compliance, or failure to comply, with restrictive and financial covenants in our various debt agreements;
- changes in our ability to pay dividends;

- seasonality;
- earthquakes, hurricanes, tornadoes, and other weather events, which can unforeseeably affect the price or availability of electricity, natural gas, crude oil, and other feedstocks, critical supplies, refined petroleum products and ethanol;
- increases in costs of compliance with, or liability for violation of, existing or future laws, regulations and other requirements;
- societal, legislative and regulatory measures to address climate change and greenhouse gases emissions ("GHG");
- our ability to execute our sustainability improvement plans, including greenhouse gas reduction targets;
- acts of terrorism (including cyber-terrorism) aimed at either our facilities or other facilities;
- impacts of global conflicts such as the war between Israel and Hamas and the Russia-Ukraine War;
- future decisions by the Organization of Petroleum Exporting Countries ("OPEC") and the members of other leading oil producing countries (together with OPEC, "OPEC+") regarding production and pricing and disputes between OPEC+ members regarding the same;
- disruption, failure, or cybersecurity breaches affecting or targeting our information technology ("IT"), systems and controls, our infrastructure, or the infrastructure of our cloud-based IT service providers;
- changes in the cost or availability of transportation for feedstocks and refined products; and
- other factors discussed under Item 1A. Risk Factors and Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations and in our other filings with the SEC.

In light of these risks, uncertainties and assumptions, our actual results of operations and execution of our business strategy could differ materially from those expressed in, or implied by, the forward-looking statements, and you should not place undue reliance upon them. In addition, past financial and/or operating performance is not necessarily a reliable indicator of future performance, and you should not use our historical performance to anticipate future results or period trends. We can give no assurances that any of the events anticipated by any forward-looking statements will occur or, if any of them do, what impact they will have on our results of operations and financial condition. All forward-looking statements included in this report are based on information available to us on the date of this report. We undertake no obligation to revise or update any forward-looking statements as a result of new information, future events or otherwise.

## Executive Summary: Management's View of Our Business and Strategic Overview

### Management's View of Our Business

We are an integrated downstream energy business focused on petroleum refining, the transportation, storage and wholesale distribution of crude oil, intermediate and refined products and convenience store retailing. Our operating segments consist of refining, logistics, and retail, and are discussed in the sections that follow.

During the second quarter 2024, we realigned our reportable segments for financial reporting purposes to reflect changes in the manner in which our chief operating decision maker, or CODM, assesses financial information for decision-making purposes. The change represents reporting the operating results of our 50% interest in a joint venture that owns asphalt terminals located in the southwestern region of the U.S. within the refining segment. Prior to this change, these operating results were reported as part of corporate, other and eliminations. While this reporting change did not change our consolidated results, segment data for previous years has been restated and is consistent with the current year presentation.

#### Business and Economic Environment Overview

Our focus on safe and reliable operations is a pillar which underlines all of our business activities. We continue to identify opportunities to mitigate market risk and focus on efforts that improve our overall cost structure while not compromising operational excellence. During the second quarter of 2024, we experienced narrowing crack spreads. The domestic West Texas Intermediate ("WTI") differentials compared to Brent continued to be favorable, and the WTI Midland to Cushing differential narrowed favorably during the quarter. The differentials remained relatively consistent with 2023. Along with lower crack spreads driven by higher inventories, the industry experienced lower natural gas costs and lower RINs costs, which counterbalanced lower crack spreads. Though refining margins softened, demand for refined products continues to be robust driven by the continued constrained supply in the markets we serve. We achieved record throughput in the second quarter 2024, driven by increased reliability and we will continue to identify opportunities for operational efficiency improvements. Our logistics segment (or "Logistics") continued to contribute strong results driven by increased volumes from the Delaware Basin and rate increases. Logistics also continues to benefit from strong performance amongst our pipeline joint venture investments. The retail segment experienced decreased sales due to the remodeling of stores which limited some store availability during quarter. We expect to begin seeing benefits from successful re-branding and remodeling in future periods.

The near term economic outlook still has some uncertainty with geopolitical instability and commodity market volatility, and as a result we continue to progress our business transformation focused on enterprise-wide opportunities to improve the efficiency of our cost structure. During 2024, we have implemented additional cost reduction measures across the organization, including reducing contract services and reducing or eliminating non-critical travel. By executing on our initiatives to optimize our cost structure, we are positioning the Company in the event of lower crack spreads and volatility in the commodity markets.

The energy-related legislation passed with the Inflation Reduction Act ("IRA") encompasses clean energy financial incentives that are expected to increase capital investment opportunities that focus on the development of production capacity for liquid fuels with lower GHG. Gulf coast industries should be well positioned for growth, particularly if global trade becomes tied to environmental attributes. Following the enactment of the IRA, Delek is investing in carbon capture technology. We were selected by the Department of Energy's ("DOE") Office of Clean Energy Demonstrations to negotiate a cost-sharing agreement in support of a carbon capture pilot project at the Big Spring, Texas refinery. The DOE Carbon Capture Large-Scale Pilot Project program provides 70% cost-share for up to \$95 million of federal funding to support project development. The project will deploy carbon capture technology at the Big Spring refinery's Fluid Catalytic Cracking unit, while maintaining existing production capabilities and turnaround schedule. Expectations for the project are to capture 145,000 metric tons of carbon dioxide per year, as well as reduce health-harming pollutants, such as sulfur oxide and particulate matter. Carbon dioxide is expected to be transported by existing pipelines for permanent storage or utilization.

Our focus on reduction of GHG is a key objective as we strive to be a leader in the transition to a carbon neutral future. Delek's Sustainable Operations Team ("SOT") which is led by our Executive Vice President, Operations coordinates execution of our sustainability objectives including ensuring enterprise strategies, business unit operations, capital spending plans, supply chain and personnel pipeline are in alignment and operating as needed to meet established goals. Delek prioritizes stewardship of the environment, and we focus on how to positively impact our shareholders, employees, customers, and the communities where we operate.

We want to reward our shareholders with a disciplined and balanced capital allocation framework. As we strengthen our relative financial position, we believe a balanced approach between shareholder returns and balance sheet improvement is appropriate. In 2024 to date, we have returned \$31.7 million of capital to shareholders through dividends.

Our near-term focus is centered around the following: (1) operations excellence, (2) financial strength and flexibility and (3) strategic initiatives which includes unlocking the "sum of the parts" value of our existing business while identifying growth opportunities to enhance the Company's scale and diversify revenue streams. In first half of 2024, we took steps to refinance the Delek Logistics Partners, LP ("Delek Logistics") long term debt, ending with a more attractive maturity profile. Delek Logistics also completed a public equity offering of its common units in March 2024. These steps allowed us to further execute on our "sum of the parts" plan by facilitating Delek Logistics' planned acquisition of H2O Midstream, purchase of the Wink to Webster Pipeline joint venture and planned expansion of its natural gas processing plant. These Delek Logistics transactions will enhance Delek Logistics position as a full service (crude, natural gas and water) provider in the most prolific areas of

the Permian basin while increasing third party revenue. In addition, the Retail Transaction will allow us to strengthen our balance sheet. We believe each of these steps is consistent with our focus on strategic initiatives which includes unlocking the "sum of the parts". See further discussion in the "Strategic Objectives" section below.

See further discussion on macroeconomic factors and market trends, including the impact on 2024, in the 'Market Trends' section below.

### **Other 2024 Developments**

#### **Delek Logistics Equity Offering**

On March 12, 2024, Delek Logistics completed a public offering of its common units in which it sold 3,584,416 common units (including an overallotment option of 467,532 common units) to the underwriters of the offering at a price to the public of \$38.50 per unit. The proceeds received from this offering (net of underwriting discounts, commissions and expenses) were \$132.2 million and were used to repay a portion of the outstanding borrowings under the Delek Logistics Revolving Facility (as defined in Note 8 of the condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q).

#### **Delek Logistics Debt Agreements**

On March 13, 2024, Delek Logistics sold \$650.0 million in aggregate principal amount of 8.625% Senior Notes due 2029 (the "Delek Logistics 2029 Notes"), at par. Net proceeds were used to redeem the Delek Logistics 2025 Notes including accrued interest, pay off the Delek Logistics Term Loan Facility (as defined in Note 8 of the condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q) including accrued interest and to repay a portion of the outstanding borrowings under the Delek Logistics Revolving Facility.

On March 29, 2024, Delek Logistics entered into a fourth amendment to the Delek Logistics Revolving Facility which among other things increased the U.S. Revolving Credit Commitments (as defined in the Delek Logistics Credit Facility) by an amount equal to \$100.0 million resulting in aggregate lender commitments under the Delek Logistics Revolving Credit Facility in an amount of \$1,150.0 million.

On April 17, 2024, Delek Logistics sold \$200 million in aggregate principal amount of additional 8.625% senior notes due 2029 (the "Additional 2029 Notes"), at 101.25%. The Additional 2029 Notes were issued under the same indenture as the Delek Logistics 2029 Notes and formed a part of the same series of notes as the Delek Logistics 2029 Notes. The net proceeds were used to repay a portion of the outstanding borrowings under the Delek Logistics Revolving Facility.

These steps improved availability under the Delek Logistics Revolving Facility to approximately \$800 million and helped create the foundation for a "sum of the parts" initiative.

#### **Renewables**

During the second quarter of 2024, we made the decision to idle the Crossett, Arkansas, Cleburne, Texas and New Albany, Mississippi biodiesel facilities, while exploring viable and sustainable alternatives. Those alternatives could include restarting if market conditions improve, marketing for sale or permanently closing any of the facilities. Our decision to idle these facilities was driven by the decline in the overall biodiesel market and aligns with our continued operational and cost optimization efforts. As a result, we conducted an evaluation of impairment and based on our review we recorded a \$22.1 million impairment which included property, plant and equipment and right of use assets. In addition, \$0.4 million of severance and benefit expenses were recognized in the three and six months ended June 30, 2024.

#### **Property Settlement**

On June 27, 2024, we settled a dispute that was in litigation related to a property that we historically operated as an asphalt and marine fuel terminal both as an owner and, subsequently, as a lessee under an in-substance lease agreement (the "License Agreement"). The settlement included the purchase of the property for \$10.0 million and \$42.0 million for settlement of the litigation for a total of \$52.0 million. The total settlement was comprised of \$24.0 million of cash paid at closing and a promissory note for \$28.0 million to be paid in three equal installments of \$9.3 million on each of April 1, 2025, April 1, 2026 and April 1, 2027, plus accrued interest.

As a result of the termination of the License Agreement, we are no longer obligated to remove equipment from the property for certain development activities and as a result we reversed the \$17.9 million asset retirement obligation since we intend to operate the property as an asphalt and marine fuel terminal. Additionally, as a result of the settlement we reduced the non-contingent guarantee and environmental liability to \$1.0 million since our risk of a contingent guarantee was eliminated and determined it appropriate to retain an accrual based on what we can reasonably estimate as the cost of the initial steps once operations cease or a cleanup is ordered. Total net gain from the property settlement was \$53.4 million and is recorded in other operating income, net in the condensed consolidated statements of income. Refer to Note 11 of the condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q for further information.

#### **Delek Logistics Gas Plant Expansion**

In Q2 2024, Delek Logistics made the final investment decision to build a new natural gas processing plant adjacent to its plant in the Permian Basin. The plant is expected to have a capacity of approximately 110 MMcf/d (as defined below) and aims to meet the rising demand for natural gas in the region. Total estimated cost is between \$160.0 and \$165.0 million with an anticipated start-up of early 2025. This expansion project will also increase Delek Logistics' third party revenue. Expected annual EBITDA is estimated to be approximately \$40.0 million.



### Planned Sale of Retail

On July 31, 2024, a wholly owned subsidiary of Delek, entered into a definitive equity purchase agreement (the "Retail Purchase Agreement") with a subsidiary of Fomento Económico Mexicano, S.A.B. de C.V. ("FEMSA"). Under the terms of the Retail Purchase Agreement, Delek agreed to sell, and FEMSA has agreed to purchase, 100% of the equity interests in four of Delek's wholly-owned subsidiaries that own and operate 249 retail fuel and convenience stores (the "Retail Stores") under the Delek US Retail brand for a cash consideration of \$350.0 million plus the purchase of inventory and other customary adjustments under the Retail Purchase Agreement for indebtedness (the "Retail Transaction"). The closing of the Retail Transaction is currently anticipated to occur by the end of 2024, subject to certain customary closing conditions, including, among other things, the receipt of required governmental and other third party approvals (or the termination or expiration of applicable waiting periods). The Retail Transaction includes a long-term agreement whereby Delek will sell to FEMSA certain motor fuel products for use at the Retail Stores. Refer to Note 18 of the condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q for further information.

### Planned Acquisition of H2O Midstream

On August 2, 2024, Delek Logistics entered into a Purchase and Sale Agreement with H2O Midstream Holdings, LLC (the "Seller") to purchase 100% of the limited liability company interests in H2O Midstream Intermediate, LLC, H2O Midstream Permian LLC, and H2O Midstream LLC (the "Purchased Interests" or "H2O Midstream"), related to the Seller's water disposal and recycling operations, in the Midland Basin in Texas (the "H2O Purchase Agreement") for total consideration of \$230.0 million, subject to customary adjustments under the H2O Purchase Agreement for net working capital and indebtedness (the "H2O Transaction"). The purchase price is comprised of approximately \$160.0 million in cash and \$70.0 million of preferred equity. Delek Logistics paid a deposit under the H2O Purchase Agreement of \$23.0 million. The closing of the H2O Transaction is currently anticipated to occur by the end of 2024. Refer to Note 18 of the condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q for further information.

### Wink to Webster Pipeline

On August 1, 2024, we purchased an additional 0.6% indirect investment in Wink to Webster Pipeline LLC for \$18.6 million, bringing our total indirect ownership in the pipeline joint venture to 15.6%. On August 5, 2024, we contributed all of our 50% investment in W2W Holdings LLC ("HoldCo") which includes our 15.6% indirect interest in the Wink to Webster Pipeline LLC joint venture and related joint venture indebtedness, to a subsidiary of Delek Logistics. Total consideration was comprised of \$86.6 million in cash, forgiveness of a \$60.0 million payable to Delek Logistics and 2,300,000 of Delek Logistics common units.

### Delek Logistics Commercial Agreements

On August 5, 2024, we amended and extended expired, or soon to be expired, commercial agreements with subsidiaries of Delek Logistics under which the Delek Logistics subsidiaries provide various services, including crude oil gathering and crude oil, intermediate and refined products transportation and storage services, and marketing, terminalling and offloading services to us. These agreements have an initial term of five to seven years, with the ability to extend for an additional five years at our option. In addition, we also entered into an assignment agreement with a subsidiary of Delek Logistics to assign the Big Spring Refinery Marketing Agreement to Delek Holdings. As a result of these agreements, we transferred 2,500,000 of our Delek Logistics common units to Delek Logistics to be retired.

We also entered into an amended and restated Omnibus Agreement with Delek Logistics that provides us an option to purchase certain critical assets from Delek Logistics at market value during the period beginning upon any change in control, sale of substantially all assets, or other deconsolidation transaction involving Delek Logistics and extending (i) in the case of a deconsolidation involving a third party, for six months following closing, and (ii) for any other deconsolidation, for four years following closing.

## Refining Overview

The refining segment (or "Refining") processes crude oil and other feedstocks for the manufacture of transportation motor fuels, including various grades of gasoline, diesel fuel, aviation fuel, asphalt and other petroleum-based products that are distributed through owned and third-party product terminals. The refining segment has a combined nameplate capacity of 302,000 barrels per day ("bpd") as of June 30, 2024. A high-level summary of the refinery activities is presented below:

	Tyler, Texas refinery (the "Tyler refinery")	El Dorado, Arkansas refinery (the "El Dorado refinery")	Big Spring, Texas refinery (the "Big Spring refinery")	Krotz Springs, Louisiana refinery (the "Krotz Springs refinery")
Total Nameplate Capacity (bpd)	75,000	80,000	73,000	74,000
Primary Products	Gasoline, jet fuel, ultra-low-sulfur diesel, liquefied petroleum gases, propylene, petroleum coke and sulfur	Gasoline, ultra-low-sulfur diesel, liquefied petroleum gases, propylene, asphalt and sulfur	Gasoline, jet fuel, ultra-low-sulfur diesel, liquefied petroleum gases, propylene, aromatics and sulfur	Gasoline, jet fuel, high-sulfur diesel, light cycle oil, liquefied petroleum gases, propylene and ammonium thiosulfate
Relevant Crack Spread Benchmark	Gulf Coast 5-3-2	Gulf Coast 5-3-2 <sup>(1)</sup>	Gulf Coast 3-2-1 <sup>(2)</sup>	Gulf Coast 2-1-1 <sup>(3)</sup>
Marketing and Distribution	The refining segment's petroleum-based products are marketed primarily in the south central and southwestern regions of the United States, and the refining segment also ships and sells gasoline into wholesale markets in the southern and eastern United States. Motor fuels are sold under the Alon or Delek brand through various terminals to supply Alon or Delek branded retail sites. In addition, we sell motor fuels through our wholesale distribution network on an unbranded basis.			

<sup>(1)</sup> While there is variability in the crude slate and the product output at the El Dorado refinery, we compare our per barrel refined product margin to the U.S. Gulf Coast ("Gulf Coast") 5-3-2 crack spread because we believe it to be the most closely aligned benchmark.

<sup>(2)</sup> Our Big Spring refinery is capable of processing substantial volumes of sour crude oil, which has historically cost less than intermediate, and/or substantial volumes of sweet crude oil, and therefore the WTI Cushing/ West Texas Sour ("WTS") price differential, taking into account differences in production yield, is an important measure for helping us make strategic, market-responsive production decisions.

<sup>(3)</sup> The Krotz Springs refinery has the capability to process substantial volumes of light sweet crude oil to produce a high percentage of refined light products.

Our refining segment also owns three biodiesel facilities involved in the production of biodiesel fuels and related activities, located in Crossett, Arkansas, Cleburne, Texas, and New Albany, Mississippi. During the second quarter of 2024, we made the decision to idle the biodiesel facilities, while exploring viable and sustainable alternatives. See Note 15 of the condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q for further information. In addition, the refining segment includes our wholesale crude operations and our 50% interest in a joint venture that owns asphalt terminals located in the southwestern region of the U.S.

## Logistics Overview

Our logistics segment gathers, transports and stores crude oil and natural gas; markets, distributes, transports and stores refined products; and disposes and recycles water in select regions of the southeastern United States, West Texas and New Mexico for our refining segment and third parties. It is comprised of the consolidated balance sheet and results of operations of Delek Logistics (NYSE: DKL), where we owned a 72.6% interest at June 30, 2024. Delek Logistics was formed by Delek in 2012 to own, operate, acquire and construct crude oil and refined products logistics and marketing assets. A substantial majority of Delek Logistics' assets are currently integral to our refining and marketing operations. The logistics segment's gathering and processing business owns or leases capacity on approximately 398 miles of crude oil transportation pipelines, approximately 406 miles of refined product pipelines, and an approximately 1,400-mile crude oil gathering system of which 489 miles is decommissioned. The storage and transportation business owns or leases associated crude oil storage tanks with an aggregate of approximately 10.0 million barrels of active shell capacity. It also owns and operates nine light product terminals and markets light products using third-party terminals. Logistics has strategic investments in pipeline joint ventures that provide access to pipeline capacity as well as the potential for earnings from joint venture operations. The logistics segment owns or leases approximately 199 tractors and 353 trailers used to haul primarily crude oil and other products for related and third parties.

## Retail Overview

Our retail segment (or "Retail") at June 30, 2024 includes the operations of 250 owned and leased convenience store sites located primarily in West Texas and New Mexico. Our convenience stores typically offer various grades of gasoline and diesel under the DK or Alon brand name and food products, food service, tobacco products, non-alcoholic and alcoholic beverages, general merchandise as well as money orders to the public, primarily under the DK or Alon brand names. Substantially all of the motor fuel sold through our retail segment is supplied by our Big Spring refinery, which is transferred to the retail segment at prices substantially determined by reference to published commodity pricing information.

## Corporate and Other Overview

Our corporate activities, results of certain immaterial operating segments, and intercompany eliminations are reported in 'corporate, other and eliminations' in our segment disclosures. Additionally, our corporate activities include certain of our commodity and other hedging activities.

## Strategic Objectives

It is vitally important that our strategic objectives, especially in view of the evolutionary direction of our macroeconomic and geopolitical environment, involves a process of continuous evaluation of our business model in terms of cost structure, as well as long-term economic and operational sustainability. More consolidation in our industry is expected from increased cost pressures due in part to the regulatory environment continuing to move towards reducing carbon emissions and transitioning to renewable energy in the long-term. However, we believe we are uniquely positioned as a leader in operating and excelling in niche markets and could continue capitalizing on and growing our integrated business model. To compete under historic environmental and regulatory changes, companies in our industry will need to be adaptive, forward-thinking and strategic in their approach to long-term sustainability.

The emphasis on environmental responsibility and long-term economic and environmental sustainability has increased. Demand for additional transparency continues to evolve. As we evaluate our current sustainability and Environmental, Social and Governance ("ESG") positioning in the market, we also must integrate a broader sustainability view into all of our activities, both operational and strategic. We have developed overarching key objectives that guide us when we formulate our strategic plans.

### Key Objectives

Certain fundamental principles are foundational to our long-term strategy and direct us as we develop our strategic objectives. With that in mind, we have identified the following overarching key objectives:

- I. **Operational Excellence**
- II. **Financial Strength and Flexibility**
- III. **Strategic Initiatives**

#### Operational Excellence

We are committed to operational excellence which includes maintaining safe, reliable, and environmentally responsible operations. It also encompasses the dedication and drive for constant improvement across our operations in reliability, safety, and efficiency. Delek prioritizes stewardship of the environment, and we focus on how to positively impact our shareholders, employees, customers, and the communities where we operate. We understand that if our assets run reliably and safely, it is better for the safety of our employees, communities, and environment. We believe that focusing on people, processes and equipment will lead to improved utilization and yields and ultimately better employee retention and lower costs, which translates to improved returns for our shareholders. For 2024, we are focused on the following:

- Prioritize safety and environmental compliance by implementing foundational best practices to increase operations ability to provide safe, compliant, and reliable operations.
- Focus on operational excellence by building out our operations centric area business teams, frontline supervisor training as well as other key competency training.
- Execute a major turnaround at the Krotz Springs refinery, focusing on outage spend and optimizing downtime and implementing margin enhancement.
- Identify and evaluate organic growth projects that improve yield and increase utilization.
- Continue our progression of digital system implementations that will improve our ability to understand all aspects of our business as well as our ability to make real-time and forward-looking operational decisions. Automate processes and shift operational roles to higher value-added activities.

#### Financial Strength and Flexibility

In our industry, as with many volatile businesses, it is very important to make capital investments with accretive returns and maintain a debt balance at a comfortable leverage ratio. We want to reward our shareholders and investors with a disciplined and balanced capital allocation framework, which we believe will strengthen shareholder value by, among other things, a stable dividend complemented by opportunistic share repurchases. We are also committed to lowering costs and improving the efficiency of our cost structure in all aspects of our business. For 2024, we are focused on the following:

- Reward our shareholders and investors with a disciplined and balanced capital allocation framework, including opportunities to strengthen our balance sheet by reducing debt or opportunistically repurchasing shares with excess cash.
- Pursue strategic investments and acquisitions with a focus on geographic and revenue stream diversity.
- Build upon the zero-based budget foundation set in 2022 by implementing phase 2, which includes further improvements to our operating and general and administrative cost structure.

**Strategic Initiatives**

One of our near-term strategic initiatives is centered around unlocking the "sum of the parts" value of our existing business while identifying growth opportunities to diversify the Company's geographic footprint and revenue stream, including in the alternative energy markets, as well as enhance its scale, compensate investors and develop other areas of its business. For 2024, we are focused on the following:

- Execute on our strategic initiatives, which may include opportunities to monetize our retail operations or some of our investment in Delek Logistics. The goal being, to help unlock value embedded in the Delek valuation, while also improving liquidity in the market for Delek Logistics units without diluting overall Delek Logistics market capitalization.
- Identify and evaluate investment opportunities that fit our sustainability view and integrate into our current asset footprint, including strategic investments or joint ventures in renewables, incubator investments in new technologies, and other core-business investments that could improve our scalability and agility.
- Deploy integrated solutions to simplify architecture, data management and cybersecurity.

**2024 Strategic Developments**

The following table highlights our 2024 Strategic Developments:

2024 Strategic Developments	2024 Key Initiatives		
	Operational Excellence	Financial Strength & Flexibility	Strategic Initiatives
<p><b>Investing in Energy Transition:</b> We were selected by the DOE Office of Clean Energy Demonstrations to negotiate a cost-sharing agreement in support of a carbon capture pilot project at the Big Spring refinery. The DOE Carbon Capture Large-Scale Pilot Project program provides 70% cost-share for up to \$95 million of federal funding to support project development.</p>			✓
<p><b>Extending Long Term Debt Maturities:</b> On March 13, 2024, Delek Logistics sold \$650.0 million in aggregate principal amount of 8.625% Senior Notes due 2029, at par. Net proceeds were used to redeem the Delek Logistics 2025 Notes including accrued interest, pay off the Delek Logistics Term Loan Facility including accrued interest and to repay borrowings under the Delek Logistics Revolving Facility. On April 17, 2024, Delek Logistics sold \$200 million in aggregate principal amount of additional 8.625% senior notes due 2029, at 101.25%. The Additional 2029 Notes were issued under the same indenture as the Delek Logistics 2029 Notes and formed a part of the same series of notes as the Delek Logistics 2029 Notes. The net proceeds were used to repay a portion of the outstanding borrowings under the Delek Logistics Revolving Facility.</p>		✓	
<p><b>Strengthening the Balance Sheet:</b> On March 12, 2024, Delek Logistics completed a public offering of its common units in which it sold 3,584,416 common units (including an overallotment option of 467,532 common units) to the underwriters of the offering at a price to the public of \$38.50 per unit. The proceeds received from this offering (net of underwriting discounts, commissions and expenses) were \$132.2 million and were used to repay borrowings under the Delek Logistics Revolving Facility.</p>		✓	
<p><b>Executing Safe and Reliable Operations:</b> Our focus on safe and reliable operations allowed us to achieve record throughput for the second quarter of 2024 as reliability continues to increase.</p>	✓		
<p><b>Enhancing Environmental Standards with Capital Expenditures:</b> We successfully completed a benzene stripper project at the Big Spring Refinery, which supports achievement of our Clean Air Act Consent Decree requirements related to benzene in wastewater.</p>	✓		
<p><b>Expanding Delek Logistics' Natural Gas Processing:</b> In Q2 2024, Delek Logistics made the final investment decision to build a new natural gas processing plant adjacent to its plant in the Permian Basin. The plant is expected to have a capacity of approximately 110 MMcf/d (as defined below) and aims to meet the rising demand for natural gas in the region.<sup>(1)</sup> Total estimated cost is between \$160.0 and \$165.0 million with an anticipated start-up of early 2025. This expansion project will also increase Delek Logistics' third party revenue.</p>		✓	✓
<p><b>Monetizing Our Retail Operations:</b> On July 31, 2024, we entered into the Retail Purchase Agreement with FEMSA to sell 249 retail fuel and convenience stores that we own and operate under the DK brand for a cash consideration of \$350.0 million plus the purchase of inventory and other customary adjustments under the Retail Purchase Agreement for indebtedness. The Retail Stores are located in Texas, New Mexico, and Arkansas. The Retail Transaction includes a long-term agreement whereby Delek will sell to FEMSA certain motor fuel products for use at the Retail Stores. The closing of the Retail Transaction is currently anticipated to occur by the end of 2024, subject to certain customary closing conditions.</p>		✓	✓
<p><b>Executing Strategic Midstream Acquisition:</b> On August 2, 2024, Delek Logistics entered into the H2O Purchase Agreement related to the Seller's water disposal and recycling operations, in the Midland Basin in Texas for total consideration of \$230.0 million, subject to customary adjustments under the H2O Purchase Agreement for net working capital and indebtedness. The purchase price is comprised of approximately \$160.0 million in cash and \$70.0 million of preferred equity. This transaction will enhance Delek Logistics' position as a full service (crude, natural gas and water) provider in the most prolific areas of the Permian basin. The closing of the H2O Transaction is currently anticipated to occur by the end of 2024.</p>		✓	✓
<p><b>Maximizing Shareholder Value:</b> On August 1, 2024, we purchased an additional 0.6% indirect investment in Wink to Webster Pipeline LLC for \$18.6 million, bringing our total indirect ownership in the pipeline joint venture to 15.6%. On August 5, 2024, we contributed all of our 50% investment in HoldCo which includes our 15.6% indirect interest in the Wink to Webster Pipeline LLC joint venture and related joint venture indebtedness, to a subsidiary of Delek Logistics. Total consideration was comprised of \$86.6 million in cash, forgiveness of a \$60.0 million payable to Delek Logistics and 2,300,000 of Delek Logistics common units.</p>			✓

<sup>(1)</sup> Million cubic feet ("MMcf") per day ("MMcf/d").

**Market Trends**

Our results of operations are significantly affected by fluctuations in the prices of certain commodities, including, but not limited to, crude oil, gasoline, distillate fuel, biofuels, natural gas and electricity, among others. Historically, the impact of commodity price volatility on our refining margins (as defined in our "Non-GAAP Measures" in MD&A Item 2), specifically as it relates to the price of crude oil as compared to the price of refined products and timing differences in the movements of those prices (subject to our inventory costing methodology), as well as location differentials, may be favorable or unfavorable compared to peers. Additionally, our refining margin profitability is impacted by regulatory factors, including the cost of renewable identification numbers ("RINs").

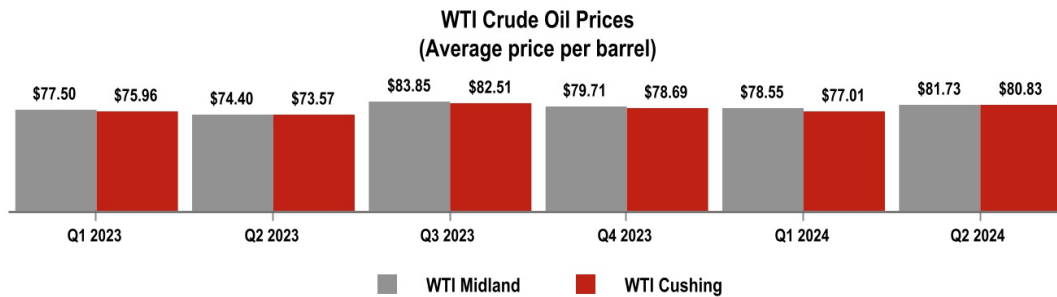
We have positioned the Company to continue to run safely, reliably and environmentally responsibly at near or above nameplate capacity while leveraging our Delek Logistics and retail lines of business with an eye towards the One Delek vision. Increased geopolitical risks and general elevated tensions in the Middle East have put upward pressure on crude oil prices. Many uncertainties remain with respect to the global supply and demand of the crude oil and refined products markets and it is difficult to predict the ultimate economic impacts this may have on our operations. We expect gasoline and diesel demand to continue to follow typical seasonal patterns as we continue through the summer driving season.

See below for further discussion on how certain key market trends impact our operating results.

**Crude Prices**

WTI crude oil represents the largest component of our crude slate at all of our refineries, and can be sourced through our gathering channels or optimization efforts from Midland, Texas or Cushing, Oklahoma or other locations. We manage our supply chain risk to ensure that we have the barrels to meet our crude slate consumption plan for each month through gathering supply contracts and throughput agreements on various strategic pipelines, some of which include those where we hold equity method investments. We manage market price risk on crude oil through financial derivative hedges, in accordance with our risk management strategies.

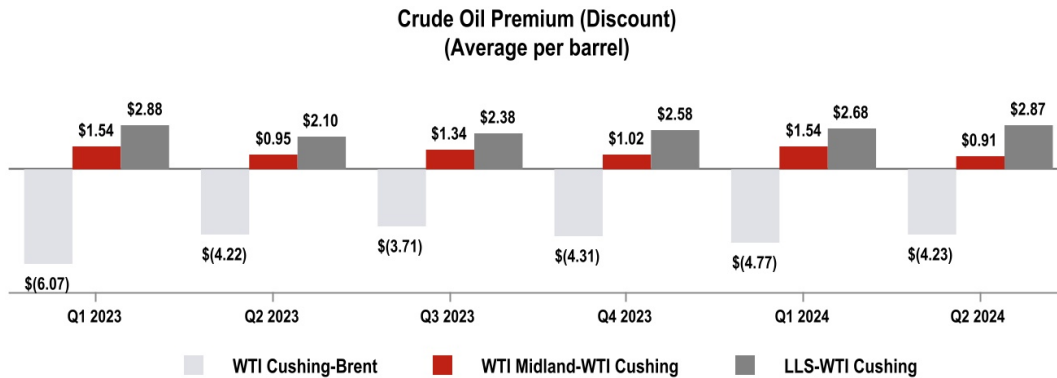
The table below reflects the quarterly average prices of WTI Midland and WTI Cushing crude oil for each of the quarterly periods in 2023 and for the two quarterly periods in 2024.



**Crude Pricing Differentials**

Historically, domestic refiners have benefited from the discount for WTI Cushing compared to Brent, a global benchmark crude. This generally leads to higher margins in our refineries, as refined product prices are influenced by Brent crude prices and the majority of our crude supply is WTI-linked. Because of our positioning in the Permian basin, including our access to significant sources of WTI Midland crude through our gathering system, we are even further benefited by discounts for WTI Midland/WTI Cushing differentials. When these discounts shrink or become premiums, our reliance on WTI-linked crude pricing, and specifically WTI Midland crude, can negatively impact our refining margins. Conversely, as these price discounts widen, so does our competitive advantage, created specifically by our access to WTI Midland crude sourced through our gathering systems.

The chart below illustrates the key differentials impacting our refining operations, including WTI Cushing to Brent, WTI Midland to WTI Cushing, and Louisiana Light Sweet crude oil ("LLS") to WTI Cushing for each of the quarterly periods in 2023 and for the two quarterly periods in 2024.



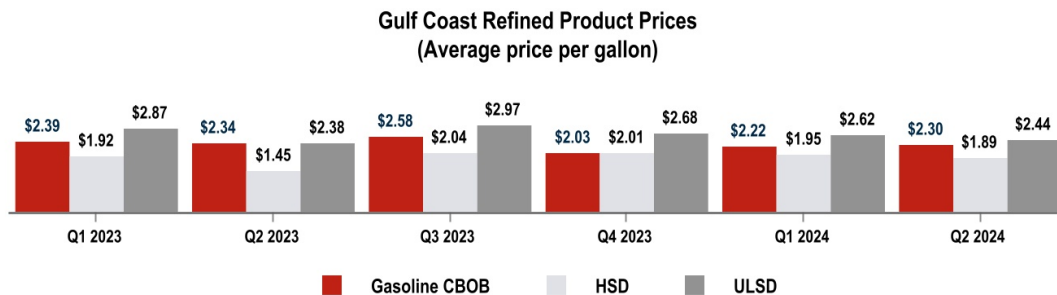
**Refined Product Prices**

We are impacted by refined product prices in two ways: (1) in terms of the prices we are able to sell our refined product for in our refining segment, and (2) in terms of the cost to acquire the refined products to meet Refining production shortfalls (e.g., when we have outages), or to acquire refined fuel products we sell to our wholesale customers in our logistics segment and at our convenience stores in our retail segment. These prices largely depend on numerous factors beyond our control, including the supply of, and demand for, crude oil, gasoline and other refined petroleum products which, in turn, depend on, among other factors, changes in domestic and foreign economies, weather conditions, domestic and foreign political affairs, production levels, the availability of imports, the marketing of competitive fuels and government regulation.

Our refineries produce the following products:

	Tyler Refinery	EI Dorado Refinery	Big Spring Refinery	Krotz Springs Refinery
Primary Products	Gasoline, jet fuel, ultra-low-sulfur diesel, liquefied petroleum gases, propylene, petroleum coke and sulfur	Gasoline, ultra-low-sulfur diesel, liquefied petroleum gases, propylene, asphalt and sulfur	Gasoline, jet fuel, ultra-low-sulfur diesel, liquefied petroleum gases, propylene, aromatics and sulfur	Gasoline, jet fuel, high-sulfur diesel, light cycle oil, liquefied petroleum gases, propylene and ammonium thiosulfate

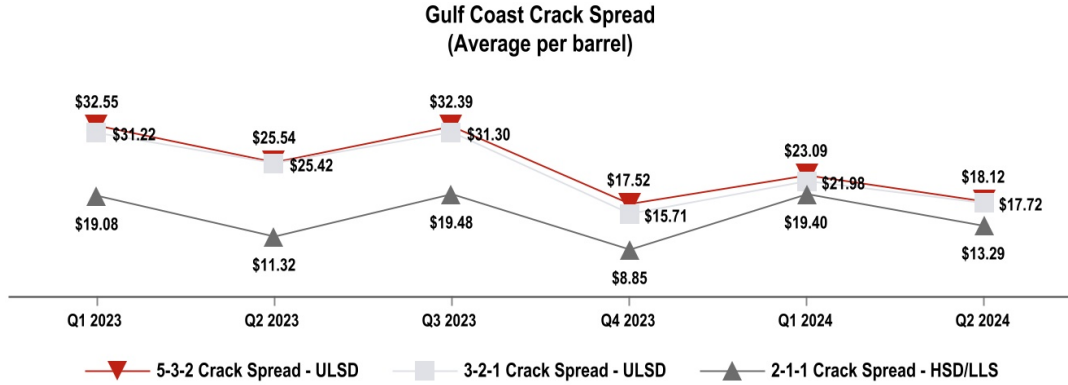
The charts below illustrate the quarterly average prices of Gulf Coast Gasoline ("CBOB"), U.S. High Sulfur Diesel ("HSD") and U.S. Ultra Low Sulfur Diesel ("ULSD") for each of the quarterly periods in 2023 and for the two quarterly periods in 2024.



**Crack Spreads**

Crack spreads are used as benchmarks for predicting and evaluating a refinery's product margins by measuring the difference between the market price of feedstocks/crude oil and the resultant refined products. Generally, a crack spread represents the approximate refining margin resulting from processing one barrel of crude oil into its outputs, generally gasoline and diesel fuel.

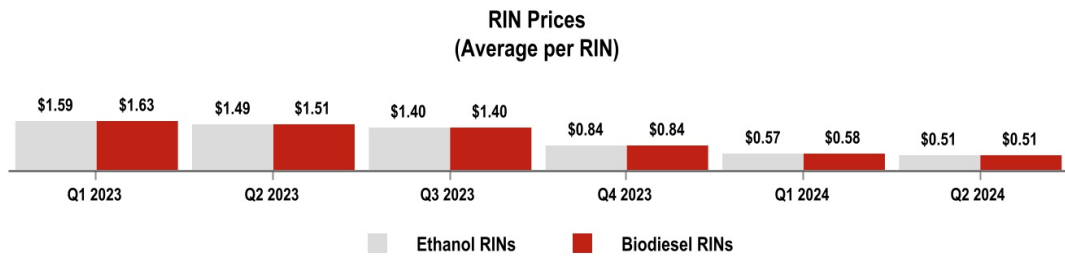
The table below reflects the quarterly average Gulf Coast 5-3-2 ULSD, 3-2-1 ULSD and 2-1-1 HSD/LLS crack spreads for each of the quarterly periods in 2023 and for the two quarterly periods in 2024.



**RIN Volatility**

Environmental regulations and the political environment continue to affect our refining margins in the form of volatility in the price of RINs. We enter into future commitments to purchase or sell RINs at fixed prices and quantities, which are used to manage the costs of our credits for commitments required by the U.S. Environmental Protection Agency ("EPA") to blend biofuels into fuel products ("RINs Obligation"). On a consolidated basis, we work to balance our RINs Obligation in order to minimize the effect of RINs prices on our results. While we obtain RINs in our refining and logistics segments through our ethanol and biodiesel blending and generate RINs through biodiesel production, our refining segment still must purchase additional RINs to satisfy its obligations. Additionally, our ability to obtain RINs through blending is limited by our refined product slate, blending capabilities and market constraints. The cost to purchase these additional RINs is a significant cash outflow for our business. Increases in the market prices of RINs generally adversely affect our results of operations through changes in fair value to our existing RINs Obligation, to the extent we do not have offsetting RINs inventory on hand or effective economic hedges through net forward purchase commitments. RINs prices are highly sensitive to regulatory and political influence and conditions, and therefore often do not correlate to movements in crude oil prices, refined product prices or crack spreads. Because of the volatility in RINs prices, it is not possible to predict future RINs cost with certainty, and movements in RINs prices can have significant and unanticipated adverse effects on our refining margins that are outside of our control.

The chart below illustrates the volatility in RINs for each of the quarterly periods in 2023 and for the two quarterly periods in 2024.

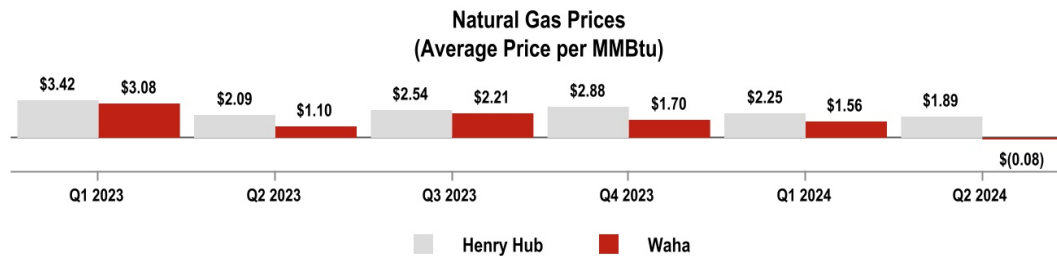




## Energy Costs

Energy costs are a significant element of our Refining Earnings before interest, taxes, depreciation and amortization ("EBITDA") and can significantly impact our ability to capture crack spreads, with natural gas representing the largest component. Natural gas prices are driven by supply-side factors such as amount of natural gas production, level of natural gas in storage and import and export activity, while demand-side factors include variability of weather, economic growth and the availability and price of other fuels. Refiners and other large-volume fuel consumers may be more or less susceptible to volatility in natural gas prices depending on their consumption levels as well as their capabilities to switch to more economical sources of fuel/energy. Additionally, geographic location of facilities make consumers vulnerable to price differentials of natural gas available at different supply hubs. Within Delek's geographic footprint, we source the majority of our natural gas from the Gulf Coast, and secondarily from the Permian, coinciding with the physical locations of our refineries. We manage our risk around natural gas prices by entering into variable and fixed-price supply contracts in both the Gulf and Permian Basin or by entering into derivative hedges based on forecasted consumption and forward curve prices, as appropriate, in accordance with our risk policy.

The chart below illustrates the quarterly average prices of Waha (Permian Basin) and Henry Hub (Gulf Coast) per million British Thermal Units ("MMBtu") beginning with the first quarter of 2023 through the second quarter of 2024.



## Non-GAAP Measures

Our management uses certain non-Generally Accepted Accounting Principles ("non-GAAP") operational measures to evaluate our operating segment performance and non-GAAP financial measures to evaluate past performance and prospects for the future to supplement our GAAP financial information presented in accordance with U.S. GAAP. These financial and operational non-GAAP measures are important factors in assessing our operating results and profitability and include:

- EBITDA - calculated as net income (loss) attributable to Delek adjusted to add back interest expense, income tax expense, depreciation and amortization; and
- Refining margin - calculated as gross margin (which we define as sales minus cost of sales) adjusted for operating expenses and depreciation and amortization included in cost of sales.

We believe these non-GAAP operational and financial measures are useful to investors, lenders, ratings agencies and analysts to assess our ongoing performance because, when reconciled to their most comparable GAAP financial measure, they provide improved comparability between periods through the exclusion of certain items that we believe are not indicative of our core operating performance and they may obscure our underlying results and trends.

Non-GAAP measures have important limitations as analytical tools, because they exclude some, but not all, items that affect net earnings and operating income. These measures should not be considered substitutes for their most directly comparable U.S. GAAP financial measures.

**Non-GAAP Reconciliations**

The following table provides a reconciliation of segment EBITDA to the most directly comparable U.S. GAAP measure, net (loss) income attributable to Delek:

*Reconciliation of segment EBITDA to net (loss) income attributable to Delek (in millions)*

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Refining segment EBITDA	\$ 17.3	\$ 121.8	\$ 122.4	\$ 317.3
Logistics segment EBITDA	100.6	90.9	200.3	182.3
Retail segment EBITDA	12.4	15.0	18.9	21.4
Corporate, Other and Eliminations EBITDA	(5.4)	(70.0)	(73.6)	(123.3)
<b>EBITDA attributable to Delek</b>	<b>\$ 124.9</b>	<b>\$ 157.7</b>	<b>\$ 268.0</b>	<b>\$ 397.7</b>
Interest expense, net	(77.7)	(80.4)	(165.4)	(156.9)
Income tax benefit (expense)	7.7	3.8	14.9	(12.0)
Depreciation and amortization	(92.1)	(89.4)	(187.3)	(172.8)
<b>Net (loss) income attributable to Delek</b>	<b>\$ (37.2)</b>	<b>\$ (8.3)</b>	<b>\$ (69.8)</b>	<b>\$ 56.0</b>

The following table provides a reconciliation of refining margin to the most directly comparable U.S. GAAP measure, gross margin:

*Reconciliation of refining margin to gross margin (in millions)*

<b>Refining Segment</b>				
	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Total revenues	\$ 3,307.2	\$ 4,052.5	\$ 6,415.5	\$ 7,847.0
Cost of sales	3,356.4	3,996.9	6,423.5	7,651.4
<b>Gross margin</b>	<b>\$ (49.2)</b>	<b>\$ 55.6</b>	<b>\$ (8.0)</b>	<b>\$ 195.6</b>
Add back (items included in cost of sales):				
Operating expenses (excluding depreciation and amortization)	148.6	153.8	314.4	292.9
Depreciation and amortization	57.4	59.8	118.8	116.4
<b>Refining margin</b>	<b>\$ 156.8</b>	<b>\$ 269.2</b>	<b>\$ 425.2</b>	<b>\$ 604.9</b>

## Summary Financial and Other Information

The following table provides summary financial data for Delek (in millions):

### Summary Statement of Operations Data <sup>(1)</sup>

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net revenues	\$ 3,421.7	\$ 4,195.6	\$ 6,649.3	\$ 8,119.9
Cost of sales:				
Cost of materials and other	3,099.4	3,766.6	5,896.7	7,206.2
Operating expenses (excluding depreciation and amortization presented below)	185.1	188.7	398.9	359.5
Depreciation and amortization	80.7	82.6	167.1	159.4
Total cost of sales	3,365.2	4,037.9	6,462.7	7,725.1
Insurance proceeds	—	—	—	—
Operating expenses related to retail and wholesale business (excluding depreciation and amortization presented below)	26.3	31.1	52.1	58.1
General and administrative expenses	63.1	75.8	127.5	147.3
Depreciation and amortization	11.4	6.8	20.2	13.4
Asset impairment	22.1	—	22.1	—
Other operating income, net	(79.9)	(6.1)	(81.5)	(16.9)
Total operating costs and expenses	3,408.2	4,145.5	6,603.1	7,927.0
Operating income	13.5	50.1	46.2	192.9
Interest expense, net	77.7	80.4	165.4	156.9
Income from equity method investments	(30.4)	(25.5)	(52.3)	(40.1)
Other expense (income), net	—	0.5	(0.7)	(6.6)
Total non-operating expenses, net	47.3	55.4	112.4	110.2
(Loss) income before income tax (benefit) expense	(33.8)	(5.3)	(66.2)	82.7
Income tax (benefit) expense	(7.7)	(3.8)	(14.9)	12.0
Net (loss) income	(26.1)	(1.5)	(51.3)	70.7
Net income attributed to non-controlling interests	11.1	6.8	18.5	14.7
Net (loss) income attributable to Delek	\$ (37.2)	\$ (8.3)	\$ (69.8)	\$ 56.0

<sup>(1)</sup> This information is presented at a summary level for your reference. See the Condensed Consolidated Statements of Income in Item 1. to this Quarterly Report on Form 10-Q for more detail regarding our results of operations and net income per share.

We report operating results in three reportable segments:

- Refining
- Logistics
- Retail

Decisions concerning the allocation of resources and assessment of operating performance are made based on this segmentation. Management measures the operating performance of each of its reportable segments based on the segment EBITDA.

## Results of Operations

### Consolidated Results of Operations — Comparison of the Three and Six Months Ended June 30, 2024 versus the Three and Six Months Ended June 30, 2023.

#### Net (Loss) Income

##### Q2 2024 vs. Q2 2023

Consolidated net loss for the second quarter of 2024 was \$26.1 million compared to net loss of \$1.5 million for the second quarter of 2023. Consolidated net loss attributable to Delek for the second quarter of June 30, 2024 was \$37.2 million, or \$(0.58) per basic share, compared to a net loss of \$8.3 million, or \$(0.13) per basic share, for the second quarter 2023. Explanations for significant drivers impacting net loss as compared to the comparable period of the prior year are discussed in the sections below.

**YTD 2024 vs. YTD 2023**

Consolidated net loss for the six months ended June 30, 2024 was \$51.3 million compared to a net income of \$70.7 million for the six months ended June 30, 2023. Consolidated net loss attributable to Delek for the six months ended June 30, 2024 was \$69.8 million, or \$(1.09) per basic share, compared to income of \$56.0 million, or \$0.84 per basic share, for the six months ended June 30, 2023. Explanations for significant drivers impacting net (loss) income as compared to the comparable period of the prior year are discussed in the sections below.

**Net Revenues****Q2 2024 vs. Q2 2023**

In the second quarter of 2024 and 2023, we generated net revenues of \$3,421.7 million and \$4,195.6 million, respectively, a decrease of \$773.9 million, or 18.4%. The decrease in net revenues was primarily driven by the following factors:

- in our refining segment, decreases in the average price of U.S. Gulf Coast gasoline of 1.7% and decreases in wholesale activity, partially offset by increased sales volume and increases in the average price of U.S. Gulf Coast ULSD of 2.5% and HSD of 30.3%;
- in our logistics segment, increases in our West Texas marketing operations and an increase in terminalling and marketing fees due to rate increases as well as higher volumes; and
- in our retail segment, a decrease in total fuel sales primarily attributable to a 2.9% decrease in average price charged per gallon sold and a decrease in merchandise sales primarily driven by the same-store sales decrease of 5.2%.

**YTD 2024 vs. YTD 2023**

We generated net revenues of \$6,649.3 million and \$8,119.9 million during the six months ended June 30, 2024 and 2023, respectively, a decrease of \$1,470.6 million, or 18.1%. The decrease in net revenues was primarily due to the following:

- in our refining segment, decreases in the average price of U.S. Gulf Coast gasoline of 4.6% and ULSD of 3.4% and decreases in wholesale activity, partially offset by increased sales volume and an increase in the average price of U.S. Gulf Coast HSD of 14.3%;
- in our logistics segment, increases in our West Texas marketing operations and an increase in terminalling and marketing fees due to rate increases as well as higher volumes; and
- in our retail segment, a decrease in total fuel sales primarily attributable to a \$0.13 decrease in average price charged per gallon sold and a decrease in merchandise sales primarily driven by the same-store sales decrease of 4.7%.

**Total Operating Costs and Expenses****Cost of Materials and Other****Q2 2024 vs. Q2 2023**

Cost of materials and other was \$3,099.4 million for the second quarter of 2024 compared to \$3,766.6 million for the second quarter of 2023, a decrease of \$667.2 million, or 17.7%. The net decrease in cost of materials and other was primarily driven by the following:

- decreased wholesale activity and decreased RINs pricing, partially offset by increases in cost of crude oil feedstocks at the refineries, including a 9.9% increase in the average cost of WTI Cushing crude oil and a 9.9% increase in the average cost of WTI Midland crude oil and an increase in sales volume;
- increase in logistics costs due to increased costs of materials and other in our West Texas marketing operations primarily driven by increases in the volumes of gasoline and diesel sold, partially offset by decreases in the average cost per gallon; and
- a decrease in retail cost of materials and other due to 2.1% decrease in average cost per gallon sold applied to lower fuel sales volumes.

**YTD 2024 vs. YTD 2023**

Cost of materials and other was \$5,896.7 million for the six months ended June 30, 2024, compared to \$7,206.2 million for six months ended June 30, 2023, a decrease of \$1,309.5 million, or 18.2%. The net decrease in cost of materials and other primarily related to the following:

- decreased wholesale activity and decreased RINs pricing, partially offset by an increase in the cost of crude oil feedstocks at the refineries, including a 5.6% increase in the average cost of WTI Cushing crude oil and a 5.5% increase in the average cost of WTI Midland crude oil and an increase in sales volume;
- increase in logistics costs due to increased costs of materials and other in our West Texas marketing operations primarily driven by increases in the average volumes of gasoline and diesel sold, partially offset by decreased costs per gallon; and
- a decrease in retail cost of materials and other due to 4.3% decrease in average cost per gallon sold applied to lower fuel sales volumes.

### **Operating Expenses**

#### **Q2 2024 vs. Q2 2023**

Operating expenses (included in both cost of sales and other operating expenses) were \$211.4 million for the second quarter of 2024 compared to \$219.8 million for the second quarter of 2023, a decrease of \$8.4 million, or 3.8%. The decrease in operating expenses was primarily driven by the following:

- a decrease in employee costs.

These decreases were partially offset by the following:

- an increase in maintenance costs.

#### **YTD 2024 vs. YTD 2023**

Operating expenses (included in both cost of sales and other operating expenses) were \$451.0 million for the six months ended June 30, 2024 compared to \$417.6 million in six months ended June 30, 2023, an increase of \$33.4 million, or 8.0%. The increase in operating expenses was primarily driven by the following:

- an increase in maintenance costs; and
- an increase in employee costs.

These increases were partially offset by the following:

- lower natural gas prices.

### **General and Administrative Expenses**

#### **Q2 2024 vs. Q2 2023**

General and administrative expenses were \$63.1 million for the second quarter of 2024 compared to \$75.8 million for the second quarter of 2023, a decrease of \$12.7 million, or 16.8%. The decrease was primarily driven by a decrease in employee costs including incentive compensation costs and decreased restructuring costs.

#### **YTD 2024 vs. YTD 2023**

General and administrative expenses were \$127.5 million for the six months ended June 30, 2024 compared to \$147.3 million in six months ended June 30, 2023, a decrease of \$19.8 million, or 13.4%. The decrease was primarily driven by a decrease in employee costs including incentive compensation costs.

### **Depreciation and Amortization**

#### **Q2 2024 vs. Q2 2023**

Depreciation and amortization (included in both cost of sales and other operating expenses) was \$92.1 million for the second quarter of 2024 compared to \$89.4 million for the second quarter of 2023, an increase of \$2.7 million, or 3.0%.

#### **YTD 2024 vs. YTD 2023**

Depreciation and amortization (included in both cost of sales and other operating expenses) was \$187.3 million and \$172.8 million for the six months ended June 30, 2024 and 2023, respectively, an increase of \$14.5 million, or 8.4%. The increase was a result of a general increase in our fixed asset base due to capital projects and turnarounds completed.

**Asset Impairment****Q2 2024 vs. Q2 2023**

Asset impairment was \$22.1 million for the three months ended June 30, 2024. We recorded \$22.1 million asset impairment as a result of our second quarter 2024 decision to idle the biodiesel facilities, while exploring viable and sustainable alternatives. There was no asset impairment in the three months ended June 30, 2023.

**YTD 2024 vs. YTD 2023**

Asset impairment was \$22.1 million for the six months ended June 30, 2024. We recorded \$22.1 million asset impairment as a result of our second quarter 2024 decision to idle the biodiesel facilities, while exploring viable and sustainable alternatives. There was no asset impairment in the six months ended June 30, 2023.

Refer to Note 15 condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q for further information.

**Other Operating Income, Net****Q2 2024 vs. Q2 2023**

Other operating income, net increased by \$73.8 million in the second quarter of 2024 to \$79.9 million compared to \$6.1 million in the second quarter of 2023. The increase was primarily driven by the following:

- for the three months ended June 30, 2024, we recorded a net gain of \$53.4 million in the 2024 period related to a property settlement;
- for the three months ended June 30, 2024, we recorded a gain of \$25.1 million related to insurance proceeds and other third party recoveries related to the 2021 El Dorado refinery fire and the 2022 Big Spring refinery fire related to property damage and business interruption claims, compared to \$4.7 million of business interruption and property damage insurance recoveries in the 2023 period related to the fire and freeze events that occurred in 2021; and
- for the three months ended June 30, 2024, we recorded a gain of \$8.3 million related to Delek Logistics' sale of storage tanks in Texas due an eminent domain settlement.

Refer to Note 11 of the condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q for further information.

**YTD 2024 vs. YTD 2023**

Other operating income, net was \$81.5 million and \$16.9 million for the six months ended June 30, 2024 and 2023, respectively, an increase of \$64.6 million. The increase was primarily driven by the following:

- for the six months ended June 30, 2024, we recorded a net gain of \$53.4 million in the 2024 period related to a property settlement;
- for the six months ended June 30, 2024, we recorded a gain of \$28.7 million related to insurance proceeds and other third party recoveries related to the 2021 El Dorado refinery fire, the 2021 freeze events and the 2022 Big Spring refinery fire related to property damage and business interruption claims, compared to \$9.8 million of business interruption and property damage insurance recoveries in the 2023 period related to the fire and freeze events that occurred in 2021;
- for the six months ended June 30, 2024, we recorded a gain of \$8.3 million related to Delek Logistics' sale of storage tanks in Texas due to an eminent domain settlement; and
- decreased hedge gains in 2024 compared to 2023 associated with our derivatives.

Refer to Note 11 of the condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q for further information.

**Non-Operating Expenses, Net****Interest Expense, Net****Q2 2024 vs. Q2 2023**

Interest expense, net decreased by \$2.7 million, or (3.4)%, to \$77.7 million in the second quarter of 2024 compared to \$80.4 million in the second quarter of 2023, primarily driven by the following:

- a decrease in net average borrowings outstanding (including the obligations under the inventory intermediation agreements which have an associated interest charge) of approximately \$326.0 million in the second quarter of 2024 (calculated as a simple average of beginning borrowings/obligations and ending borrowings/obligations for the period) compared to the second quarter of 2023; and

- an increase in the average effective interest rate of 92 basis points in the second quarter of 2024 compared to the second quarter of 2023 (where effective interest rate is calculated as interest expense divided by the net average borrowings/obligations outstanding).

#### **YTD 2024 vs. YTD 2023**

Interest expense, net was \$165.4 million in the six months ended June 30, 2024, compared to \$156.9 million for six months ended June 30, 2023, an increase of \$8.5 million, or 5.4% primarily due to the following:

- an increase in the average effective interest rate of 197 basis points during the six months ended June 30, 2024 compared to the six months ended June 30, 2023 (where effective interest rate is calculated as interest expense divided by the net average borrowings/obligations outstanding);
- debt extinguishment costs of \$3.6 million in the six months ended June 30, 2024 related to the payoff of the Delek Logistics Term Loan Facility and Delek Logistics 2025 Notes with proceeds from the Delek Logistics 2029 Notes issued in March 2024; and
- a decrease in net average borrowings outstanding (including the obligations under the inventory intermediation agreements which have an associated interest charge) of approximately \$459.2 million during the six months ended June 30, 2024 (calculated as a simple average of beginning borrowings/obligations and ending borrowings/obligations for the period) compared to the six months ended June 30, 2023.

#### **Results from Equity Method Investments**

##### **Q2 2024 vs. Q2 2023**

We recognized income of \$30.4 million from equity method investments during the second quarter of 2024, compared to \$25.5 million for the second quarter of 2023, an increase of \$4.9 million. This increase was primarily driven by the following:

- an increase in income from our investment in W2W Holdings LLC to income of \$10.6 million in the second quarter of 2024 from income of \$6.8 million in the second quarter of 2023.

##### **YTD 2024 vs. YTD 2023**

We recognized income from equity method investments of \$52.3 million for the six months ended June 30, 2024, compared to \$40.1 million for the six months ended June 30, 2023, an increase of \$12.2 million. This increase was primarily driven by the following:

- an increase in income from our investment in W2W Holdings LLC to \$20.0 million during the six months ended June 30, 2024 from \$11.3 million in the six months ended June 30, 2023.

#### **Income Taxes**

##### **Q2 2024 vs. Q2 2023**

For the second quarter of 2024, we recorded an income tax benefit of \$7.7 million compared to \$3.8 million for the second quarter of 2023, primarily driven by the following:

- a decrease in pre-tax net income of \$28.5 million; and
- our effective tax rates were 22.8% and 71.7% for the three months ended June 30, 2024 and 2023, respectively, due to the impact of fixed dollar permanent differences on the tax rate and changes to valuation allowances on certain attributes.

##### **YTD 2024 vs. YTD 2023**

For the six months ended June 30, 2024, we recorded an income tax benefit of \$14.9 million compared to expense of \$12.0 million for the six months ended June 30, 2023, primarily driven by the following:

- a decrease in pre-tax net income of \$148.9 million, and
- our effective tax rates were 22.5% and 14.5% for the six months ended June 30, 2024 and 2023, respectively, due to the impact of fixed dollar favorable permanent differences on the tax rate and changes in valuation allowance on certain attributes.

## Refining Segment

The tables and charts below set forth selected information concerning our refining segment operations (\$ in millions, except per barrel amounts):

	Selected Refining Financial Information			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues	\$ 3,307.2	\$ 4,052.5	\$ 6,415.5	\$ 7,847.0
Cost of materials and other	3,150.4	3,783.3	5,990.3	7,242.1
Refining Margin	\$ 156.8	\$ 269.2	\$ 425.2	\$ 604.9
Operating expenses (excluding depreciation and amortization)	\$ 148.6	\$ 153.8	\$ 314.4	\$ 292.9
Refining segment EBITDA	\$ 17.3	\$ 121.8	\$ 122.4	\$ 317.3

### Factors Impacting Refining Profitability

Our profitability in the refining segment is substantially determined by the difference between the cost of the crude oil feedstocks we purchase and the price of the refined products we sell, referred to as the "crack spread", "refining margin" or "refined product margin". Refining margin is used as a metric to assess a refinery's product margins against market crack spread trends, where "crack spread" is a measure of the difference between market prices for crude oil and refined products and is a commonly used proxy within the industry to estimate or identify trends in refining margins.

The cost to acquire feedstocks and the price of the refined petroleum products we ultimately sell from our refineries depend on numerous factors beyond our control, including the supply of, and demand for, crude oil, gasoline and other refined petroleum products which, in turn, depend on, among other factors, changes in domestic and foreign economies, weather conditions such as hurricanes or tornadoes, local, domestic and foreign political affairs, global conflict, production levels, the availability of imports, the marketing of competitive fuels and government regulation. Other significant factors that influence our results in the refining segment include operating costs (particularly the cost of natural gas used for fuel and the cost of electricity), seasonal factors, refinery utilization rates and planned or unplanned maintenance activities or turnarounds. Moreover, while the fluctuations in the cost of crude oil are typically reflected in the prices of light refined products, such as gasoline and diesel fuel, the price of other residual products, such as asphalt, coke, carbon black oil and liquefied petroleum gas ("LPG") are less likely to move in parallel with crude cost. This could cause additional pressure on our realized margin during periods of rising or falling crude oil prices.

Additionally, our margins are impacted by the pricing differentials of the various types and sources of crude oil we use at our refineries and their relation to product pricing. Our crude slate is predominantly comprised of WTI crude oil. Therefore, favorable differentials of WTI compared to other crude will favorably impact our operating results, and vice versa. Additionally, because of our gathering system presence in the Midland area and the significant source of crude specifically from that region into our network, a widening of the WTI Cushing less WTI Midland spread will favorably influence the operating margin for our refineries. Alternatively, a narrowing of this differential will have an adverse effect on our operating margins. Global product prices are influenced by the price of Brent which is a global benchmark crude. Global product prices influence product prices in the U.S. As a result, our refineries are influenced by the spread between Brent and WTI Midland. The Brent less WTI Midland spread represents the differential between the average per barrel price of Brent crude oil and the average per barrel price of WTI Midland crude oil. A widening of the spread between Brent and WTI Midland will favorably influence our refineries' operating margins. Also, the Krotz Springs refinery is influenced by the spread between Brent and LLS. The Brent less LLS spread represents the differential between the average per barrel price of Brent and the average per barrel price of LLS crude oil. A discount in LLS relative to Brent will favorably influence the Krotz Springs refinery operating margin.

Finally, Refining EBITDA is impacted by regulatory costs associated with the cost of RINs as well as energy costs, including the cost of natural gas. In periods of unfavorable regulatory sentiment, RINs prices can increase at higher rates than crack spreads, or even when crack spreads are declining. This can be particularly impactful on smaller refineries, where the operating cost structure does not have as much scalability as larger refineries. Additionally, volatility in energy costs, which are captured in our operating expenses and impact our Refining EBITDA, can significantly impact our ability to capture crack spreads, with natural gas representing the most significant component. Within Delek's geographic footprint, we source the majority of our natural gas from the Gulf Coast, and secondarily from the Permian, and we do not currently have the capability at our refineries to switch our energy consumption to utilize alternative sources of fuel. For this reason, unfavorable Gulf Coast (Henry Hub) differentials can impact our crack spread capture.



The cost to acquire the refined fuel products we sell to our wholesale customers in our logistics segment and at our convenience stores in our retail segment largely depends on numerous factors beyond our control, including the supply of, and demand for, crude oil, gasoline and other refined petroleum products which, in turn, depend on, among other factors, changes in domestic and foreign economies, weather conditions, domestic and foreign political affairs, production levels, the availability of imports, the marketing of competitive fuels and government regulation.

In addition to the above, it continues to be a strategic and operational objective to manage price and supply risk related to crude oil that is used in refinery production, and to develop strategic sourcing relationships. For that purpose, from a pricing perspective, we enter into commodity derivative contracts to manage our price exposure to our inventory positions, future purchases of crude oil and ethanol, future sales of refined products or to fix margins on future production. We also enter into future commitments to purchase or sell RINs at fixed prices and quantities, which are used to manage our RINs Obligation. Additionally, from a sourcing perspective, we often enter into purchase and sale contracts with vendors and customers or take physical or financial commodity positions for crude oil that may not be used immediately in production, but that may be used to manage the overall supply and availability of crude expected to ultimately be needed for production and/or to meet minimum requirements under strategic pipeline arrangements, and also to optimize and hedge availability risks associated with crude that we ultimately expect to use in production. Such transactions are inherently based on certain assumptions and judgments made about the current and possible future availability of crude. Therefore, when we take physical or financial positions for optimization purposes, our intent is generally to take offsetting positions in quantities and at prices that will advance these objectives while minimizing our positional and financial statement risk. However, because of the volatility of the market in terms of pricing and availability, it is possible that we may have material positions with timing differences or, more rarely, that we are unable to cover a position with an offsetting position as intended. Such differences could have a material impact on the classification of resulting gains/losses, assets or liabilities, and could also significantly impact Refining EBITDA.

<b>Refinery Statistics</b>				
	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Total Refining Segment</b>				
Days in period	91	91	182	181
Total sales volume - refined product (average bpd) <sup>(1)</sup>	320,514	305,688	313,541	288,795
Total production (average bpd)	311,957	291,715	302,340	279,230
Crude oil	303,177	282,493	288,865	265,441
Other feedstocks	12,877	12,988	17,487	16,642
Total throughput (average bpd):	<u>316,054</u>	<u>295,481</u>	<u>306,352</u>	<u>282,083</u>
Crude Slate: (% based on amount received in period)				
WTI crude oil	72.0 %	75.9 %	71.7 %	73.2 %
Gulf Coast Sweet Crude	7.5 %	4.0 %	6.9 %	4.3 %
Local Arkansas crude oil	3.2 %	3.9 %	3.3 %	4.2 %
Other	17.3 %	16.2 %	18.1 %	18.3 %
Crude utilization (% based on nameplate capacity)	100.4 %	93.5 %	95.7 %	87.9 %

## Refinery Statistics (continued)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Tyler, TX Refinery</b>				
Days in period	91	91	182	181
Products manufactured (average bpd):				
Gasoline	36,539	37,672	36,953	28,276
Diesel/Jet	33,705	33,029	31,905	23,091
Petrochemicals, LPG, natural gas liquids ("NGLs")	1,873	3,031	1,928	1,890
Other	1,674	1,829	1,445	1,803
Total production	73,791	75,561	72,231	55,060
Throughput (average bpd):				
Crude Oil	73,818	72,955	70,805	51,501
Other feedstocks	1,849	3,955	3,161	4,323
Total throughput	75,667	76,910	73,966	55,824
Per barrel of throughput:				
Operating expenses	\$ 4.83	\$ 3.78	\$ 5.05	\$ 5.29
Crude Slate: (% based on amount received in period)				
WTI crude oil	80.1 %	86.5 %	81.3 %	78.7 %
East Texas crude oil	19.9 %	13.5 %	18.7 %	21.3 %
<b>El Dorado, AR Refinery</b>				
Days in period	91	91	182	181
Products manufactured (average bpd):				
Gasoline	38,659	34,220	40,100	36,121
Diesel	31,880	27,948	30,958	27,830
Petrochemicals, LPG, NGLs	1,003	1,521	1,293	1,406
Asphalt	9,193	6,641	8,749	7,177
Other	2,089	1,185	1,442	967
Total production	82,824	71,515	82,542	73,501
Throughput (average bpd):				
Crude Oil	83,312	71,449	81,747	72,040
Other feedstocks	1,421	2,011	2,412	3,278
Total throughput	84,733	73,460	84,159	75,318
Per barrel of throughput:				
Operating expenses	\$ 4.12	\$ 5.00	\$ 4.41	\$ 4.73
Crude Slate: (% based on amount received in period)				
WTI crude oil	66.5 %	68.4 %	66.5 %	65.2 %
Local Arkansas crude oil	11.7 %	16.6 %	11.6 %	15.6 %
Other	21.8 %	15.0 %	21.9 %	19.2 %

## Refinery Statistics (continued)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
<b>Big Spring, TX Refinery</b>				
Days in period	91	91	182	181
Products manufactured (average bpd):				
Gasoline	34,271	33,582	32,123	36,032
Diesel/Jet	27,086	20,774	24,766	23,194
Petrochemicals, LPG, NGLs	3,287	3,034	4,362	3,083
Asphalt	2,841	1,630	2,464	1,636
Other	5,928	1,907	4,795	2,272
Total production	73,413	60,927	68,510	66,217
Throughput (average bpd):				
Crude oil	69,342	59,240	64,395	63,590
Other feedstocks	4,701	3,020	5,053	3,818
Total throughput	74,043	62,260	69,448	67,408
Per barrel of refined throughput:				
Operating expenses	\$ 6.35	\$ 8.91	\$ 7.15	\$ 7.24
Crude Slate: (% based on amount received in period)				
WTI crude oil	70.2 %	66.7 %	71.4 %	71.0 %
WTS crude oil	29.8 %	33.3 %	28.6 %	29.0 %
<b>Krotz Springs, LA Refinery</b>				
Days in period	91	91	182	181
Products manufactured (average bpd):				
Gasoline	39,037	41,191	38,907	41,517
Diesel/Jet	32,468	31,968	30,356	32,373
Heavy Oils	1,033	3,725	1,882	3,618
Petrochemicals, LPG, NGLs	4,924	6,588	5,328	6,730
Other	4,467	240	2,584	214
Total production	81,929	83,712	79,057	84,452
Throughput (average bpd):				
Crude Oil	76,705	78,848	71,918	78,309
Other feedstocks	4,906	4,002	6,861	5,224
Total throughput	81,611	82,850	78,779	83,533
Per barrel of throughput:				
Operating expenses	\$ 4.95	\$ 4.74	\$ 5.43	\$ 4.97
Crude Slate: (% based on amount received in period)				
WTI Crude	72.1 %	77.4 %	68.6 %	78.5 %
Gulf Coast Sweet Crude	27.2 %	15.0 %	26.2 %	14.7 %
Other	0.7 %	7.6 %	5.2 %	6.8 %

(1) Includes inter-refinery sales and sales to other segments which are eliminated in consolidation. See tables below.

Included in the refinery statistics above are the following sales to other segments:

### Refinery Sales to Other Segments

(in barrels per day)	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Big Spring refined product sales to other Delek segments	23,157	—	21,742	9,663

### Pricing Statistics (average for the period presented)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
WTI — Cushing crude oil (per barrel)	\$ 80.83	\$ 73.57	\$ 78.95	\$ 74.78
WTI — Midland crude oil (per barrel)	\$ 81.73	\$ 74.40	\$ 80.17	\$ 75.98
WTS — Midland crude oil (per barrel)	\$ 80.99	\$ 73.55	\$ 79.26	\$ 74.48
LLS (per barrel)	\$ 83.69	\$ 75.67	\$ 81.73	\$ 77.27
Brent (per barrel)	\$ 85.06	\$ 77.74	\$ 83.42	\$ 79.94
U.S. Gulf Coast 5-3-2 crack spread (per barrel) <sup>(1)</sup>	\$ 18.12	\$ 25.54	\$ 20.55	\$ 29.04
U.S. Gulf Coast 3-2-1 crack spread (per barrel) <sup>(1)</sup>	\$ 17.72	\$ 25.42	\$ 19.80	\$ 28.32
U.S. Gulf Coast 2-1-1 crack spread (per barrel) <sup>(1)</sup>	\$ 13.29	\$ 11.32	\$ 16.29	\$ 15.23
U.S. Gulf Coast unleaded gasoline (per gallon)	\$ 2.30	\$ 2.34	\$ 2.26	\$ 2.37
Gulf Coast ultra-low sulfur diesel (per gallon)	\$ 2.44	\$ 2.38	\$ 2.53	\$ 2.62
U.S. Gulf Coast high sulfur diesel (per gallon)	\$ 1.89	\$ 1.45	\$ 1.92	\$ 1.68
Natural gas (per MMBTU)	\$ 2.37	\$ 2.33	\$ 2.24	\$ 2.53

<sup>(1)</sup> For our Tyler and El Dorado refineries, we compare our per barrel refining product margin to the Gulf Coast 5-3-2 crack spread consisting of (Argus pricing) WTI Cushing crude, U.S. Gulf Coast CBOB gasoline and U.S. Gulf Coast Pipeline No. 2 heating oil (ultra-low sulfur diesel). For our Big Spring refinery, we compare our per barrel refining margin to the Gulf Coast 3-2-1 crack spread consisting of (Argus pricing) WTI Cushing crude, U.S. Gulf Coast CBOB gasoline and Gulf Coast ultra-low sulfur diesel. For 2023, for our Krotz Springs refinery, we compare our per barrel refining margin to the Gulf Coast 2-1-1 crack spread consisting of (Argus pricing) LLS crude oil, (Argus pricing) U.S. Gulf Coast CBOB gasoline and 50% of (Argus pricing) U.S. Gulf Coast Pipeline No. 2 heating oil (high sulfur diesel) and 50% of (Platts pricing) U.S. Gulf Coast Pipeline No. 2 heating oil (high sulfur diesel). For 2024, for our Krotz Springs refinery, we compare our per barrel refining margin to the Gulf Coast 2-1-1 crack spread consisting of (Argus pricing) LLS crude oil, (Argus pricing) U.S. Gulf Coast CBOB gasoline and (Platts pricing) U.S. Gulf Coast Pipeline No. 2 heating oil (high sulfur diesel). The Tyler refinery's crude oil input is primarily WTI Midland and East Texas, while the El Dorado refinery's crude input is primarily a combination of WTI Midland, local Arkansas and other domestic inland crude oil. The Big Spring refinery's crude oil input is primarily comprised of WTS and WTI Midland. The Krotz Springs refinery's crude oil input is primarily comprised of LLS and WTI Midland.

## **Refining Segment Operational Comparison of the Three and Six Months Ended June 30, 2024 versus the Three and Six Months Ended June 30, 2023**

### **Revenues**

#### **Q2 2024 vs. Q2 2023**

Net revenues for the refining segment decreased by \$745.3 million, or 18.4%, in the second quarter of 2024 compared to the second quarter of 2023. The decrease was primarily driven by the following:

- a decrease in the average price of U.S. Gulf Coast gasoline of 1.7%; and
- a decrease in wholesale activity.

These decreases were partially offset by the following:

- an increase in sales volumes; and
- an increase in the average price of U.S. Gulf Coast ULSD of 2.5% and HSD of 30.3%.

Net revenues included sales to our retail segment of \$102.6 million and \$111.5 million and sales to our logistics segment of \$106.7 million and \$92.0 million for the three months ended June 30, 2024 and June 30, 2023, respectively. We eliminate this intercompany revenue in consolidation.

#### **YTD 2024 vs. YTD 2023**

Revenues for the refining segment decreased \$1,431.5 million, or 18.2%, in the six months ended June 30, 2024 compared to the six months ended June 30, 2023. The decrease was primarily driven by the following:

- a decrease in the average price of U.S. Gulf Coast gasoline of 4.6% and ULSD of 3.4%; and
- a decrease in wholesale activity.

These decreases were partially offset by the following:

- an increase in sales volumes; and
- an increase in the average price of U.S. Gulf Coast HSD of 14.3%.

Revenues included sales to our retail segment of \$196.4 million and \$214.1 million and sales to our logistics segment of \$199.6 million and \$183.1 million for the six months ended June 30, 2024 and 2023, respectively. We eliminate this intercompany revenue in consolidation.

### **Cost of Materials and Other**

#### **Q2 2024 vs. Q2 2023**

Cost of materials and other decreased by \$632.9 million, or 16.7%, in the second quarter of 2024 compared to the second quarter of 2023. The decrease was primarily driven by the following:

- a decrease in wholesale activity; and
- a decrease in RINs pricing

These decreases were partially offset by the following:

- increases in the cost of WTI Cushing crude oil, from an average of \$73.57 per barrel to an average of \$80.83, or 9.9%, and increases in the cost of WTI Midland crude oil, from an average of \$74.40 per barrel to an average of \$81.73, or 9.9%; and
- an increase in sales volume.

#### **YTD 2024 vs. YTD 2023**

Cost of materials and other decreased \$1,251.8 million, or 17.3%, in the six months ended June 30, 2024 compared to the six months ended June 30, 2023. This decrease was primarily driven by the following:

- a decrease in wholesale activity; and
- a decrease in RINs pricing.

These decreases were partially offset by the following:

- increases in the cost of WTI Cushing crude oil, from an average of \$74.78 per barrel to an average of \$78.95, or 5.6%, and increases in the cost of WTI Midland crude oil, from an average of \$75.98 per barrel to an average of \$80.17, or 5.5%.
- an increase in sales volumes primarily associated with Tyler Refinery operations which were negatively impacted in prior year as a result of turnaround activities.

Our refining segment purchases finished product from our logistics segment and has multiple service agreements with our logistics segment which, among other things, require the refining segment to pay terminalling and storage fees based on the throughput volume of crude and finished product in the logistics segment pipelines and the volume of crude and finished product stored in the logistics segment storage tanks, subject to minimum volume commitments. These costs and fees were \$156.5 million and \$132.6 million during the three months ended June 30, 2024 and 2023, respectively. These costs and fees were \$295.7 million and \$257.2 million during the six months ended June 30, 2024 and 2023, respectively. We eliminate these intercompany fees in consolidation.

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### **Refining Margin**

#### **Q2 2024 vs. Q2 2023**

Refining segment margin decreased by \$112.4 million, or 41.8%, in the second quarter of 2024 compared to the second quarter of 2023, with a refining margin percentage of 4.7% as compared to 6.6% for the second quarter of 2024 and 2023, respectively, primarily driven by the following:

- a 29.1% decrease in the 5-3-2 crack spread (the primary measure for the Tyler refinery and El Dorado refinery), and a 30.3% decrease in the average Gulf Coast 3-2-1 crack spread (the primary measure for the Big Spring refinery).

These decreases were partially offset by the following:

- a 17.4% increase in the average Gulf Coast 2-1-1 crack spread (the primary measure for the Krotz Springs refinery);
- an increase in sales volume; and
- lower RINs pricing.

#### **YTD 2024 vs. YTD 2023**

Refining margin decreased by \$179.7 million, or 29.7%, for the six months ended June 30, 2024 compared to the six months ended June 30, 2023, with a refining margin percentage of 6.6% as compared to 7.7% for the six months ended June 30, 2024 and 2023, respectively, primarily driven by the following:

- a 29.2% decrease in the 5-3-2 crack spread (the primary measure for the Tyler refinery and El Dorado refinery) and a 30.1% decrease in the average Gulf Coast 3-2-1 crack spread (the primary measure for the Big Spring refinery).

These decreases were partially offset by the following:

- a 7.0% increase in the average Gulf Coast 2-1-1 crack spread (the primary measure for the Krotz Springs refinery);
- an increase in sales volumes primarily associated with Tyler Refinery operations which were negatively impacted in prior year as a result of turnaround activities; and
- lower RINs pricing.

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### **Operating Expenses**

#### **Q2 2024 vs. Q2 2023**

Operating expenses decreased by \$5.2 million, or 3.4%, in the second quarter of 2024 compared to the second quarter of 2023. The decrease in operating expenses was primarily driven by the following:

- decrease in outside services.

#### **YTD 2024 vs. YTD 2023**

Operating expenses increased by \$21.5 million, or 7.3%, in the six months ended June 30, 2024, compared to six months ended June 30, 2023. The increase in operating expenses was primarily driven by the following:

- higher employee, outside service and maintenance costs.

These increases were partially offset by the following:

- lower natural gas prices in 2024.

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### **EBITDA**

#### **Q2 2024 vs. Q2 2023**

EBITDA decreased by \$104.5 million, or 85.8%, in the three months ended June 30, 2024 compared to the three months ended June 30, 2023, primarily due to a decrease in refining margin driven by decreased crack spreads, partially offset by an increase in sales volume and insurance and third party proceeds related to the fires in 2021 and 2022.

**YTD 2024 vs. YTD 2023**

EBITDA decreased by \$194.9 million, for the six months ended June 30, 2024 compared to the six months ended June 30, 2023, primarily due to a decrease in refining margin driven by decreased crack spreads, partially offset by an increase in sales volume and insurance and third party proceeds related to the fires in 2021 and 2022.

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## Logistics Segment

The table below sets forth certain information concerning our logistics segment operations (\$ in millions, except per barrel amounts):

	Selected Logistics Financial and Operating Information			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues	\$ 264.6	\$ 246.9	\$ 516.7	\$ 490.4
Cost of materials and other	\$ 138.1	\$ 128.1	\$ 261.8	\$ 254.2
Operating expenses (excluding depreciation and amortization)	\$ 29.6	\$ 29.0	\$ 61.5	\$ 53.7
EBITDA	\$ 100.6	\$ 90.9	\$ 200.3	\$ 182.3
<b>Operating Information:</b>				
<b>Gathering &amp; Processing: (average bpd)</b>				
Lion Pipeline System:				
Crude pipelines (non-gathered)	73,320	61,260	73,166	62,131
Refined products pipelines	60,575	44,966	61,904	49,957
SALA Gathering System	13,024	13,041	13,005	13,509
East Texas Crude Logistics System	23,259	30,666	21,481	26,690
Midland Gathering Assets	206,933	221,876	210,196	221,993
Plains Connection System	210,033	255,035	233,438	247,856
Delaware Gathering Assets:				
Natural gas gathering and processing (Mcf) <sup>(1)</sup>	76,237	73,309	76,280	74,008
Crude oil gathering (average bpd)	123,927	117,017	123,718	110,408
Water disposal and recycling (average bpd)	116,916	127,195	118,592	107,848
<b>Wholesale Marketing &amp; Terminalling:</b>				
East Texas - Tyler refinery sales volumes (average bpd) <sup>(2)</sup>	71,082	69,310	68,779	52,158
Big Spring wholesale marketing throughputs (average bpd)	81,422	75,164	79,019	76,763
West Texas wholesale marketing throughputs (average bpd)	11,381	9,985	10,678	9,454
West Texas wholesale marketing margin per barrel	\$ 2.99	\$ 7.01	\$ 2.60	\$ 6.27
Terminalling throughputs (average bpd) <sup>(3)</sup>	159,260	134,323	147,937	113,926

<sup>(1)</sup> Mcfd - average thousand cubic feet per day.

<sup>(2)</sup> Excludes jet fuel and petroleum coke.

<sup>(3)</sup> Consists of terminalling throughputs at our Tyler, Big Spring, Big Sandy and Mount Pleasant, Texas terminals, El Dorado and North Little Rock, Arkansas terminals and Memphis and Nashville, Tennessee terminals.

Logistics revenue is largely based on fixed-fee or tariff rates charged for throughput volumes running through our logistics network, where many of those volumes are contractually protected by minimum volume commitments ("MVCs"). To the extent that our logistics volumes are not subject to MVCs, our Logistics revenue may be negatively impacted in periods where our customers are experiencing economic pressures or reductions in demand for their products. Additionally, certain of our throughput arrangements contain deficiency credit provisions that may require us to defer excess MVC fees collected over actual throughputs to apply toward MVC deficiencies in future periods. With respect to our equity method investments in pipeline joint ventures, our earnings from those investments (which is based on our pro rata ownership percentage of the joint venture's recognized net income or loss) are directly impacted by the operations of those joint ventures. Items impacting the joint venture net income (loss) may include (but are not limited to) the following: long-term throughput contractual arrangements and related MVCs and, in some cases, deficiency credit provisions; the demand for walk-up nominations; applicable rates or tariffs; long-lived asset or other impairments assessed at the joint venture level; and pipeline releases or other contingent liabilities. With respect to our West Texas marketing activities, our profitability is dependent upon the cost of landed product versus the rack price of refined product sold. Our logistics segment is generally protected from commodity price risk because inventory is purchased and then immediately sold at the rack.



## Logistics Segment Operational Comparison of the Three and Six Months Ended June 30, 2024 versus the Three and Six Months Ended June 30, 2023

### Revenues

#### Q2 2024 vs. Q2 2023

Net revenues increased by \$17.7 million, or 7.2%, in the second quarter of 2024 compared to the second quarter of 2023, primarily driven by:

- increased revenue of \$11.4 million in our West Texas marketing operations primarily driven by increases in volumes sold, partially offset by a decrease in average sales prices per gallon and decrease in RINs revenue:
  - the volumes of gasoline and diesel sold increased by 3.6 million and 3.4 million gallons, respectively;
  - the average sales prices per gallon of gasoline and diesel sold decreased by \$0.14 and \$0.06 per gallon, respectively; and
- increase in terminalling and marketing revenue primarily due to rate increases and increased volumes.

Net revenues included sales to our refining segment of \$156.5 million and \$132.6 million for the three months ended June 30, 2024 and June 30, 2023, respectively, and sales to our other segment of \$0.4 million and \$0.4 million for the three months June 30, 2024 and 2023, respectively. We eliminate this intercompany revenue in consolidation.

#### YTD 2024 vs. YTD 2023

Net revenues increased by \$26.3 million, or 5.4%, in the six months ended June 30, 2024 compared to the six months ended June 30, 2023 primarily driven by the following:

- increased revenue of \$10.8 million in our West Texas marketing operations primarily driven by increases in volumes sold, partially offset by a decrease in average sales prices per gallon and decrease in RINs revenue:
  - the volumes of gasoline and diesel sold increased by 7.6 million and 3.9 million gallons, respectively;
  - the average sales prices per gallon of gasoline and diesel sold decreased by \$0.19 and \$0.19 per gallon, respectively; and
- increase in terminalling and marketing revenue primarily due to rate increases and increased volumes.

Revenues included sales to our refining segment of \$295.7 million and \$257.2 million for the six months ended June 30, 2024 and 2023, respectively, and sales to our other segment of \$0.8 million and \$0.8 million for the six months ended June 30, 2024 and 2023, respectively. We eliminate this intercompany revenue in consolidation.

### Cost of Materials and Other

#### Q2 2024 vs. Q2 2023

Cost of materials and other for the logistics segment increased by \$10.0 million, or 7.8%, in the second quarter of 2024 compared to the second quarter of 2023. The increase was primarily driven by the following:

- increased costs of materials and other of \$14.4 million in our West Texas marketing operations primarily driven by increases in the volumes of gasoline and diesel sold, partially offset by decreases in the average cost per gallon:
  - the volumes of gasoline and diesel sold increased by 3.6 million and 3.4 million gallons, respectively; and
  - the average cost per gallon of gasoline sold decreased by \$0.14 per gallon, partially offset by an increase in average cost per gallon of diesel sold of \$0.03 per gallon.

Our logistics segment purchased product from our refining segment of \$106.7 million and \$92.0 million for the three months ended June 30, 2024 and June 30, 2023, respectively. We eliminate these intercompany costs in consolidation.

#### YTD 2024 vs. YTD 2023

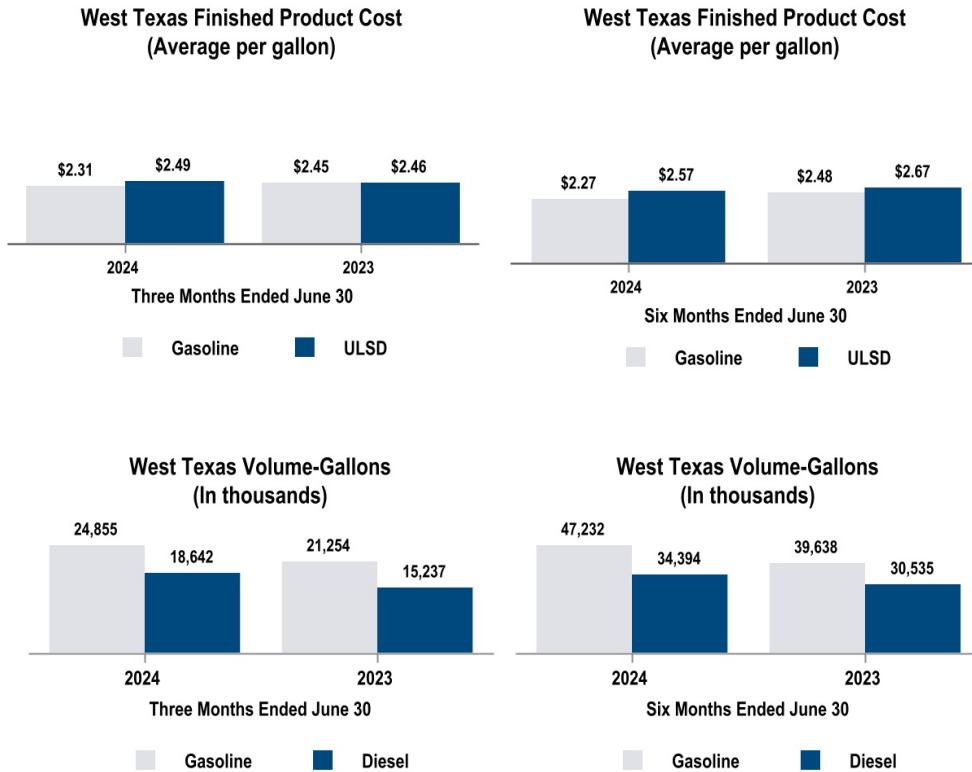
Cost of materials and other for the logistics segment increased by \$7.6 million, or 3.0%, in the six months ended June 30, 2024 compared to the six months ended June 30, 2023. This increase was primarily driven by the following:

- increased costs of materials and other of \$16.2 million in our West Texas marketing operations primarily driven by increases in the average volumes of gasoline and diesel sold, partially offset by decreased costs per gallon:
  - the volumes of gasoline and diesel sold increased by 7.6 million and 3.9 million gallons, respectively; and
  - the average cost per gallon of gasoline and diesel sold decreased by \$0.21 per gallon and \$0.10 per gallon, respectively.

These increase was partially offset by the following:

- decrease of \$7.4 million in our gathering and processing segment driven primarily by lower natural gas costs.

Our logistics segment purchased product from our refining segment of \$199.6 million and \$183.1 million for the six months ended June 30, 2024 and 2023, respectively. We eliminate these intercompany costs in consolidation.



**Operating Expenses**

**Q2 2024 vs. Q2 2023**

Operating expenses increased by \$0.6 million, or 2.1%, in the second quarter of 2024 compared to the second quarter of 2023.

**YTD 2024 vs. YTD 2023**

Operating expenses increased by \$7.8 million, or 14.5%, in the six months ended June 30, 2024 compared to the six months ended June 30, 2023, primarily driven by an increase in contract services.

**EBITDA**

**Q2 2024 vs. Q2 2023**

EBITDA increased by \$9.7 million, or 10.7%, in the three months ended June 30, 2024 compared to the three months ended June 30, 2023, primarily driven by higher contributions from the Delaware Gathering systems and terminalling and marketing rate increases.

**YTD 2024 vs. YTD 2023**

EBITDA increased by \$18.0 million, or 9.9%, in the six months ended June 30, 2024 compared to the six months ended June 30, 2023, primarily driven by higher terminalling and marketing fees due to rate increases as well as higher throughput volumes primarily associated with the Tyler Refinery operations which were negatively impacted in the prior year as a result of turnaround activities, partially offset by increases in operating expenses primarily due to contract services.

## Retail Segment

The tables below set forth certain information concerning our retail segment operations (\$ in millions):

	Selected Retail Financial and Operating Information			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues	\$ 216.1	\$ 232.7	\$ 409.6	\$ 437.7
Cost of materials and other	\$ 176.4	\$ 188.5	\$ 334.7	\$ 358.5
Operating expenses (excluding depreciation and amortization)	\$ 25.4	\$ 25.9	\$ 50.5	\$ 50.5
EBITDA	\$ 12.4	\$ 15.0	\$ 18.9	\$ 21.4

	Operating Information			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Number of stores (end of period)	250	247	250	247
Average number of stores	250	247	250	247
Average number of fuel stores	245	242	245	242
Retail fuel sales	\$ 136.4	\$ 148.4	\$ 259.2	\$ 279.5
Retail fuel sales (thousands of gallons)	43,126	45,687	82,809	85,651
Average retail gallons per average number of stores (in thousands)	176	189	339	354
Average retail sales price per gallon sold	\$ 3.16	\$ 3.25	\$ 3.13	\$ 3.26
Retail fuel margin (\$ per gallon) <sup>(1)</sup>	\$ 0.312	\$ 0.342	\$ 0.302	\$ 0.307
Merchandise sales (in millions)	\$ 79.6	\$ 84.3	\$ 150.4	\$ 158.2
Merchandise sales per average number of stores (in millions)	\$ 0.3	\$ 0.3	\$ 0.6	\$ 0.6
Merchandise margin %	32.9 %	33.9 %	33.2 %	33.5 %

	Same-Store Comparison <sup>(2)</sup>			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Change in same-store retail fuel gallons sold	(4.0)%	(1.5)%	(1.8)%	(1.6)%
Change in same-store merchandise sales	(5.2)%	0.1 %	(4.7)%	2.4 %

<sup>(1)</sup> Retail fuel margin represents gross margin on fuel sales in the retail segment, and is calculated as retail fuel sales revenue less retail fuel cost of sales. The retail fuel margin per gallon calculation is derived by dividing retail fuel margin by the total retail fuel gallons sold for the period.

<sup>(2)</sup> Same-store comparisons include year-over-year changes in specified metrics for stores that were in service at both the beginning of the year and the end of the most recent year used in the comparison.

Our retail merchandise sales are driven by convenience, customer service, competitive pricing and branding. Motor fuel margin is sales less the delivered cost of fuel and motor fuel taxes, measured on a cents per gallon basis. Our motor fuel margins are impacted by local supply, demand, weather, competitor pricing and product brand.

## ***Retail Segment Operational Comparison of the Three and Six Months Ended June 30, 2024 versus the Three and Six Months Ended June 30, 2023***

### ***Revenues***

#### **Q2 2024 vs. Q2 2023**

Net revenues for the retail segment decreased by \$16.6 million, or 7.1%, in the second quarter of 2024 compared to the second quarter of 2023, primarily driven by the following:

- a decrease in total fuel sales which were \$136.4 million in the second quarter of 2024 compared to \$148.4 million in the second quarter of 2023, primarily attributable to a decrease of \$0.09 in average price charged per gallon sold and decreased volume; and
- a decrease in merchandise sales to \$79.6 million in the second quarter of 2024 compared to \$84.3 million in the second quarter of 2023, primarily driven by the same-store sales decrease of 5.2% as a result of remodeling activities.

#### **YTD 2024 vs. YTD 2023**

Revenues for the retail segment decreased by \$28.1 million, or 6.4%, for the six months ended June 30, 2024 compared to the six months ended June 30, 2023, primarily driven by the following:

- a decrease in total fuel sales which were \$259.2 million for the six months ended June 30, 2024 compared to \$279.5 million for the six months ended June 30, 2023, primarily attributable to a \$0.13 decrease in average price charged per gallon sold and decreased volume; and
- a decrease in merchandise sales to \$150.4 million for the six months ended June 30, 2024 compared to \$158.2 million for the six months ended June 30, 2023, primarily driven by the same-store sales decrease of 4.7% mostly attributable to tobacco sales.

### ***Cost of Materials and Other***

#### **Q2 2024 vs. Q2 2023**

Cost of materials and other for the retail segment decreased by \$12.1 million, or 6.4%, in the second quarter of 2024 compared to the second quarter of 2023, primarily driven by the following:

- a decrease in average cost per gallon of \$0.06, or 2.1%, applied to fuel sales volumes that decreased period over period.

Our retail segment purchased finished product from our refining segment of \$102.6 million and \$111.5 million for the three months ended June 30, 2024 and June 30, 2023, respectively, which is eliminated in consolidation.

#### **YTD 2024 vs. YTD 2023**

Cost of materials and other for the retail segment decreased by \$23.8 million, or 6.6%, for the six months ended June 30, 2024 compared to the six months ended June 30, 2023, primarily driven by the following:

- a decrease in average cost per gallon of \$0.13, or 4.3%, applied to fuel sales volumes that decreased period over period.

Our retail segment purchased finished product from our refining segment of \$196.4 million and \$214.1 million for the six months ended June 30, 2024 and 2023, respectively. We eliminate this intercompany cost in consolidation.

### ***Operating Expenses***

#### **Q2 2024 vs. Q2 2023**

Retail segment operating expenses decreased by \$0.5 million, or 1.9%, in the second quarter of 2024 compared to the second quarter of 2023.

#### **YTD 2024 vs. YTD 2023**

Operating expenses for the retail segment remained consistent at \$50.5 million for the six months ended June 30, 2024 compared to the six months ended June 30, 2023.

**EBITDA****Q2 2024 vs. Q2 2023**

EBITDA for the retail segment decreased by \$2.6 million, or 17.3%, for the three months ended June 30, 2024 compared to the three months ended June 30, 2023, primarily driven by the following:

- a decrease in average fuel margin of \$0.030 per gallon and a decrease in fuel sales volume; and
- a decrease in merchandise margin percentage of 1.0%.

**YTD 2024 vs. YTD 2023**

EBITDA for the retail segment decreased by \$2.5 million, or 11.7%, for the six months ended June 30, 2024 compared to the six months ended June 30, 2023, primarily driven by the following:

- a decrease in sales volume and a decrease in average fuel margin of \$0.005; and
  - a 5.0% decrease in merchandise sales.
-

## Liquidity and Capital Resources

### Sources of Capital

Our primary sources of liquidity and capital resources are

- cash generated from our operating activities;
- borrowings under our debt facilities; and
- potential issuances of additional equity and debt securities.

At June 30, 2024 our total liquidity amounted to \$2,328.2 million comprised primarily of \$1,670.3 million in unused credit commitments under our revolving credit facilities (as discussed in Note 8 of our condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q) and \$657.9 million in cash and cash equivalents. Historically, we have generated adequate cash from operations to fund ongoing working capital requirements, pay quarterly cash dividends and fund operational capital expenditures. On July 31, 2024, our Board of Directors approved a quarterly cash dividend of \$0.255 per share of our common stock.

Other funding sources including borrowings under existing credit agreements, and issuance of equity and debt securities have been utilized to meet our funding requirements and support our growth capital projects and acquisitions. In addition, we have historically been able to source funding at terms that reflect market conditions, our financial position and our credit ratings and expect future funding sources to be at terms that are sustainable and profitable for the Company. However, there can be no assurances regarding the availability of future debt or equity financings or whether such financings can be made available on terms that are acceptable to us; any execution of such financing activities will be dependent on the contemporaneous availability of functioning debt or equity markets. Additionally, new debt financing activities will be subject to the satisfaction of any debt incurrence limitation covenants in our existing financing agreements. Our debt limitation covenants in our existing financing documents are usual and customary for credit agreements of our type and reflective of market conditions at the time of their execution. Additionally, our ability to satisfy working capital requirements, to service our debt obligations, to fund planned capital expenditures, or to pay dividends will depend upon future operating performance, which will be affected by prevailing economic conditions in the oil industry and other financial and business factors, including oil prices, some of which are beyond our control.

As of June 30, 2024, we believe we were in compliance with all of our debt maintenance covenants, where the most significant long-term obligation subject to such covenants was the Delek Term Loan Credit Facility (see further discussion in Note 8 of our condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q). Additionally, we were in compliance with covenants during the quarter ended June 30, 2024. Failure to meet the incurrence covenants could impose certain incremental restrictions on our ability to incur new debt and also may limit whether and the extent to which we may pay dividends, as well as impose additional restrictions on our ability to repurchase our stock, make new investments and incur new liens (among others). Such restrictions would generally remain in place until such quarter that we return to compliance under the applicable incurrence based covenants. In the event that we are subject to these incremental restrictions, we believe that we have sufficient current and alternative sources of liquidity, including (but not limited to): available borrowings under our existing Delek Revolving Credit Facility, and for Delek Logistics, under its Delek Logistics Revolving Facility; the allowance to incur an additional \$400.0 million of secured debt under the Delek Term Loan Credit Facility (see further discussion of these facilities in Note 8 of our condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q); as well as the possibility of obtaining other secured and unsecured debt, raising capital through equity issuance, or taking advantage of transactional financing opportunities such as sale-leasebacks or joint ventures, as otherwise contemplated and allowed under our incurrence covenants.

### Cash Position and Indebtedness

As of June 30, 2024, our total cash and cash equivalents were \$657.9 million and we had total long-term indebtedness of approximately \$2,461.7 million. The total long-term indebtedness is net of deferred financing costs and debt discount of \$59.2 million. Additionally, we had letters of credit issued of approximately \$269.5 million. Total unused credit commitments or borrowing base availability, as applicable, under our revolving credit facilities was approximately \$1,670.3 million. The decrease of \$136.4 million in total long-term principle indebtedness as of June 30, 2024 compared to December 31, 2023 resulted primarily from a decrease in net borrowings under the Delek Logistics Revolving Facility, payment of the outstanding balance of the Delek Logistics Term Loan Facility, and extinguishment of the Delek Logistics 2028 Notes, partially offset by the issuance of the Delek Logistics 2029 Notes. As of June 30, 2024, our total long-term indebtedness (as defined in Note 8 of the condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q) consisted of the following:

- the Delek Revolving Credit Facility with no outstanding borrowings (maturity of October 26, 2027);
- aggregate principal of \$935.7 million under the Delek Term Loan Credit Facility (maturity of November 19, 2029 and effective interest of 10.23%);
- aggregate principal of \$330.2 million under the Delek Logistics Revolving Facility (maturity of October 13, 2027 and average borrowing rate of 8.00%);
- aggregate principal of \$400.0 million under the Delek Logistics 2028 Notes (due in 2028, with effective interest rate of 7.39%);
- aggregate principal of \$850.0 million under the Delek Logistics 2029 Notes (due in 2029, with effective interest rate of 8.95%); and
- aggregate principal of \$5.0 million under the United Community Bank Revolver (maturity of June 30, 2026 and average borrowing rate of 7.75%).

On March 13, 2024, Delek Logistics sold \$650.0 million in aggregate principal amount of 8.625% Senior Notes due 2029, at par. Net proceeds were used to redeem the Delek Logistics 2025 Notes including accrued interest, pay off the Delek Logistics Term Loan Facility including accrued interest and to repay a portion of the outstanding borrowings under the Delek Logistics Revolving Facility.

See Note 8 to our accompanying condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q for additional information about our separate debt and credit facilities.

Additionally, we utilize other financing arrangements to finance operating assets and/or, from time to time, to monetize other assets that may not be needed in the near term, when internal cost of capital and other criteria are met. Such arrangements include our inventory intermediation arrangement, which finances a significant portion of our first-in, first-out inventory at the refineries and, from time to time, RINs or other non-inventory product financing liabilities and funded letters of credit. Our inventory intermediation obligation with Citigroup Energy Inc. ("Citi") was \$472.2 million at June 30, 2024. See Note 7 of the accompanying condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q for additional information about our inventory intermediation agreement. Our product financing liabilities consisted primarily of RIN financings as of June 30, 2024, and totaled \$110.7 million, all of which is due in the next 12 months. See further description of these types of arrangements in the Environmental Credits and Related Regulatory Obligations accounting policy disclosed in Note 2 to our accompanying consolidated financial statements included in Item 8. Financial Statements and Supplementary Data, of our December 31, 2023 Annual Report on Form 10-K. For both arrangements and the related commitments, see also our "Cash Requirements" section below.

### Debt Ratings

We receive debt ratings from the major ratings agencies in the U.S. In determining our debt ratings, the agencies consider a number of qualitative and quantitative items including, but not limited to, commodity pricing levels, our liquidity, asset quality, reserve mix, debt levels and seniorities, cost structure, planned asset sales and production growth opportunities.

There are no "rating triggers" in any of our contractual debt obligations that would accelerate scheduled maturities should our debt rating fall below a specified level. However, a downgrade could adversely impact our interest rate on new credit facility borrowings and the ability to economically access debt markets in the future. Additionally, any rating downgrades may increase the likelihood of us having to post additional letters of credit or cash collateral under certain contractual arrangements.

### Cash Flows

The following table sets forth a summary of our consolidated cash flows (in millions):

	Consolidated	
	Six Months Ended June 30,	
	2024	2023
<b>Cash Flow Data:</b>		
Operating activities	\$ 118.3	\$ 490.2
Investing activities	(104.1)	(279.9)
Financing activities	(178.5)	(230.0)
Net decrease	\$ (164.3)	\$ (19.7)

#### Cash Flows from Operating Activities

Net cash provided by operating activities was \$118.3 million for the six months ended June 30, 2024, compared to \$490.2 million for the comparable period of 2023. Decreases were a result of cash receipts from customers and cash payments to suppliers and for salaries resulting in a net \$393.2 million decrease in cash provided by operating activities, partially offset by a decrease in cash paid for debt interest of \$14.7 million.

#### Cash Flows from Investing Activities

Net cash used in investing activities was \$104.1 million for the six months ended June 30, 2024, compared to \$279.9 million in the comparable period of 2023. The decrease in cash flows used in investing activities was primarily due to a \$144.3 million decrease in purchases of property, plant and equipment, substantially driven by maintenance projects associated with the Tyler turnaround in 2023, \$18.0 million of insurance proceeds in 2024 and decrease of \$8.6 million for equity interests investments and other.

#### Cash Flows from Financing Activities

Net cash used in financing activities was \$178.5 million for the six months ended June 30, 2024, compared to \$230.0 million in the comparable 2023 period. The decrease in cash used was primarily due to the receipt of net proceeds of \$132.2 million from the Delek Logistics' public offering of common units in the six months ended June 30, 2024, net proceeds from term debt of \$316.4 million for the six months ended June 30, 2024 compared to net payments on term debt of \$12.3 million in the comparable 2023 period, primarily related to the issuance of the Delek Logistics 2029 Notes and the related repayment of the Delek Logistics Term Loan Facility and Delek Logistics 2025 Notes and \$40.4 million of share buybacks in 2023.

These decreases in cash flows were partially offset by the net payments from product and other financing arrangements of \$102.1 million for the six months ended June 30, 2024 compared to net proceeds of \$52.8 million in the comparable 2023 period, an increase in net payments on long-term revolvers of \$215.8 million, the receipt of settlement proceeds of \$58.0 million during the first quarter of 2023 associated with the termination of the J. Aron Supply & Offtake Agreements (as defined in Note 2 to the audited consolidated financial statements included in Item 8 Financial Statements and Supplementary Data, of our December 31, 2023 Annual Report on Form 10-K) and origination of the Citi Inventory Intermediation Agreement (as defined in Note 7 of the condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q) and an increase of \$13.0 million related to the payment of deferred financing costs primarily related to the issuance of the Delek Logistics 2029 Notes.

### Capital Spending

A key component of our long-term strategy is our capital expenditure program. The following table summarizes our actual capital expenditures for the six months ended June 30, 2024, by operating segment and major category (in millions):

	2024 Forecast <sup>(1)</sup>	Six Months Ended June 30, 2024 Actual <sup>(2)</sup>
<b>Refining</b>		
Regulatory	\$ 42	\$ 22.2
Sustaining maintenance, including turnaround activities	163	46.2
Growth projects	15	0.1
<b>Refining segment total</b>	<b>220</b>	<b>68.5</b>
<b>Logistics</b>		
Regulatory	5	0.4
Sustaining maintenance	15	4.1
Growth projects	50	20.9
<b>Logistics segment total</b>	<b>70</b>	<b>25.4</b>
<b>Retail</b>		
Regulatory	—	—
Sustaining maintenance	5	3.2
Growth projects	10	7.4
<b>Retail segment total</b>	<b>15</b>	<b>10.6</b>
<b>Corporate and Other</b>		
Regulatory	2	0.1
Sustaining maintenance	23	11.3
Growth projects	—	0.8
<b>Other total</b>	<b>25</b>	<b>12.2</b>
<b>Total capital spending</b>	<b>\$ 330</b>	<b>\$ 116.7</b>

<sup>(1)</sup> Excludes estimated 2024 costs of \$90.0 million to \$100.0 million related to the new Delek Logistics natural gas processing plant. Refer to 'Other 2024 Developments' section of Item 2. Management's Discussion and Analysis, of this Quarterly Report on Form 10-Q for further information.

<sup>(2)</sup> Excludes a \$10.0 million land purchase in connection with a settlement that was in litigation related to a property that we historically operated as an asphalt and marine fuel terminal. Refer to Note 11 of the condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q for further information.

The amount of our capital expenditure forecast is subject to change due to unanticipated increases in the cost, scope and completion time for our capital projects and subject to the changes and uncertainties discussed under the 'Forward-Looking Statements' section of Item 2. Management's Discussion and Analysis, of this Quarterly Report on Form 10-Q. For further information, please refer to our discussion in Item 1A. Risk Factors, of our December 31, 2023 Annual Report on Form 10-K.



**Cash Requirements****Long-Term Cash Requirements Under Contractual Obligations**

Information regarding our known cash requirements under contractual obligations of the types described below as of June 30, 2024, is set forth in the following table (in millions):

	Payments Due by Period				Total
	≤1 Year	1-3 Years	3-5 Years	>5 Years	
Long-term debt and notes payable obligations	\$ 9.5	\$ 24.0	\$ 1,599.2	\$ 888.2	\$ 2,520.9
Interest <sup>(1)</sup>	213.5	423.1	360.0	31.3	1,027.9
Operating lease commitments <sup>(2)</sup>	58.5	69.8	23.6	17.9	169.8
Purchase commitments <sup>(3)</sup>	360.2	—	—	—	360.2
Product financing agreements <sup>(4)</sup>	110.7	—	—	—	110.7
Transportation agreements <sup>(5)</sup>	252.3	342.9	207.2	250.9	1,053.3
Inventory intermediation obligation <sup>(6)</sup>	45.1	26.6	—	—	71.7
<b>Total</b>	<b>\$ 1,049.8</b>	<b>\$ 886.4</b>	<b>\$ 2,190.0</b>	<b>\$ 1,188.3</b>	<b>\$ 5,314.5</b>

<sup>(1)</sup> Expected interest payments on debt outstanding at June 30, 2024. Floating interest rate debt is calculated using June 30, 2024 rates. For additional information, see Note 8 to the condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q.

<sup>(2)</sup> Amounts reflect future estimated lease payments under operating leases having remaining non-cancelable terms in excess of one year as of June 30, 2024.

<sup>(3)</sup> We have purchase commitments to secure certain quantities of crude oil, finished product and other resources used in production at both fixed and market prices. We have estimated future payments under the market-based agreements using current market rates. Excludes purchase commitments in buy-sell transactions which have matching notional amounts with the same counterparty and are generally net settled in exchanges.

<sup>(4)</sup> Balances consist of obligations under RINs product financing arrangements, as described in Note 11 to the condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q and further discussed in the "Environmental Credits and Related Regulatory Obligations" accounting policy included in Note 2 to our consolidated financial statements in Item 8. Financial Statements and Supplementary Data, of our December 31, 2023 Annual Report on Form 10-K.

<sup>(5)</sup> Balances consist of contractual obligations under agreements with third parties (not including Delek Logistics) for the transportation of crude oil to our refineries.

<sup>(6)</sup> Balances consist of contractual obligations under the Citi Inventory Intermediation Agreement, including principal obligation for the Baseline Volume Step-Out Liability and other recurring fees. For additional information, see Note 7 to the condensed consolidated financial statements in Item 1. Financial Statements, of this Quarterly Report on Form 10-Q.

**Other Cash Requirements**

Our material short-term cash requirements under contractual obligations are presented above, and we expect to fund the majority of those requirements with cash flows from operations. Our other cash requirements consisted of operating activities and capital expenditures. Operating activities include cash outflows related to payments to suppliers for crude and other inventories (which are largely reflected in our contractual purchase commitments in the table above) and payments for salaries and other employee related costs. Cash outlays in 2024 are planned to include incentive compensation payments that were earned and accrued in 2023. In line with our long-term sustainable strategy, future cash requirements will include initiatives to build on our long-term sustainable business model, ESG initiatives and sum of the parts initiatives.

Refer to the cash flow section for our operating activities spend during the six months ended June 30, 2024. While many of the expenses related to the operating activities are variable in nature, some of the expenditures can be somewhat fixed in the short-term due to forward planning on our level of activity.

Refer to the 'Capital Spending' section for our capital expenditures for the six months ended June 30, 2024 and our anticipated cash requirements for planned capital expenditures for the full year 2024.

**ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK**

Changes in commodity prices (mainly crude oil and refined products) and interest rates are our primary sources of market risk. When we make the decision to manage our market exposure, our objective is generally to avoid losses from adverse price changes, realizing we will not obtain the gains of beneficial price changes.

### Price Risk Management Activities

At times, we enter into the following instruments/transactions in order to manage our market-indexed pricing risk: commodity derivative contracts which we use to manage our price exposure to our inventory positions, future purchases of crude oil and ethanol, future sales of refined products or to fix margins on future production; and future commitments to purchase or sell RINs at fixed prices and quantities, which are used to manage the costs associated with our RINs Obligations and meet the definition of derivative instruments under Accounting Standards Codification ("ASC") 815, *Derivatives and Hedging* ("ASC 815"). In accordance with ASC 815, all of these commodity contracts and future purchase commitments are recorded at fair value, and any change in fair value between periods has historically been recorded in the profit and loss section of our condensed consolidated financial statements. Occasionally, at inception, the Company will elect to designate the commodity derivative contracts as cash flow hedges under ASC 815. Gains or losses on commodity derivative contracts accounted for as cash flow hedges are recognized in other comprehensive income on the condensed consolidated balance sheets and, ultimately, when the forecasted transactions are completed in net revenues or cost of materials and other in the condensed consolidated statements of income.

The following table sets forth information relating to our open commodity derivative contracts, excluding our trading derivative contracts (which are discussed separately below), as of June 30, 2024 (\$ in millions):

Contract Description	Total Outstanding		Notional Contract Volume by Year of Maturity	
	Fair Value	Notional Contract Volume	2024	2025
<b>Contracts not designated as hedging instruments:</b>				
Crude oil price swaps - long <sup>(1)</sup>	\$ 0.1	12,764,000	12,764,000	—
Crude oil price swaps - short <sup>(1)</sup>	(5.7)	13,559,000	13,559,000	—
Inventory, refined product and crack spread swaps - long <sup>(1)</sup>	4.3	2,951,000	2,951,000	—
Inventory, refined product and crack spread swaps - short <sup>(1)</sup>	(9.0)	3,909,000	3,909,000	—
Natural gas swaps - long <sup>(3)</sup>	—	2,002,500	1,255,000	747,500
Natural gas swaps - short <sup>(3)</sup>	(0.2)	2,002,500	1,255,000	747,500
RINs commitment contracts - long <sup>(2)</sup>	(7.2)	50,750,000	30,750,000	20,000,000
Total	\$ (17.7)			

<sup>(1)</sup> Volume in barrels.

<sup>(2)</sup> Volume in RINs.

<sup>(3)</sup> Volume in MMBtu.

### Interest Rate Risk

We have market exposure to changes in interest rates relating to our outstanding floating rate borrowings, which totaled approximately \$1,270.9 million as of June 30, 2024. The annualized impact of a hypothetical one percent change in interest rates on our floating rate debt outstanding as of June 30, 2024 would be to change interest expense by approximately \$12.7 million.

We also have interest rate exposure in connection with our Inventory Intermediation Agreement under which we pay a time value of money charge based on Secured Overnight Financing Rate.

### Inflation

Inflationary factors, such as increases in the costs of our inputs, operating expenses, and interest rates may adversely affect our operating results. In addition, current or future governmental policies may increase or decrease the risk of inflation, which could further increase costs and may have an adverse effect on our ability to maintain current levels of gross margin and operating expenses as a percentage of sales if the prices at which we are able to sell our products and services do not increase in line with increases in costs.

### Commodity Derivatives Trading Activities

From time to time, we enter into active trading positions in a variety of commodity derivatives, which include forward physical contracts, swap contracts, and futures contracts. These trading activities are undertaken by using a range of contract types in combination to create incremental gains by capitalizing on crude oil supply and pricing seasonality. These contracts are classified as held for trading and are recognized at fair value with changes in fair value recognized in the income statement. We had no outstanding trading commodity derivative contracts as of June 30, 2024.

**ITEM 4. CONTROLS AND PROCEDURES**

Our disclosure controls and procedures are designed to provide reasonable assurance that the information that we are required to disclose in reports we file under the Exchange Act is accumulated and appropriately communicated to management. We carried out an evaluation required by Rule 13a-15(b) of the Exchange Act, under the supervision and with the participation of our management, including the Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures at the end of the reporting period. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of the end of the reporting period.

There have been no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) that occurred during the second quarter of 2024 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

## Part II - OTHER INFORMATION

### ITEM 1. LEGAL PROCEEDINGS

In the ordinary conduct of our business, we are from time to time subject to lawsuits, investigations and claims, including, environmental claims and employee-related matters. Although we cannot predict with certainty the ultimate resolution of lawsuits, investigations and claims asserted against us, including civil penalties or other enforcement actions, we do not believe that any currently pending legal proceeding or proceedings to which we are a party will have a material adverse effect on our business, financial condition or results of operations. See Note 11 to our accompanying condensed consolidated financial statements, which is incorporated by reference in this Item 1, for additional information. Aside from the disclosure updated in Note 11, there have been no material developments to the proceedings previously reported in our Annual Report on Form 10-K filed on February 28, 2024.

### ITEM 1A. RISK FACTORS

There were no material changes during the six months ended June 30, 2024 to the risk factors identified in the Company's fiscal 2023 Annual Report on Form 10-K, except as follows:

#### ***Failure to complete the pending sale of the Retail Stores could negatively affect us.***

On July 31, 2024, we entered into the Retail Purchase Agreement with a subsidiary of FEMSA, pursuant to which FEMSA will acquire the Retail Stores, which comprise our retail segment and a portion of our corporate, other and eliminations segment, subject to certain customary closing conditions. There is no assurance that the conditions to the completion of the sale of the Retail Stores will be satisfied. In connection with the sale of the Retail Entities, we and our stockholders will be subject to risks, including the following:

- the market price of our common stock may reflect assumptions that the Retail Transaction will occur, and a failure to complete the Retail Transaction could result in a decline in the market price of our common stock;
- if the Retail Transaction is not completed, we may not be able to realize the expected proceeds in a subsequent sale transaction;
- we and/or FEMSA may be unable to obtain the approvals, consents or authorizations required to complete the Retail Transaction;
- the closing of the Retail Transaction may result in disruption to our business and distraction of our management and employees from day-to-day operations because matters related to the Retail Transaction may require substantial commitments of their time and resources, which could adversely affect our business, financial condition, and results of operations;
- pending the closing of the Retail Transaction, the Retail Purchase Agreement restricts us from engaging in certain actions without FEMSA's consent, which could prevent us from pursuing business opportunities that may arise prior to the closing, and we will be subject to business uncertainties that could affect our business, financial condition, and results of operations;
- uncertainty about the effect of the Retail Transaction may adversely affect our relationships with our employees, customers, suppliers and other persons with whom we have business relationships;
- any event that results in a right for FEMSA to seek indemnity from us could result in a substantial payment from us to FEMSA and could adversely affect our business, financial condition, and results of operations;
- certain costs relating to the Retail Transaction, such as legal and accounting fees, are payable by us whether or not the Retail Transaction is completed, and we could incur additional costs in connection with the Retail Transaction;
- if we successfully complete the Retail Transaction, certain terms of the Retail Purchase Agreement may preclude us from engaging in or pursuing certain business opportunities; and
- if we successfully complete the Retail Transaction, our revenues will decrease accordingly and our business will be subject to an increased concentration of the risks that affect our refining and logistics segments.

#### ***We may be unsuccessful in integrating the operations of the assets we have acquired or may acquire with our operations, and in realizing all or any part of the anticipated benefits of any such acquisitions.***

From time to time, we evaluate and acquire assets and businesses that we believe complement our existing assets and businesses. Acquisitions may require substantial capital or the incurrence of substantial indebtedness. Our capitalization and results of operations may change significantly as a result of completed or future acquisitions. Acquisitions and business expansions involve numerous risks, including difficulties in the assimilation of the assets and operations of the acquired businesses, inefficiencies and difficulties that arise because of unfamiliarity with new assets and the businesses associated with them, and new geographic areas and the diversion of management's attention from other business concerns. Further, unexpected costs and challenges may arise whenever businesses with different operations or management are combined, and we may experience unanticipated delays in realizing the benefits of an acquisition. Also, following an

acquisition, we may discover previously unknown liabilities associated with the acquired business or assets for which we have no recourse under applicable indemnification provisions.

On August 2, 2024, Delek Logistics entered into the H2O Purchase Agreement for the acquisition of H2O Midstream. Delek Logistics expects the transaction to close by the end of 2024, subject to closing conditions. If these conditions are not satisfied or waived, the acquisition of H2O Midstream will not be consummated. If the closing of the H2O Midstream acquisition is substantially delayed or does not occur at all, or if the terms of the acquisition are required to be modified substantially, we may not realize the anticipated benefits of the acquisition fully or at all, or they may take longer to realize than expected.

The H2O Midstream acquisition will require management to devote significant attention and resources to integrating the H2O Midstream business with our business. Potential difficulties that may be encountered in the integration process include, among others:

- the inability to successfully integrate the H2O Midstream business into our business in a manner that permits us to achieve the revenue and cost savings that we announced as anticipated from the acquisition;
- complexities associated with managing the larger, integrated business;
- potential unknown liabilities and unforeseen expenses, delays or regulatory conditions associated with the acquisition;
- integrating personnel from the two companies while maintaining focus on providing consistent, high-quality products and services;
- loss of key employees;
- integrating relationships with customers, vendors and business partners;
- performance shortfalls at one or both of the companies as a result of the diversion of management's attention caused by completing the acquisition and integration of H2O Midstream's operations into Delek Logistics; and
- the disruption in each company's ongoing business or inconsistencies in standards, controls, procedures and policies.

Furthermore, delays or difficulties in the integration process could adversely affect our business, financial results, financial condition and stock price. Even if we are able to integrate our business operations successfully, there can be no assurance that the integration will result in the realization of the full benefits of synergies, cost savings, innovation and operational efficiencies that we currently expect or have communicated from this integration or that these benefits will be achieved within the anticipated timeframe.

## **ITEM 5. OTHER INFORMATION**

### **Rule 10b5-1 Trading Plans**

During the quarter ended June 30, 2024, none of our directors or officers (as defined in Rule 16a-1 under the Exchange Act) adopted, modified or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 105b-1 trading arrangement" (as those terms are defined in Item 408 of Regulation S-K).

### **Intercompany Transactions**

On August 5, 2024, the Company and certain of its subsidiaries entered into a series of intercompany transactions with Delek Logistics and certain of its subsidiaries, as described below. The transactions, including the consideration therefor, were negotiated and approved by the Audit Committee of the Board of Directors of the Company, which is comprised solely of independent directors, and by the Conflicts Committee of the Board of Directors of Delek Logistics' general partner, which is also comprised solely of independent directors. The Board of Directors of the Company engaged Barclays to act as its exclusive financial advisor and Bradley Arant Boult Cummings LLP to act as its legal counsel. The Conflicts Committee engaged Intrepid Partners, LLC to act as its exclusive financial advisor and Gibson, Dunn & Crutcher LLP to act as its legal counsel.

### **Wink to Webster Contribution**

On August 5, 2024, the Company contributed all of its interest in the Wink to Webster pipeline joint venture (the "Contribution") to Delek Logistics. The Contribution was made pursuant to a Contribution Agreement (the "Contribution Agreement") between Delek Energy, a wholly-owned subsidiary of the Company, and Delek Logistics. Total consideration for the Contribution was approximately \$500 million, subject to post-closing adjustment, comprised of (i) approximately \$280 million of joint venture indebtedness, (ii) \$68 million in cash, (iii) 2,300,000 newly issued common units of limited partnership interest in Delek Logistics ("common units") and (iv) cancellation of a \$60 million intercompany receivable owed by the Company to Delek Logistics. The Partnership also paid the Company approximately \$18.6 million for an additional 0.6% interest in the Wink to Webster pipeline joint venture that was acquired by the Company from a joint venture partner on August 1, 2024, bringing the total interest in the Wink to Webster pipeline joint venture contributed to Delek Logistics to 15.6%.

The Contribution was effected by Delek Energy transferring 100% of the limited liability company interests in Delek Permian Pipeline Holdings, LLC, which holds certain subsidiaries that collectively included joint venture financing entities and the 15.6% Wink to Webster pipeline joint venture interest. The offering and sale of the common units pursuant to the Contribution Agreement are intended to be exempt under the

Securities Act of 1933, as amended (the “Securities Act”), by virtue of the exemption afforded by Section 4(2) and Rule 506 of Regulation D promulgated under the Securities Act and corresponding provisions of state securities or “blue sky” laws.

The foregoing description of the Contribution Agreement is not complete and is qualified in its entirety by reference to the full text of the Contribution Agreement, which is attached as Exhibit 2.1 to this Quarterly Report on Form 10-Q.

#### Fourth Amended and Restated Omnibus Agreement

On August 5, 2024, the Company and Delek Logistics entered into a Fourth Amended and Restated Omnibus Agreement with certain of their respective subsidiaries (the “Amended Omnibus Agreement”). The Amended Omnibus provides the Company an option to purchase certain critical assets from Delek Logistics at market value during the period beginning upon any change in control or sale of substantially all assets transaction involving Delek Logistics and extending (i) in the case of a transaction involving a third party, for six months following closing, and (ii) for any other transaction, for four years following closing.

The foregoing description of the Amended Omnibus Agreement is not complete and is qualified in its entirety by reference to the full text of the Amended Omnibus Agreement, which is attached as Exhibit 10.1 to this Quarterly Report on Form 10-Q.

#### Amended and Restated Intercompany Agreements

On August 5, 2024, certain subsidiaries of the Company and Delek Logistics agreed to amend and restate 12 intercompany services agreements as listed below. The amendments, among other things, extend the terms of the respective agreements for up to 7 years, with an option for the Company to extend such agreements for an additional 5 years. Certain of the agreements also have revised financial terms which will phase in over the time periods noted below.

The following is a list of the 12 intercompany services agreements which were amended and restated:

- (1) Second Amendment and Restatement of the Throughput and Tankage Agreement (Tyler Terminal and Tankage) between DKTS and Delek Marketing & Supply, LP (“DMS”) – seven year term extension effective July 1, 2024, decrease of throughput and storage fees become effective April 1, 2026;
- (2) Amended and Restated Terminalling Services Agreement (Memphis Terminal) between DKTS, Delek Logistics Operating, LLC (“DLO”), and, for limited purposes, Citigroup Energy Inc. (“Citi”) – seven year term extension effective July 1, 2024;
- (3) Amended and Restated Terminalling Services Agreement (North Little Rock Terminal) between DKTS, DLO, and, for limited purposes, CEI – seven year term extension effective July 1, 2024;
- (4) Amended and Restated Throughput and Tankage Agreement (El Dorado Terminal and Tankage) between DKTS, DLO, and, for limited purposes, Citi – seven year term extension effective July 1, 2024, with decrease of throughput and storage fee to become effective February 1, 2025;
- (5) Amended and Restated Throughput Agreement (El Dorado Rail Offloading Facility) between DKTS and DLO – seven year term extension effective July 1, 2024, with decrease of throughput fee and removal of minimum volume commitment to become effective August 1, 2025;
- (6) Amended and Restated Tankage Agreement (Tyler Crude Storage Tank 701) between DKTS and Delek Marketing & Supply, LP – seven year term extension effective July 1, 2024, with decrease in storage fees to become effective April 1, 2026;
- (7) Second Amended and Restated Services Agreement (Big Sandy Terminal and Pipeline) between DKTS and Delek Marketing-Big Sandy, LLC (“DMBS”) – seven year term extension effective July 1, 2024;
- (8) Amended and Restated Pipelines and Storage Facilities Agreement between DKTS, Delek Logistics, SALA Gathering Systems LLC (“SALA”), El Dorado Pipeline Company, LLC (“EDR”), Magnolia Pipeline Company, LLC (“MPC”), and, for limited purposes, Citi – seven year term extension effective July 1, 2024, with decrease of crude oil throughput fees to become effective September 1, 2026;
- (9) Amended and Restated Pipelines and Tankage Agreement (East Texas Crude Logistics System) between DKTS and Delek Crude Logistics, LLC – seven year term extension effective July 1, 2024;
- (10) Amended and Restated Terminalling Services Agreement (Mt. Pleasant Terminal) between DKTS and DMBS – seven year term extension effective July 1, 2024;
- (11) Amended and Restated Services Agreement (Greenville Facility) between DKTS and DMBS – seven year term extension effective July 1, 2024; and
- (12) Amended and Restated Slurry Clarifying Services Agreement (Krotz Springs) between DKTS, DLO, and DKE – five year term extension effective July 1, 2024.

#### Assignment of Big Spring Refinery Marketing Agreement

On August 5, 2024, DKL Big Spring, LLC (“DKL Big Spring”), a subsidiary of Delek Logistics, entered into an assignment and assumption agreement (the “Assignment Agreement”) with Alon USA, LP (“Alon LP”), DKTS, and Delek Logistics Services Company (“DLSC”). Under the Assignment Agreement, DKL Big Spring assigned to DLSC its right, title, and interest in that certain Marketing Agreement dated as of March 1, 2018, as amended to date, and as consideration for such assignment, Alon LP caused 2,500,000 of our common units to be transferred to Delek Logistics from DLSC and subsequently cancelled.

**Relationships**

Prior to the transaction, the Company owned the general partner interest and a 72.6% limited partnership interest in Delek Logistics. Each of Delek Logistics and the other parties to the Contribution Agreement, Omnibus Agreement, Intercompany Agreements and Assignment Agreement are direct or indirect subsidiaries of the Company. As a result, certain individuals, including officers and directors of the Company, serve as officers and/or directors of more than one of such other entities. Additionally, Delek Logistics and the Company have certain commercial relationships as further described in Delek Logistics' Annual Report on Form 10-K for the year ended December 31, 2023.

## ITEM 6. EXHIBITS

Exhibit No.	Description
<a href="#">2.1</a>	* <a href="#">Membership Interest Purchase Agreement, dated July 31, 2024, by and between Alon Brands, Inc. and Emprex Proximity LLC (incorporated by reference to Exhibit 2.1 to the Company's Form 8-K filed on August 6, 2024).</a>
<a href="#">2.2</a>	**# <a href="#">Contribution Agreement dated August 5, 2024, between Delek US Energy, Inc. and Delek Logistics Partners, LP.</a>
<a href="#">3.1</a>	<a href="#">Amendment to the Company's Second Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K filed on May 2, 2024).</a>
<a href="#">10.1</a>	**# <a href="#">Fourth Amended and Restated Omnibus Agreement dated August 5, 2024, among Delek US Holdings, Inc., Delek Refining, Ltd., Lion Oil Company, LLC, Delek Logistics Partners, LP, Paline Pipeline Company, LLC, SALA Gathering Systems, LLC, Magnolia Pipeline Company, LLC, El Dorado Pipeline Company, LLC, Delek Crude Logistics, LLC, Delek Marketing-Big Sandy, LLC, Delek Marketing &amp; Supply, LP, DKL Transportation, LLC, Delek Logistics Operating, LLC, and Delek Logistics GP, LLC.</a>
<a href="#">31.1</a>	# <a href="#">Certification of the Company's Chief Executive Officer pursuant to Rule 13a-14(a)/15(d)-14(a) under the Securities Exchange Act of 1934, as amended.</a>
<a href="#">31.2</a>	# <a href="#">Certification of the Company's Chief Financial Officer pursuant to Rule 13a-14(a)/15(d)-14(a) under the Securities Exchange Act of 1934, as amended.</a>
<a href="#">32.1</a>	## <a href="#">Certification of the Company's Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
<a href="#">32.2</a>	## <a href="#">Certification of the Company's Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</a>
101	The following materials from Delek US Holdings, Inc.'s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2024, formatted in Inline XBRL (eXtensible Business Reporting Language): (i) Condensed Consolidated Balance Sheets as of June 30, 2024 and June 30, 2023 (Unaudited), (ii) Condensed Consolidated Statements of Income for the three and six months ended June 30, 2024 and 2023 (Unaudited), (iii) Condensed Consolidated Statements of Comprehensive Income for the three and six months ended June 30, 2024 and 2023 (Unaudited), (iv) Condensed Consolidated Statements of Changes in Stockholders' Equity for the three and six months ended June 30, 2024 and 2023 (Unaudited), (v) Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2024 and 2023 (Unaudited), and (vi) Notes to Condensed Consolidated Financial Statements (Unaudited).
104	The cover page from Delek US Holdings, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, has been formatted in Inline XBRL.

# Filed herewith

## Furnished herewith

\* Certain schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Partnership agrees to furnish supplementally a copy of any of the omitted schedules or exhibits upon request by the United States Securities and Exchange Commission, provided, however, that the Partnership may request confidential treatment pursuant to Rule 24b-2 of the Exchange Act, as amended, for any schedules or exhibits so furnished.

\*\* Certain of the exhibits and schedules have been omitted in accordance with Regulation S-K Item 601(a)(5). The Partnership agrees to furnish a copy of all omitted exhibits and schedules upon request by the United States Securities and Exchange Commission, provided, however, that the Partnership may request confidential treatment pursuant to Rule 24b-2 of the Exchange Act, as amended, for any schedules or exhibits so furnished.



## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

### Delek US Holdings, Inc.

By: /s/ Avigal Soreq

Avigal Soreq  
President and Chief Executive Officer  
(Principal Executive Officer)

By: /s/ Reuven Spiegel

Reuven Spiegel  
Executive Vice President, Chief Financial Officer  
(Principal Financial Officer)

By: /s/ Robert Wright

Robert Wright  
Senior Vice President and Deputy Chief Financial Officer  
(Principal Accounting Officer)

Dated: August 7, 2024

## CONTRIBUTION AGREEMENT

This **CONTRIBUTION AGREEMENT**, dated as of August 5, 2024 (the “Agreement”), is by and between **DELEK US ENERGY, INC.**, a Delaware corporation (“Delek Energy”), and **DELEK LOGISTICS PARTNERS, LP**, a Delaware limited partnership (the “Partnership”) (each, a “Party” and collectively, the “Parties”).

### RECITALS

**WHEREAS**, Delek US Holdings, Inc., a Delaware corporation (“Delek US”), owns 100% of the issued and outstanding common stock of Delek Energy;

**WHEREAS**, Delek Energy owns 100% of the issued and outstanding limited liability company interests (the “Subject Interests”) of Delek Permian Pipeline Holdings, LLC, a Delaware limited liability company (“Permian Pipeline Holdings”);

**WHEREAS**, in connection with the Closing (as defined below), Delek Energy desires to contribute, assign, transfer, convey and deliver to the Partnership, and the Partnership desires to receive, accept and acquire from Delek Energy, the Subject Interests, and in exchange, the Partnership desires to deliver, or cause to be delivered, to Delek Energy or its designee(s) the Total Consideration (as defined below), all in accordance with the terms of this Agreement (the “Transaction”);

### **WHEREAS**,

- (a) the Audit Committee (the “Audit Committee”) of the Board of Directors (the “DK Board of Directors”) of Delek US has previously:
    - i. received an opinion (the “DK Fairness Opinion”) of Barclays Capital Inc., the financial advisor to Delek US, that the Total Consideration to be paid by the Partnership in connection with the Transaction is fair, from a financial point of view, to Delek US;
    - ii. after an evaluation of, among other things, the Transaction, the DK Fairness Opinion and the proposed terms and conditions of this Agreement and the other Transaction Documents (as defined below), determined in good faith that the Transaction is in the interest of Delek US;
    - iii. unanimously approved the Transaction and the Transaction Documents upon the terms and conditions set forth in the Transaction Documents; and
    - iv. unanimously recommended that the DK Board of Directors (A) approve the Transaction and the Transaction Documents upon the terms and conditions set forth in the Transaction Documents and (B) cause Delek Energy or its designee(s) to enter into the Transaction
-

Documents and consummate the Transaction upon the terms and conditions set forth in the Transaction Documents; and

- (b) subsequently, the DK Board of Directors approved the Transaction, the Transaction Documents and the transactions contemplated thereby upon the terms and conditions set forth in the Transaction Documents; and
- (c) the Conflicts Committee (the “Conflicts Committee”) of the Board of Directors (the “DKL Board of Directors”) of Delek Logistics GP, LLC, a Delaware limited liability company and the general partner of the Partnership (the “General Partner”), has previously:
  - i. received an opinion (the “CC Fairness Opinion”) of Intrepid Partners, LLC, the financial advisor to the Conflicts Committee (the “CC Financial Advisor”), that as of the date of such CC Fairness Opinion, and based upon and subject to the assumptions, qualifications, limitations and other matters set forth therein, the Total Consideration is fair, from a financial point of view, to the Partnership;
  - ii. after an evaluation of, among other things, the Transaction, the CC Fairness Opinion, and the proposed terms and conditions of this Agreement and the other Transaction Documents (as defined below), determined in good faith that the Transaction is in the best interests of the Partnership;
  - iii. unanimously approved the Transaction and the Transaction Documents upon the terms and conditions set forth in the Transaction Documents, such approval constituting “Special Approval” for purposes of the Partnership Agreement (as defined below); and
  - iv. unanimously recommended that the DKL Board of Directors (A) approve the Transaction and the Transaction Documents upon the terms and conditions set forth in the Transaction Documents and (B) cause the Partnership or its designee(s) to enter into the Transaction Documents and consummate the Transaction upon the terms and conditions set forth in the Transaction Documents; and
- (d) subsequently, the DKL Board of Directors approved the Transaction, the Transaction Documents and the transactions contemplated thereby upon the terms and conditions set forth in the Transaction Documents; and

**WHEREAS**, the Parties have taken or caused to be taken all limited liability company, corporate or limited partnership action, as applicable, required to approve the transactions contemplated by this Agreement.

**NOW, THEREFORE**, in consideration of the premises and the covenants, conditions and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

**ARTICLE I  
DEFINITIONS**

Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms below:

“Affiliate” means, with respect to any Person, any other Person that, directly or indirectly, Controls, is Controlled by or is under common Control with such specified Person through one or more intermediaries or otherwise; *provided, however*, that for purposes of this Agreement, Delek US and its subsidiaries (other than the General Partner, the Partnership and the Partnership’s subsidiaries), on the one hand, and the General Partner, the Partnership and the Partnership’s subsidiaries, on the other hand, shall not be considered Affiliates of each other.

“Actual JV Debt” means the amount outstanding under the W2W Credit Agreement that is allocated to Permian Pipeline Holdings at the Closing Date.

“Agreement” has the meaning set forth in the preamble to this Agreement.

“Assignment Agreement” means that certain Assignment of Membership Interest Agreement in the form attached as Exhibit A hereto.

“Assumed Liabilities” has the meaning set forth in Section 2.3.

“Audit Committee” has the meaning set forth in the recitals to this Agreement.

“Basket” has the meaning set forth in Section 7.8.

“Business Day” means a day other than Saturday, Sunday or any day on which commercial banks located in the State of New York are authorized or obligated to close.

“Cap” has the meaning set forth in Section 7.8(a).

“Cash Consideration” means an amount of cash equal to \$68 million.

“CC Fairness Opinion” has the meaning set forth in the recitals to this Agreement.

“CC Financial Advisor” has the meaning set forth in the recitals to this Agreement.

“Closing” has the meaning set forth in Section 6.1.

“Closing Date” has the meaning set forth in Section 6.1.

“Code” means the Internal Revenue Code of 1986, as amended.

“Common Unit” has the meaning set forth in the Partnership Agreement.

“Conflicts Committee” has the meaning set forth in the recitals to this Agreement.

“Consent” has the meaning set forth in Section 3.4.

“Control” means (a) with respect to any Person having voting securities or the equivalent and elected directors, managers or Persons performing similar functions, the ownership of or power to vote, directly or indirectly, voting securities or the equivalent representing 50% or more of the power to vote in the election of directors, managers or Persons performing similar functions, (b) ownership of 50% or more of the equity or equivalent interest in any Person or (c) the ability to direct the business and affairs of any Person by acting as a general partner, manager or otherwise, and the terms “Controlling” and “Controlled” have correlative meanings.

“Damages” has the meaning set forth in Section 7.1.

“Excluded Liabilities” has the meaning set forth in Section 2.3.

“Delek Indemnitees” has the meaning set forth in Section 7.1.

“Delek Energy” has the meaning set forth in the preamble to this Agreement.

“Delek W2W Interests” has the meaning set forth in Section 3.6(f).

“DK Board of Directors” has the meaning set forth in the recitals to this Agreement.

“DK Fairness Opinion” has the meaning set forth in the recitals to this Agreement.

“DKL Board of Directors” has the meaning set forth in the recitals to this Agreement.

“DRULPA” means the Delaware Revised Uniform Limited Partnership Act, 6 Del C. Section 17-101, et seq., as amended, supplemented or restated from time to time, and any successor to such statute.

“Effective Time” means 11:59 p.m. local time in Nashville, Tennessee on the Closing Date, or such other time and date mutually agreed to in writing by the Parties.

“Estimated JV Debt” means \$20,589,000.

“Exchange Act” shall mean the Securities Exchange Act of 1934, as amended or supplemented from time to time.

“General Partner” has the meaning set forth in the recitals to this Agreement.

“Governmental Authority” means (a) the United States of America or any state or political subdivision thereof within the United States of America and (b) any court or any governmental or administrative department, commission, board, bureau or agency of the United

States of America or of any state or political subdivision thereof within the United States of America.

“Indemnity Claim” has the meaning set forth in Section 7.3.

“Knowledge” means, with respect to Delek Energy, the actual knowledge of any individual listed in Schedule 1 attached hereto, and, with respect to the Partnership, the actual knowledge of any individual listed in Schedule 2, in each case without investigation or further inquiry.

“Liability” or “Liabilities” means any direct or indirect liability, indebtedness, obligation, cost, expense, claim, loss, damage, deficiency, guaranty or endorsement of or by any Person, absolute or contingent, matured or unmatured, asserted or unasserted, accrued or unaccrued, due or to become due, liquidated or unliquidated.

“Lien” means any security interest, lien, deed of trust, mortgage, pledge, charge, claim, restriction, easement, encumbrance or other similar interest or right.

“National Securities Exchange” shall mean an exchange registered with the Securities and Exchange Commission under Section 6(a) of the Exchange Act, as such section may be amended or supplemented from time to time, and any successor to such statute.

“New Common Units” has the meaning set forth in Section 2.2.

“Partnership” has the meaning set forth in the preamble to this Agreement.

“Partnership Agreement” means that certain Second Amended and Restated Agreement of Limited Partnership of the Partnership, dated as of August 13, 2020, as the same may be amended from time to time.

“Partnership Fundamental Representations” has the meaning set forth in Section 7.9(b).

“Partnership Indemnitees” has the meaning set forth in Section 7.2.

“Partnership Material Adverse Effect” means any change, circumstance, effect or condition that materially adversely affects, delays or prohibits, or could reasonably be expected to materially adversely affect, delay or prohibit the Partnership’s ability to satisfy its obligations under the Transaction Documents or to consummate the transactions contemplated by the Transaction Documents.

“Party” and “Parties” have the meanings set forth in the preamble to this Agreement.

“Pipeline Finance Interests” has the meaning set forth in Section 3.6(c).

“Permian Pipeline Finance” means Delek Permian Pipeline Finance, LLC, a Delaware limited liability company.

“Permian Pipeline Holdings” the meanings set forth in the recitals to this Agreement.

“Permian Pipeline Holdings Limited Liability Company Agreement” means the Amended and Restated Limited Liability Company Agreement of Permian Pipeline Holdings, dated as of August 18, 2023.

“Person” means an individual or a corporation, firm, limited liability company, partnership, joint venture, trust, unincorporated organization, association, government agency or political subdivision thereof or other entity.

“Post-Closing Adjustment” has the meaning set forth in Section 2.5.

“Proceedings” has the meaning set forth in Section 3.5.

“Rattler Interest Purchase” has the meaning set forth in Section 2.2.

“Rattler Interest Purchase Agreement” has the meaning set forth in Section 2.2.

“Rattler Interest Purchase Price” has the meaning set forth in Section 2.2.

“Securities Act” means the Securities Act of 1933, as amended.

“Sponsor Fundamental Representations” has the meaning set forth in Section 7.9(a).

“Sponsor Material Adverse Effect” means any change, circumstance, effect or condition that materially adversely affects, delays or prohibits, or would reasonably be expected to materially adversely affect, delay or prohibit, Delek Energy’s ability to satisfy its obligations under the Transaction Documents or to consummate the transactions contemplated by the Transaction Documents.

“Subject Interests” has the meaning set forth in the recitals to this Agreement.

“Tax” or “Taxes” means any federal, state, local or foreign income tax, ad valorem tax, excise tax, sales tax, use tax, franchise tax, real or personal property tax, transfer tax, gross receipts tax or other tax, assessment, duty, fee, levy or other governmental charge, together with and including, any and all interest, fines, penalties, assessments, and additions to Tax resulting from, relating to, or incurred in connection with any of those or any contest or dispute thereof.

“Tax Authority” means any Governmental Authority having jurisdiction over the payment or reporting of any Tax.

“Tax Proceeding” has the meaning set forth in Section 5.3(b).

“Tax Return” means any report, statement, form, return or other document or information required to be supplied to a Tax Authority in connection with Taxes.

“Total Consideration” has the meaning set forth in Section 2.2.

“Trading Day” shall mean a day on which the principal National Securities Exchange on which the Common Units are listed is open for the transaction of business or, if the Common Units are not listed or admitted for unlisted trading privileges on any National Securities Exchange, a day on which banking institutions in New York City generally are open.

“Transaction” has the meaning set forth in the recitals to this Agreement.

“Transaction Documents” means this Agreement, the Assignment Agreement and any other document delivered pursuant to Section 6.2 or Section 6.3 of this Agreement.

“Transaction Taxes” has the meaning set forth in Section 2.4.

“W2W Credit Agreement” means that Credit Agreement dated as of June 2, 2022, among W2W Finance LLC, a Delaware limited liability company, Delek W2W, LLC, a Delaware limited liability company, MPLX W2W Pipeline Holdings LLC, a Delaware limited liability company, MUFG Bank, Ltd., as Administrative Agent, and the Lenders and Issuing Banks thereunder, as the same may be amended from time to time.

“W2W Finance Interests” has the meaning set forth in Section 3.6(e).

“W2W Holdings Interests” has the meaning set forth in Section 3.6(d).

“W2W Holdings” means W2W Holdings LLC, a Delaware limited liability company.

“W2W JV Interests” has the meaning set forth in Section 3.6(g).

“W2W Pipeline” means Wink to Webster Pipeline LLC, a Delaware limited liability company.

## **ARTICLE II CONTRIBUTION OF SUBJECT INTERESTS; CONSIDERATION; ACKNOWLEDGEMENTS**

Section 2.1 Contribution of Subject Interests. Upon the terms and subject to the conditions set forth in this Agreement, at the Closing, (i) Delek Energy shall contribute, transfer, assign, convey and deliver the Subject Interests to the Partnership, free and clear of all Liens (other than restrictions under applicable federal and state securities laws) in exchange for the consideration set forth in Section 2.2, and (ii) the Partnership shall receive, accept and acquire the Subject Interests from Delek Energy such that after giving effect to this Section 2.1, the Partnership will hold 100% of the limited liability company interests in Permian Pipeline Holdings.

Section 2.2 Consideration. At the Closing, in consideration (the “Total Consideration”) for the contribution of the Subject Interests, the Partnership shall: (a) pay to Delek Energy (or its designee(s)) an aggregate amount of cash equal to the Cash Consideration by wire transfer of immediately available funds in accordance with the wire transfer instructions delivered by Delek Energy to the Partnership prior to the Closing Date; (b) issue to Delek Energy



(or its designee(s)) 2,300,000 newly issued common units representing limited partner interest in the Partnership (the “New Common Units”); (c) cancel \$60 million of Partnership receivables owed by Delek Energy and its Affiliates to the Partnership; and (d) the Partnership will also pay to Delek Energy \$18,564,399.37 in cash (the “Rattler Interest Purchase Price”) for the purchase of the membership interest from Rattler Midstream Operating LLC (the “Rattler Interest Purchase”) pursuant to the Assignment and Assumption Agreement between Rattler Midstream Operating LLC and Delek W2W, LLC (the “Rattler Interest Purchase Agreement”).

Section 2.3 Assumed Liabilities; Excluded Liabilities.

(a) Subject to the indemnification rights provided in Section 8.2, at the Effective Time, the Partnership agrees to assume and to pay, discharge and perform as and when due, (i) all Liabilities that first accrue, are caused by, arise out of, are associated with, are in respect of, or are incurred, in each case, only from and after the Effective Time, in connection with the ownership of the Subject Interests or other activities occurring in connection with and attributable to the ownership of the Subject Interests and (ii) all Liabilities of Permian Pipeline Holdings and its subsidiaries under the W2W Credit Agreement (collectively, the “Assumed Liabilities”).

(b) The Partnership will not assume or become obligated with respect to any Liabilities of any nature whatsoever that first accrue, are caused by, arise out of, are associated with, are in respect of, or are incurred, in each case prior to the Effective Time, in connection with the ownership of the Subject Interests or other activities occurring in connection with and attributable to the ownership of the Subject Interests, other than Liabilities of Permian Pipeline Holdings and its subsidiaries under the W2W Credit Agreement (the “Excluded Liabilities”). All Excluded Liabilities shall remain the sole liabilities of Delek Energy.

Section 2.4 Transaction Taxes: All sales, use, transfer, filing, registration, business and occupation and similar Taxes arising from or associated with the transactions contemplated by this Agreement other than Taxes based on income (“Transaction Taxes”) shall be borne 50% by Delek Energy and 50% by the Partnership. To the extent under applicable law the transferee is responsible for filing Tax Returns in respect of Transaction Taxes, Delek Energy shall prepare and file all such Tax Returns. The Parties shall provide such certificates and other information and otherwise cooperate to the extent reasonably required to minimize Transaction Taxes. The Party that is not responsible under applicable law for paying the Transaction Taxes shall pay its share of the Transaction Taxes to the responsible Party prior to the due date of such Taxes.

Section 2.5 Post-Closing Adjustment for JV Debt: Within 30 days of the Closing Date, the Partnership will obtain the amount of the Actual JV Debt as of the Closing Date, and provide such amount to Delek Energy. The post-closing adjustment shall then be an amount equal to the Estimated JV Debt minus the Actual JV Debt (the “Post-Closing Adjustment”). If the Post-Closing Adjustment is a negative number, Delek Energy shall pay to the Partnership an amount equal to the Post-Closing Adjustment. If the Post-Closing Adjustment is a positive number, the Partnership shall pay to Delek Energy an amount equal to the Post-Closing Adjustment. The Post-Closing Adjustment shall be paid in cash, and shall be treated as an adjustment to the Cash Consideration.

**ARTICLE III**  
**REPRESENTATIONS AND WARRANTIES OF DELEK ENERGY**

Delek Energy hereby represents and warrants to the Partnership that, as of the date hereof:

Section 3.1 Organization and Existence. Delek Energy has been duly incorporated and is validly existing as a corporation and is in good standing under the laws of the State of Delaware, with full corporate power and authority to own, lease and operate its properties and to conduct its business as and where such properties are owned, leased and operated and such business is conducted as of the date of this Agreement. Delek Energy is duly qualified as a foreign corporation to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not, individually or in the aggregate, result in a Sponsor Material Adverse Effect.

Section 3.2 Authority and Approval; Enforceability. Delek Energy has the corporate power and authority to execute and deliver this Agreement and any other Transaction Document to which it is or will be a party, to consummate the transactions contemplated hereby and thereby and to perform all the terms and conditions hereof and thereof to be performed by it. The execution and delivery by Delek Energy of this Agreement and any other Transaction Document to which it is or will be a party, the performance by it of all the terms and conditions hereof and thereof to be performed by it and the consummation of the transactions contemplated hereby and thereby have been duly authorized and approved by all requisite corporate action of Delek Energy. Each of this Agreement and any other Transaction Document to which Delek Energy is or will be a party constitutes or will constitute, upon execution and delivery by Delek Energy, the valid and binding obligation of Delek Energy, enforceable against Delek Energy in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting enforcement of creditors' rights generally and by general principles of equity (whether applied in a proceeding at law or in equity).

Section 3.3 No Conflict. Each of this Agreement, the other Transaction Documents to which Delek Energy is or will be a party and the execution and delivery hereof and thereof by Delek Energy do not, and the fulfilment and compliance with the terms and conditions hereof and thereof and the consummation of the transactions contemplated hereby and thereby will not:

- (a) violate, conflict with, or result in a breach of any of the provisions of the certificate of incorporation, bylaws or other organizational document of Delek Energy;
  - (b) violate or conflict with any provision of any law or administrative regulation or any judicial, administrative or arbitration order, award, judgment, writ, injunction or decree applicable to Delek Energy;
-

(c) violate, conflict with, result in a breach of, constitute a default under (whether with notice or the lapse of time or both), or accelerate or permit the acceleration of the performance required by, or require any consent, authorization or approval under, or result in the suspension, termination or cancellation of, or in a right of suspension, termination or cancellation of, any indenture, mortgage, agreement, contract, commitment, license, concession, permit, lease, joint venture or other instrument to which Delek Energy is a party or by which it is bound or to which the Subject Interests are subject;

(d) result in the creation of, or afford any Person the right to obtain, any Lien on the Subject Interests under any indenture, mortgage, agreement, contract, commitment, license, concession, permit, lease, joint venture or other instrument to which Delek Energy is a party or by which it is bound or to which the Subject Interests are subject; or

(e) result in the revocation, cancellation, suspension or modification of any Consent possessed by Delek Energy that is necessary or desirable for the ownership, lease or operation of its properties and other assets in the conduct of its business as now conducted;

except, in the case of clauses (b), (c), (d) and (e), as would not have, individually, or in the aggregate, a Sponsor Material Adverse Effect.

Section 3.4 Consents. No consent, approval, license, permit, order, waiver, or authorization of, or registration, declaration, or filing with any Governmental Authority or other Person (each a “Consent”) is required to be obtained or made by or with respect to Delek Energy or the Subject Interests in connection with:

(a) the execution, delivery, and performance of this Agreement or the other Transaction Documents, or the consummation of the transactions contemplated hereby and thereby; or

(b) the enforcement against Delek Energy of its obligations hereunder and thereunder;

except, in each case, as would not have, individually, or in the aggregate, a Sponsor Material Adverse Effect.

Section 3.5 Laws and Regulations; Litigation. There are no pending or, to the Knowledge of Delek Energy, threatened claims, fines, actions, suits, demands, investigations or proceedings or any arbitration or binding dispute resolution proceeding (collectively, “Proceedings”) to which Delek Energy is a party or against or affecting the Subject Interests or the ownership of the Subject Interests that, (i) question or involve the validity or enforceability of any of its obligations under this Agreement, (ii) seek to prevent or delay, or seek damages in connection with, the consummation of the transactions contemplated hereby or (iii) would individually, or in the aggregate, reasonably be expected to have a Sponsor Material Adverse Effect or a material and adverse effect on the Subject Interests. Except as would not, individually or in the aggregate, reasonably be expected to have a Sponsor Material Adverse Effect, (x) Delek Energy is not the subject of any violation of or default under any law or regulation or under any

order of any Governmental Authority, and (y) there are no Proceedings pending or, to the Knowledge of Delek Energy, threatened against or affecting the ownership of the Subject Interests, at law or in equity, by or before any Governmental Authority having jurisdiction over Delek Energy.

Section 3.6 Title to Subject Interests.

(a) The Subject Interests represent 100% of the limited liability company interests in Permian Pipeline Holdings. The Subject Interests are not subject to and were not issued in violation of any purchase option, call option, right of first refusal, preemptive right, subscription right or any similar right under any provision of local or state law applicable to the Subject Interests, the Permian Pipeline Holdings Limited Liability Company Agreement or any contract, arrangement or agreement to which Delek Energy or any of its Affiliates is a party or to which it or any of their respective properties or assets is otherwise bound.

(b) Delek Energy has good and valid record and beneficial title to the Subject Interests, and as of the Closing shall be free and clear of any and all Liens (other than restrictions on transfer under applicable federal and state securities laws), and, except as provided or created by the Permian Pipeline Holdings Limited Liability Company Agreement, the Securities Act or applicable securities laws, the Subject Interests are free and clear of any restrictions on transfer, Taxes or claims. There are no options, warrants, purchase rights, contracts, commitments or other securities exercisable or exchangeable for the Subject Interests, or for the repurchase or redemption of the Subject Interests. At Closing, upon payment of the Total Consideration, the Partnership shall acquire good, valid and marketable title to the Subject Interests, free and clear of all Liens (other than restrictions under applicable federal and state securities laws).

(c) Permian Pipeline Holdings has good and valid record and beneficial title to 100% of the equity interests in Permian Pipeline Finance (the "Pipeline Finance Interests"), free and clear of any and all Liens (other than restrictions on transfer under applicable federal and state securities laws). There are no options, warrants, purchase rights, contracts, commitments or other securities exercisable or exchangeable for the Pipeline Finance Interests, or for the repurchase or redemption of the Pipeline Finance Interests. Permian Pipeline Holdings has no assets other than the Pipeline Finance Interests.

(d) Permian Pipeline Finance has good and valid record and beneficial title to 50% of the equity interests in W2W Holdings (the "W2W Holdings Interests"), free and clear of any and all Liens (other than restrictions on transfer under applicable federal and state securities laws). There are no options, warrants, purchase rights, contracts, commitments or other securities exercisable or exchangeable for the W2W Holdings Interests, or for the repurchase or redemption of the W2W Holdings Interests. Permian Pipeline Finance has no assets other than the W2W Holdings Interests.

(e) W2W Holdings has good and valid record and beneficial title to 100% of the equity interests in W2W Finance LLC (the "W2W Finance Interests"), free and clear of any and all Liens (other than restrictions on transfer under applicable federal and state securities

laws). There are no options, warrants, purchase rights, contracts, commitments or other securities exercisable or exchangeable for the W2W Finance Interests, or for the repurchase or redemption of the W2W Finance Interests. W2W Holdings has no assets other than the W2W Finance Interests.

(f) W2W Finance LLC has good and valid record and beneficial title to 100% of the equity interests in Delek W2W, LLC (the “Delek W2W Interests”), free and clear of any and all Liens (other than restrictions on transfer under applicable federal and state securities laws). There are no options, warrants, purchase rights, contracts, commitments or other securities exercisable or exchangeable for the Delek W2W Interests, or for the repurchase or redemption of the Delek W2W Interests. W2W Finance LLC has no assets other than the Delek W2W Interests.

(g) Delek W2W, LLC has good and valid record and beneficial title to 15.6% of the equity interests in Wink to Webster Pipeline, LLC (the “W2W JV Interests”), free and clear of any and all Liens (other than restrictions on transfer under applicable federal and state securities laws). There are no options, warrants, purchase rights, contracts, commitments or other securities exercisable or exchangeable for the W2W JV Interests, or for the repurchase or redemption of the W2W JV Interests, other than as provided under the limited liability agreement of Wink to Webster Pipeline, LLC. Delek W2W, LLC has no assets other than the W2W JV Interests.

### Section 3.7 No Liabilities.

(a) Since their respective formations, each of Permian Pipeline Holdings, Permian Pipeline Finance, W2W Holdings, W2W Finance LLC and Delek W2W, LLC has engaged in no business activities, has no operations, and has incurred no Liabilities of any kind, whether known or unknown or otherwise, in each case except Liabilities under the W2W Credit Agreement or Liabilities in connection with their ownership of W2W Pipeline, its formation and continued existence as a legal entity (including Liabilities incurred in connection with the preparation and filing of Tax Returns, regulatory or governmental filings and the like).

Section 3.8 Brokerage Arrangements. None of Delek Energy or any of its Affiliates has entered, directly or indirectly, into any agreement with any person, firm or corporation that would obligate Delek Energy to pay any commission, brokerage or “finder’s fee” or other fee in connection with this Agreement or the transactions contemplated hereby.

Section 3.9 No Preferential Rights. The Subject Interests are not subject to any right or agreement that enables any Person to purchase or acquire, including by way of a right of first refusal, right of first offer, or similar right, the Subject Interests or any portion of or interest in the Subject Interests as a result of or in connection with (a) the contribution, assignment or other transfer of the Subject Interests, (b) the execution, delivery or performance of this Agreement or (c) the consummation of the transactions contemplated hereby.

Section 3.10 Regulation. Permian Pipeline Holdings is not, nor will be following the consummation of the transactions contemplated by this Agreement, an “investment company”

or a company “controlled by” an “investment company” within the meaning of the Investment Company Act of 1940, as amended.

Section 3.11 Accredited Investor. Delek Energy (or its designee(s) that receive the New Common Units) is an “accredited investor,” as such term is defined in Rule 501(a) of Regulation D under the Securities Act, and will acquire the New Common Units for its own account and not with a view to a sale or distribution thereof in violation of the Securities Act, and the rules and regulations thereunder, any applicable state blue sky laws, or any other applicable securities laws. Delek Energy (or its designee(s) that receive the New Common Units) has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of an investment in the New Common Units to be acquired hereby. Delek Energy (or its designee(s) that receive the New Common Units) agrees and acknowledges that it has received or otherwise has had access to, and has had an opportunity to review, examine and ask questions relating to, such information regarding the Partnership and its business that is necessary for it to make an informed decision regarding the investment in the New Common Units. Delek Energy (or its designee(s) that receive the New Common Units) acknowledges that the New Common Units have not been registered under applicable federal and state securities laws and that the New Common Units may not be sold, transferred, offered for sale, pledged, hypothecated, or otherwise disposed of unless such transfer, sale, assignment, pledge, hypothecation, or other disposition is registered under applicable federal and state securities laws or is made pursuant to an exemption from registration under any federal or state securities laws.

Section 3.12 Conflicts Committee Matters. The projections and budgets provided by the representatives of Delek Energy to the Conflicts Committee (including those provided to the CC Financial Advisor) as part of its review in connection with this Agreement and the transactions contemplated hereby were prepared and delivered in good faith and have a reasonable basis and are consistent with the current expectations of Delek Energy’s management regarding the Subject Interests.

Section 3.13 Tax Representations.

(a) Permian Pipeline Holdings is, and has been since its formation, an entity disregarded as separate from its owner, Delek Energy, for federal and applicable state income tax purposes.

(b) Permian Pipeline Finance is, and has been since its formation, an entity disregarded as separate from its owner, Delek Energy, for federal and applicable state income tax purposes.

(c) W2W Holdings is, and has been since its formation, a partnership for federal and applicable state income tax purposes.

(d) W2W Pipeline is, and has been since its formation, a partnership for federal and applicable state income tax purposes.

(e) The joint venture between W2W Pipeline and M2E3 LLC has elected under Treasury Regulation § 1.761-2 to be excluded from the provisions of subchapter K of chapter 1 of the Code.

(f) W2W Pipeline has in effect an election under Section 754 of the Code and Treasury Regulation Section 1.754-1(b) effective for the taxable period of W2W Pipeline that includes the Closing Date.

(g) All material Tax Returns of W2W Holdings have been timely and duly filed (taking into account customary, automatic extensions properly obtained), and all such Tax Returns and amendments thereto are true, correct and complete in all material respects. All material Taxes that have become due and payable have been timely paid.

(h) To the Knowledge of Delek Energy, W2W Holdings (1) has complied in all material respects with all applicable law relating to the deduction or withholding and payment and reporting of material Taxes from amounts paid, owing or allocable to any employees, independent contractors, creditors, equity holders and other Persons, including the remittance thereof and any information reporting in relation thereto, and (2) has deducted or withheld (within the time and in the manner prescribed by applicable law) and timely remitted or paid over to the appropriate Governmental Authority all material Taxes required to have been withheld and paid over in connection with amounts paid or owing to any employee of W2W Holdings.

(i) To the Knowledge of Delek Energy, (A) as of the date hereof, no Tax Returns of W2W Holdings are being audited by any Governmental Authority, nor has W2W Holdings received any written notice of the institution of, or intent to institute, any such audit, and (B) no waiver or extension of any statute of limitations which has been executed by W2W Holdings is in effect with respect to Taxes other than as a result of extending the due date of any Tax Return.

(j) To the Knowledge of Delek Energy, W2W Holdings has collected all material sales and use, goods and services, or other similar Taxes required to be collected, and has remitted, or will remit on a timely basis, such amounts to the appropriate Governmental Authorities, or has been furnished properly completed exemption certificates, and has maintained all such records and supporting documents in the manner required by all applicable sales and use Tax law.

(k) W2W Holdings has (i) not been a member of a combined, consolidated, affiliated, unitary or similar group for Tax purposes and (ii) no liability for the Taxes of any Person as a transferee or successor or by contract, or otherwise by operation of applicable law.

(l) W2W Holdings is not a party to any Tax sharing, indemnity or similar agreement allocating Tax liability, except for the LLC Agreement of W2W Holdings and contracts entered into in the ordinary course of business not primarily related to Taxes.

(m) W2W Holdings will not be required to include any material item of income in, nor exclude any material item of deduction from, taxable income for any Tax period ending after the Closing Date as a result of a change in accounting method under Section 481(a) of the Code, an installment sale, an open transaction, the application of Section 263A of the Code or any prepaid amount received, in each case in or for a Tax period ending on or prior to the Closing Date (or any similar provision of state, local or foreign applicable Tax law).

Section 3.14 No Other Representations or Warranties.

(a) Except for the representations and warranties made in this Article III, Delek Energy makes no other express or implied representation or warranty with respect to the Subject Interests or the transactions contemplated by this Agreement and disclaims any other representations or warranties.

(b) FURTHER, EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT OR IN ANY OTHER TRANSACTION DOCUMENT, DELEK ENERGY EXPRESSLY DISCLAIMS, ON ITS BEHALF AND ON BEHALF OF ITS AFFILIATES, (I) ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE, EXPRESS OR IMPLIED, WITH RESPECT TO SUCH PERSONS OR THE TRANSACTION, INCLUDING WITH RESPECT TO (A) THE DISTRIBUTION OF OR RELIANCE ON ANY INFORMATION, DISCLOSURE OR DOCUMENT OR OTHER MATERIAL MADE AVAILABLE TO THE PARTNERSHIP OR ANY OF ITS AFFILIATES OR REPRESENTATIVES IN ANY DATA ROOM, MANAGEMENT PRESENTATION, CONFIDENTIAL INFORMATION MEMORANDUM OR IN ANY OTHER FORM IN EXPECTATION OF, OR IN CONNECTION WITH, THE TRANSACTION, OR RELATING TO IN ANY WAY TO PERMIAN PIPELINE HOLDINGS, (B) ANY ESTIMATES OF THE VALUE OF PERMIAN PIPELINE HOLDINGS' ASSETS OR THE SUBJECT INTERESTS, (C) THE MAINTENANCE, REPAIR, CONDITION, QUALITY, SUITABILITY, DESIGN, MARKETABILITY, PROSPECTS (FINANCIAL OR OTHERWISE) OR RISKS AND OTHER INCIDENTS OF PERMIAN PIPELINE HOLDINGS' ASSETS OR THE SUBJECT INTERESTS AND (D) ANY OTHER DUE DILIGENCE INFORMATION, (II) ANY REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR CONFORMITY TO MODELS OR SAMPLES AND (III) ALL LIABILITY FOR ANY REPRESENTATION, WARRANTY, PROJECTION, FORECAST, STATEMENT OR INFORMATION MADE AVAILABLE, COMMUNICATED OR FURNISHED (ORALLY OR IN WRITING) TO THE PARTNERSHIP OR ANY OF ITS AFFILIATES OR REPRESENTATIVES (INCLUDING OPINION, INFORMATION, PROJECTION OR ADVICE THAT MAY HAVE BEEN PROVIDED TO THE PARTNERSHIP OR ANY OF ITS AFFILIATES OR REPRESENTATIVES). THE PARTIES ACKNOWLEDGE AND AGREE THAT EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THIS AGREEMENT OR IN ANY OTHER TRANSACTION DOCUMENT THE PARTNERSHIP SHALL BE DEEMED TO BE ACQUIRING THE SUBJECT INTERESTS (AND, INDIRECTLY, THE ASSETS OF PERMIAN PIPELINE HOLDINGS), IN THEIR PRESENT STATUS, CONDITION AND STATE OF REPAIR, "AS IS," "WHERE IS" AND "WITH ALL FAULTS."



NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, THE STATEMENTS AND DISCLAIMERS IN THIS SECTION 3.14 SHALL EXPRESSLY SURVIVE THE CLOSING.

**ARTICLE IV  
REPRESENTATIONS AND WARRANTIES OF THE PARTNERSHIP**

The Partnership hereby represents and warrants to Delek Energy that, as of the date hereof:

Section 4.1 Organization and Existence. The Partnership has been duly formed and is validly existing as a limited partnership and is in good standing under the laws of the State of Delaware, with full limited partnership power and authority to own, lease and operate its properties and to conduct its business as and where such properties are owned, leased and operated and such business is conducted as of the date of this Agreement. The Partnership is duly qualified as a foreign limited partnership to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not, individually or in the aggregate, result in a Partnership Material Adverse Effect.

Section 4.2 Authority and Approval; Enforceability. The Partnership has the limited partnership power and authority to execute and deliver this Agreement and any other Transaction Document to which it is or will be a party, to consummate the transactions contemplated hereby and thereby and to perform all the terms and conditions hereof and thereof to be performed by it. The execution and delivery by the Partnership of this Agreement and any other Transaction Document to which it is or will be a party, the performance by it of all the terms and conditions hereof and thereof to be performed by it and the consummation of the transactions contemplated hereby and thereby have been duly authorized and approved by all requisite limited partnership action of the Partnership. Each of this Agreement and any other Transaction Document to which the Partnership is or will be a party constitutes or will constitute, upon execution and delivery by the Partnership, the valid and binding obligation of the Partnership, enforceable against the Partnership in accordance with its terms, except as such enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws affecting enforcement of creditors' rights generally and by general principles of equity (whether applied in a proceeding at law or in equity).

Section 4.3 No Conflict. Each of this Agreement, the other Transaction Documents to which the Partnership is or will be a party and the execution and delivery hereof and thereof by the Partnership do not, and the fulfilment and compliance with the terms and conditions hereof and thereof and the consummation of the transactions contemplated hereby and thereby will not:

(a) violate, conflict with, or result in a breach of any of the provisions of the certificate of limited partnership, partnership agreement or other organizational document of the Partnership;

(b) violate or conflict with any provision of any law or administrative regulation or any judicial, administrative or arbitration order, award, judgment, writ, injunction or decree applicable to the Partnership;

(c) violate, conflict with, result in a breach of, constitute a default under (whether with notice or the lapse of time or both), or accelerate or permit the acceleration of the performance required by, or require any consent, authorization or approval under, or result in the suspension, termination or cancellation of, or in a right of suspension, termination or cancellation of, any indenture, mortgage, agreement, contract, commitment, license, concession, permit, lease, joint venture or other instrument to which the Partnership is a party or by which it is bound; or

(d) result in the revocation, cancellation, suspension or modification of any Consent possessed by the Partnership that is necessary or desirable for the ownership, lease or operation of its properties and other assets in the conduct of its business as now conducted;

except, in the case of clauses (b), (c), and (d), as would not have, individually or in the aggregate, a Partnership Material Adverse Effect.

Section 4.4 Consents. No Consent is required to be obtained or made by or with respect to the Partnership in connection with:

(a) the execution, delivery, and performance of this Agreement or the other Transaction Documents, or the consummation of the transactions contemplated hereby and thereby; or

(b) the enforcement against the Partnership of its obligations hereunder and thereunder;

except, in each case, as would not have, individually or in the aggregate a Partnership Material Adverse Effect.

Section 4.5 Laws and Regulations; Litigation. There are no pending or, to the Knowledge of the Partnership, threatened Proceedings to which the Partnership is a party that (i) question or involve the validity or enforceability of any of its obligations under this Agreement, (ii) seek to prevent or delay, or seek damages in connection with, the consummation of the transactions contemplated hereby or (iii) would individually, or in the aggregate, reasonably be expected to have a Partnership Material Adverse Effect. Except as would not, individually or in the aggregate, have a Partnership Material Adverse Effect, the Partnership is not subject to any violation of or default under any law or regulation or under any order of any Governmental Authority.

Section 4.6 Delivery of Fairness Opinion. The Conflicts Committee has received the CC Fairness Opinion that as of the date of such CC Fairness Opinion, and based upon and subject to the assumptions, qualifications, limitations and other matters set forth therein, the Total Consideration is fair, from a financial point of view, to the Partnership.

Section 4.7 Issuance of New Common Units. The New Common Units issued by the Partnership as provided in this Agreement, and the limited partner interests represented thereby, have been duly authorized for issuance in accordance with this Agreement and the Partnership Agreement, and, when issued and delivered by the Partnership pursuant to this Agreement against payment of the consideration set forth herein, will be validly issued, fully paid (to the extent required under the Partnership Agreement) and non-assessable (except as such non-assessability may be affected by Sections 17-303, 17-607 or 17-804 of the DRULPA).

Section 4.8 New Common Units Listed. The New Common Units have been approved for listing on The New York Stock Exchange upon official notice of issuance.

Section 4.9 Brokerage Arrangements. Neither the Partnership nor any of its Affiliates has entered, directly or indirectly, into any agreement with any person, firm or corporation that would obligate Delek Energy or its Affiliates to pay any commission, brokerage or “finder’s fee” or other fee in connection with this Agreement or the transactions contemplated hereby.

Section 4.10 Acquisition as Investment. The Partnership is acquiring the Subject Interests for its own account as an investment with the present intention of holding the Subject Interests for investment purposes and not to sell, transfer or otherwise distribute the same to any other Person in violation of any securities Laws. The Partnership has knowledge and experience in financial and business matters such that it is capable of evaluating the merits and risks of an investment in the Subject Interests. The Partnership acknowledges and agrees that the Subject Interests are not registered pursuant to the 1933 Act and that none of the Subject Interests may be sold, transferred, offered for sale, pledged, hypothecated or otherwise disposed of except pursuant to an effective registration statement or an applicable exemption from registration under the 1933 Act. The Partnership is an “accredited investor” as defined under Rule 501 of Regulation D of the 1933 Act.

Section 4.11 No Other Representations or Warranties. Except for the representations and warranties made in this Article IV, the Partnership makes no other express or implied representation or warranty with respect to the transactions contemplated by this Agreement and disclaims any other representations or warranties.

## **ARTICLE V ADDITIONAL COVENANTS AND AGREEMENTS**

Section 5.1 Reserved.

Section 5.2 Further Assurances. On and after the Closing Date, the Parties shall cooperate and use their respective commercially reasonable efforts to take or cause to be taken all appropriate actions and do, or cause to be done, all things necessary or appropriate to make effective the transactions contemplated hereby, including the execution of any additional assignment or similar documents or instruments of transfer of any kind, the obtaining of consents which may be reasonably necessary or appropriate to carry out any of the provisions hereof and the taking of all such other actions as such Party may reasonably be requested to take by the

other Party from to time to time, consistent with the terms of this Agreement, in order to effectuate the provisions and purposes of this Agreement and transactions contemplated hereby.

Section 5.3 Tax Covenants.

(a) Delek Energy will cause W2W Holdings to treat the transfer of the Subject Interests as the transfer of Delek Energy's interest in W2W Holdings and will cause W2W Holdings to close its taxable year as of the Closing Date pursuant to Treasury Regulation Section 1.706-1(c)(2)(i). The Parties agree that the items of taxable income and tax deductions related to the Subject Interests for the period up to and including the Closing Date will be reflected on the federal income Tax Return of Delek Energy. The Parties further agree that the items of taxable income and tax deductions related to the Subject Interests for the period after the Closing Date will be reflected on the federal income Tax Return of the Partnership.

(b) The Parties shall cooperate fully, and cause their Affiliates to cooperate fully, as and to the extent reasonably requested by the other Party, to accomplish the purposes of this Section 5.3, requests for the provision of any information or documentation within the knowledge or possession of the other Party as reasonably necessary to facilitate compliance with financial reporting obligations arising under ASC 740 (formerly FASB Statement No. 109) (including compliance with FIN 48) promulgated by the Financial Accounting Standards Board, and any audit, litigation or other proceeding (each a "Tax Proceeding") with respect to Taxes. Such cooperation shall include access to, the retention and (upon the other Party's request) the provision of records and information which are reasonably relevant to any Tax Return or Tax Proceeding, and making employees available on a mutually convenient basis to provide additional information and explanation of any material provided hereunder. The Partnership and Delek Energy will use their respective commercially reasonable efforts to retain all books and records with respect to Tax matters pertinent to the Subject Interests relating to any taxable period beginning before the Closing Date until the later of six years after the Closing Date or the expiration of the applicable statute of limitations of the respective taxable periods (including any extensions thereof), and to abide by all record retention agreements entered into with any Tax Authority. The Partnership and Delek Energy each agree, upon request, to use their respective commercially reasonable efforts to obtain any certificate or other document from any Tax Authority or any other Person as may be necessary to mitigate, reduce or eliminate any Tax that could be imposed with respect to the transactions contemplated by this Agreement.

(c) To the extent an election under Code Section 754 is not already in effect for W2W Holdings, the Parties shall provide all necessary consents (and evidence thereof) to cause the election provided by Code Section 754 in accordance with Treasury Regulation Section 1.754-1(b) to be made effective for the taxable period of W2W Holdings that includes the Closing Date.

(d) The Parties will use their respective commercially reasonable efforts to agree upon an allocation of the Total Consideration to the Subject Interests and further among the assets of W2W Holdings for U.S. federal income tax purposes in compliance with the

principles of Section 1060 of the Code, and the Treasury Regulations thereunder, and Treasury Regulation Section 1.755-1, as applicable.

(e) The Parties acknowledge and agree that for all U.S. federal income tax purposes, the transactions consummated pursuant to this Agreement will qualify in part for nonrecognition of gain or loss pursuant to Section 721(a) of the Code and will be characterized in part as a disguised sale transaction described in Section 707(a)(2)(B) of the Code and its implementing Treasury Regulations with respect to any amounts treated as a transfer of consideration pursuant to Treasury Regulation Section 1.707-3(a)(1). The Parties acknowledge and agree that the Cash Consideration and the cancellation of the Partnership receivables will not be treated as a reimbursement of preformation expenditures within the meaning of the Treasury Regulation Section 1.707-4(d).

Section 5.4 Reimbursement for Guaranties. The Partnership agrees to reimburse Delek US, within five (5) Business Days of a written request from Delek US therefor, for any amounts accruing from and after the Effective Time that Delek US has to pay under any of the following: (i) the Amended and Restated Guaranty dated as of February 21, 2020 by Delek US in favor of Wink to Webster Pipeline LLC, as amended, supplemented or otherwise modified to date; (ii) the Guaranty dated as of July 30, 2019 by Delek US in favor of ExxonMobil Pipeline Company, as amended, supplemented or otherwise modified to date; and (iii) the Amended and Restated Guaranty dated as of April 17, 2020 by Delek US in favor of W2W Holdings LLC, as amended, supplemented or otherwise modified to date (collectively, the “Guaranties”). Furthermore, the Partnership agrees, to the fullest extent permitted by applicable law, to indemnify, defend and hold harmless Delek US for all losses and expenses arising out of or in relation to the reimbursement obligation of the Partnership in this Section 5.4 relating to the Guaranties (to the extent not reimbursed by the Partnership). Any claims for indemnification by Delek US under this Section 5.4 shall be subject to the same procedures as claims for indemnification under Article VII of this Agreement, except that neither the Deductible nor the Cap shall apply.

Section 5.5 Post-Closing Distributions. The Parties acknowledge that Delek Energy is assigning to the Partnership all of Delek Energy’s right, title and interest in the Subject Interests and that, notwithstanding anything in the Permian Pipeline Holdings Limited Liability Company Agreement or herein to the contrary, the Partnership is entitled to any distributions by or payments from Permian Pipeline Holdings in respect of the Subject Interests made after the Closing Date. Delek Energy covenants and agrees that, should Delek Energy or its Affiliates receive any distribution or payment in respect of the Subject Interests from Permian Pipeline Holdings after the Closing Date, whether pursuant to the terms of the Permian Pipeline Holdings Limited Liability Company Agreement or otherwise, Delek Energy shall promptly remit such amounts to the Partnership.

## ARTICLE VI CLOSING

Section 6.1 Closing. Subject to the terms and conditions of this Agreement and unless otherwise agreed in writing by the Parties, the closing (the “Closing”) of the transactions

contemplated by this Agreement will take place on the date of this Agreement following delivery by the Parties of the closing deliverables set forth in Section 6.2 and 6.3 hereof and the electronic exchange of signature pages by the Parties. The date on which the Closing occurs is referred to as the “Closing Date.” The Closing will be deemed effective as of the Effective Time.

Section 6.2 Deliveries by Delek Energy. At the Closing, Delek Energy will deliver (or cause to be delivered) the following:

- (a) a counterpart to the Assignment Agreement, duly executed by Delek Energy;
- (b) an IRS Form W-9 duly executed by Delek Energy; and
- (c) evidence of the cancellation of \$60 million owed by the Partnership to DK Trading & Supply, LLC.

Section 6.3 Deliveries by the Partnership. At the Closing, the Partnership will deliver (or cause to be delivered) the following:

- (a) the Cash Consideration, by wire transfer of immediately available funds to an account specified by Delek Energy (or one or more of its designees);
- (b) the New Common Units, by issuance in book-entry form of such Common Units, to Delek Energy (or its designee), by instruction to the Partnership’s transfer agent or otherwise;
- (c) a counterpart to the Assignment Agreement, duly executed by the Partnership; and
- (d) the Rattler Interest Purchase Price.

## **ARTICLE VII INDEMNIFICATION**

Section 7.1 Indemnification of Delek Energy. Solely for the purpose of indemnification in this Section 7.1, the representations and warranties of the Partnership in this Agreement shall be deemed to have been made without regard to any materiality or Partnership Material Adverse Effect or Knowledge qualifiers. From and after the Closing Date, subject to the other provisions of this Article VII, the Partnership shall indemnify, defend, and hold Delek Energy and its Affiliates, directors, officers, employees, agents and representatives (together with Delek Energy, the “Delek Indemnitees”) harmless from and against any and all damages (including exemplary damages and penalties), losses, deficiencies, costs, expenses, obligations, fines, expenditures, claims and liabilities, including reasonable counsel fees and reasonable expenses of investigation, defending and prosecuting litigation (collectively, the “Damages”), suffered by the Delek Indemnitees as a result of, caused by, arising out of, or in any way relating to (a) any material breach of a representation or warranty of the Partnership contained in this Agreement, (b) any material breach of any agreement or covenant contained in this Agreement on the part of the Partnership or (c) any of the Assumed Liabilities.

Section 7.2 Indemnification of the Partnership. Solely for the purpose of indemnification in this Section 7.2, the representations and warranties of Delek Energy in this Agreement shall be deemed to have been made without regard to any materiality or Sponsor Material Adverse Effect or Knowledge qualifiers. From and after the Closing Date, subject to the other provisions of this Article VII, Delek Energy shall indemnify, defend, and hold the Partnership and its Affiliates, directors, officers, employees, agents and representatives, and the directors, officers, employees, agents and representatives of the General Partner (together with the Partnership, the "Partnership Indemnitees") harmless from and against any and all Damages suffered by the Partnership Indemnitees as a result of, caused by, arising out of, or in any way relating to (a) any material breach of a representation or warranty of Delek Energy contained in this Agreement (b) any material breach of any agreement or covenant contained in this Agreement on the part of Delek Energy or (c) any of the Excluded Liabilities.

Section 7.3 Demands. Each indemnified party agrees that promptly upon its discovery of facts giving rise to a claim for indemnity under the provisions of this Agreement, including receipt by it of notice of any demand, assertion, claim, action or proceeding, judicial or otherwise, by any third party (such third party actions being collectively referred to herein as the "Indemnity Claim"), with respect to any matter as to which it claims to be entitled to indemnity under the provisions of this Agreement, it will give prompt notice thereof in writing to the indemnifying party, together with a statement of such information respecting any of the foregoing as it shall have. Such notice shall include a formal demand for indemnification under this Agreement. The indemnifying party shall not be obligated to indemnify the indemnified party with respect to any Indemnity Claim if the indemnified party knowingly failed to notify the indemnifying party thereof in accordance with the provisions of this Agreement to the extent that knowing failure to notify actually results in material prejudice or damage to the indemnifying party.

Section 7.4 Right to Contest and Defend.

(a) The indemnifying party shall be entitled at its cost and expense to contest and defend by all appropriate legal proceedings any Indemnity Claim with respect to which it is called upon to indemnify the indemnified party under the provisions of this Agreement; *provided, however*, that notice of the intention to so contest shall be delivered by the indemnifying party to the indemnified party within 20 days from the date of receipt by the indemnifying party of notice by the indemnified party of the assertion of the Indemnity Claim. Any such contest may be conducted in the name and on behalf of the indemnifying party or the indemnified party as may be appropriate. Such contest shall be conducted and prosecuted diligently to a final conclusion or settled in accordance with this Section 7.4(a) by reputable counsel employed by the indemnifying party and not reasonably objected to by the indemnified party, but the indemnified party shall have the right but not the obligation to participate in such proceedings and to be represented by counsel of its own choosing at its sole cost and expense. The indemnifying party shall have full authority to determine all action to be taken with respect thereto; *provided, however*, that the indemnifying party will not have the authority to subject the indemnified party to any obligation whatsoever, other than the performance of purely ministerial tasks or obligations not involving material expense. If the indemnifying party does

not elect to contest any such Indemnity Claim or elects to contest such Indemnity Claim but fails diligently and promptly to prosecute or settle such claim, the indemnifying party shall be bound by the result obtained with respect thereto by the indemnified party. If the indemnifying party shall have assumed the defense of an Indemnity Claim, the indemnified party shall agree to any settlement, compromise or discharge of an Indemnity Claim that the indemnifying party may recommend and that by its terms obligates the indemnifying party to pay the full amount of the liability in connection with such Indemnity Claim, which releases the indemnified party completely in connection with such Indemnity Claim and which would not otherwise adversely affect the indemnified party.

(b) Notwithstanding the foregoing, the indemnifying party shall not be entitled to assume the defense of any Indemnity Claim (and shall be liable for the reasonable fees and expenses of counsel incurred by the indemnified party in defending such Indemnity Claim) if the Indemnity Claim seeks an order, injunction or other equitable relief or relief for other than money damages against the indemnified party which the indemnified party reasonably determines, after conferring with its outside counsel, cannot be separated from any related claim for money damages. If such equitable relief or other relief portion of the Indemnity Claim can be so separated from that for money damages, the indemnifying party shall be entitled to assume the defense of the portion relating to money damages.

Section 7.5 Cooperation. If requested by the indemnifying party, the indemnified party agrees to cooperate with the indemnifying party and its counsel in contesting any Indemnity Claim that the indemnifying party elects to contest or, if appropriate, in making any counterclaim against the third party asserting the Indemnity Claim, or any cross-complaint against any third party, and the indemnifying party will reimburse the indemnified party for any expenses incurred by it in so cooperating. At no cost or expense to the indemnified party, the indemnifying party shall cooperate with the indemnified party and its counsel in contesting any Indemnity Claim.

Section 7.6 Right to Participate. The indemnified party agrees to afford the indemnifying party and its counsel the opportunity to be present at, and to participate in, conferences with all persons, including Governmental Authorities, asserting any Indemnity Claim against the indemnified party or conferences with representatives of or counsel for such persons.

Section 7.7 Payment of Damages. The indemnification required hereunder shall be made by periodic payments of the amount thereof during the course of the investigation or defense, within 10 days as and when reasonably specific bills are received or loss, liability, claim, damage or expense is incurred and reasonable evidence thereof is delivered. In calculating any amount to be paid by an indemnifying party by reason of the provisions of this Agreement, the amount shall be reduced by all reimbursements (including, without limitation, insurance proceeds) credited to or received by the other party related to the Damages. The Parties agree that any payment for indemnification of Damages made hereunder will be treated as an adjustment to the Total Consideration for U.S. federal income tax purposes.



Section 7.8 Limitations on Indemnification.

(a) To the extent the Partnership Indemnitees are entitled to indemnification for Damages pursuant to Section 7.2(a) (but not including Damages for breaches of Sponsor Fundamental Representations), Delek Energy shall not be liable for those Damages unless the aggregate amount of Damages exceeds \$2.5 million (the “Basket”), in which event, Delek Energy shall be liable from the first dollar of such Damages; *provided, however*, that Delek Energy shall not be liable for Damages pursuant to Section 7.2(a) (but not including Damages for breaches of Sponsor Fundamental Representations) that exceed, in the aggregate, \$70 million (the “Cap”).

(b) Notwithstanding clause (a) above, to the extent the Partnership Indemnitees are entitled to indemnification for Damages for claims arising from fraud or related to or arising from Taxes, Delek Energy shall be fully liable for such Damages without regard to the Basket or the Cap. For the avoidance of doubt, Delek Energy shall be fully liable for Damages pursuant to Section 7.2(b) or Section 7.2(c) and for breaches of Sponsor Fundamental Representations without regard to the Basket or the Cap.

(c) To the extent the Delek Indemnitees are entitled to indemnification for Damages pursuant to Section 7.1(a), the Partnership shall not be liable for those Damages unless the aggregate amount of Damages exceeds, in the aggregate, the Basket, in which event, the Partnership shall be liable from the first dollar of such Damages; *provided, however*, that the Partnership shall not be liable for Damages that exceed, in the aggregate, the Cap.

(d) Notwithstanding clause (c) above, to the extent the Delek Indemnitees are entitled to indemnification for Damages for claims arising from fraud or relating to arising from Taxes, the Partnership shall be fully liable for such Damages without regard to the Basket or the Cap. For the avoidance of doubt, the Partnership shall be fully liable for Damages pursuant to Section 7.1(b) or Section 7.1(c) and for breaches of Partnership Fundamental Representations without regard to the Basket or the Cap.

Section 7.9 Survival.

(a) The liability of Delek Energy for the breach of any of the representations and warranties of Delek Energy set forth in Section 3.1, Section 3.2, Section 3.3(a) and (d), Section 3.6, Section 3.7, Section 3.8 and Section 3.9 (the “Sponsor Fundamental Representations”) shall be limited to claims for which the Partnership delivers written notice to Delek Energy on or before the date that is three years after the Closing Date. The liability of Delek Energy for the breach of any of the representations and warranties of Delek Energy set forth in Article III other than the Sponsor Fundamental Representations shall be limited to claims for which the Partnership delivers written notice to Delek Energy on or before the date that is eighteen months after the Closing Date. The liability of Delek Energy for Damages for claims related to or arising from Taxes shall be limited to claims for which the Partnership delivers written notice to Delek Energy on or before the date that is 90 days after the expiration of the applicable statute of limitations for assessment of the applicable Tax.

(b) The liability of the Partnership for the breach of any of the representations and warranties of the Partnership set forth in Section 4.1, Section 4.2, Section 4.3(a), Section 4.7 and Section 4.9 (the “Partnership Fundamental Representations”) shall be limited to claims for which Delek Energy delivers written notice to the Partnership on or before the date that is three years after the Closing Date. The liability of the Partnership for the breach of any of the representations and warranties of the Partnership set forth in Article IV other than the Partnership Fundamental Representations shall be limited to claims for which Delek Energy delivers written notice to the Partnership on or before the date that is eighteen months after the Closing Date. The liability of the Partnership for Damages for claims related to or arising from Taxes shall be limited to claims for which Delek Energy delivers written notice to the Partnership on or before the date that is 90 days after the expiration of the applicable statute of limitations for assessment of the applicable Tax.

Section 7.10 Sole Remedy. After the Closing, no Party shall have liability under this Agreement or the transactions contemplated hereby except as is provided in this Article VII (other than claims or causes of action arising from fraud, and other than claims for specific performance or claims arising under any Transaction Documents (which claims shall be subject to the liability provisions of such Transaction Documents)).

Section 7.11 Express Negligence Rule. THE INDEMNIFICATION PROVISIONS PROVIDED FOR IN THIS AGREEMENT HAVE BEEN EXPRESSLY NEGOTIATED IN EVERY DETAIL, ARE INTENDED TO BE GIVEN FULL AND LITERAL EFFECT, AND SHALL BE APPLICABLE REGARDLESS OF WHETHER THE LIABILITIES, OBLIGATIONS, CLAIMS, JUDGMENTS, LOSSES, COSTS, EXPENSES OR DAMAGES IN QUESTION ARISE OR AROSE SOLELY OR IN PART FROM THE GROSS, ACTIVE, PASSIVE OR CONCURRENT NEGLIGENCE, STRICT LIABILITY OR OTHER FAULT OF ANY INDEMNIFIED PARTY. THE PARTIES ACKNOWLEDGE THAT THIS STATEMENT COMPLIES WITH THE EXPRESS NEGLIGENCE RULE AND CONSTITUTES CONSPICUOUS NOTICE. NOTICE IN THIS CONSPICUOUS NOTICE IS NOT INTENDED TO PROVIDE OR ALTER THE RIGHTS AND OBLIGATIONS OF THE PARTIES, ALL OF WHICH ARE SPECIFIED ELSEWHERE IN THIS AGREEMENT.

#### **ARTICLE VIII TERMINATION**

[Reserved.]

#### **ARTICLE IX MISCELLANEOUS**

Section 9.1 Expenses. Unless otherwise specifically provided in this Agreement, each of the Parties shall pay its own expenses incident to (a) this Agreement and the other Transaction Documents and (b) all action taken in preparation for effecting the provisions of this Agreement and the other Transaction Documents.

Section 9.2 Deed; Bill of Sale; Assignment. To the extent required and permitted by applicable law, this Agreement shall also constitute a “deed,” “bill of sale” or “assignment” of the assets and the liabilities referenced herein.

Section 9.3 Notices. Unless otherwise specifically provided in this Agreement, any notice, request, instruction, correspondence or other document to be given under or in relation to this Agreement shall be made in writing and shall be deemed to have been properly given if: (i) personally delivered (with written confirmation of receipt), (ii) delivered by a recognized overnight delivery service (delivery fees prepaid) or (iii) sent by electronic mail with a PDF of the notice or other communication attached (provided that any such electronic mail is confirmed by written confirmation), in each case to the appropriate address set forth below:

*If to Delek Energy, addressed to:*  
c/o Delek US Holdings, Inc.  
310 Seven Springs Way, Suite 500  
Brentwood, Tennessee 37027  
Attention: General Counsel  
Email: legalnotices@delekus.com

*with copies (which shall not constitute notice) to:*

Bradley Arant Boult Cummings LLP  
1221 Broadway, Suite 2400  
Nashville, Tennessee 37203  
Attention: Stephen Hinton  
Email: shinton@bradley.com

*If to any of the Partnership, addressed to:*

c/o Delek Logistics GP, LLC  
310 Seven Springs Way  
Suite 500  
Brentwood, Tennessee 37027  
Attention: General Counsel  
Email: legalnotices@delekus.com

*with a copy to:*  
Gibson, Dunn & Crutcher LLP  
811 Main Street Suite 3000  
Houston, TX 77002  
Attention: Gerry Spedale  
Email: GSpedale@gibsondunn.com

Any Party may change any address to which notice is to be given to it by giving notice as provided above of such change of address.

Section 9.4 Governing Law. This Agreement shall be subject to and governed by the laws of the State of Delaware, excluding any conflicts-of-law rule or principle that might refer the construction or interpretation of this Agreement to the laws of another state. EACH OF THE PARTIES HERETO AGREES THAT THIS AGREEMENT INVOLVES AT LEAST U.S. \$100,000.00 AND THAT THIS AGREEMENT HAS BEEN ENTERED INTO IN EXPRESS RELIANCE UPON 6 Del. C. § 2708. EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY AGREES (A) TO BE SUBJECT TO THE JURISDICTION OF THE COURTS OF THE STATE OF DELAWARE AND OF THE FEDERAL COURTS SITTING IN THE STATE OF DELAWARE AND (B) TO THE EXTENT SUCH PARTY IS NOT OTHERWISE SUBJECT TO SERVICE OF PROCESS IN THE STATE OF DELAWARE, TO APPOINT AND MAINTAIN AN AGENT IN THE STATE OF DELAWARE AS SUCH PARTY'S AGENT FOR ACCEPTANCE OF LEGAL PROCESS AND TO NOTIFY THE OTHER PARTIES OF THE NAME AND ADDRESS OF SUCH AGENT. EACH PARTY HERETO WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY TRANSACTION CONTEMPLATED HEREBY.

Section 9.5 Public Statements. The Parties shall consult with each other with respect to public announcements or statements, and no Party shall issue any public announcement or statement with respect to the transactions contemplated hereby without the consent of the other Parties, which shall not be unreasonably withheld or delayed, unless the Party desiring to make such announcement or statement, after seeking such consent from the other Parties, obtains advice from legal counsel that a public announcement or statement is required by applicable law or securities exchange regulations.

Section 9.6 Form of Payment. All payments hereunder shall be made in United States dollars and, unless the Parties making and receiving such payments shall agree otherwise or the provisions hereof provide otherwise, shall be made by wire or interbank transfer of immediately available funds on the date such payment is due to such account as the Party receiving payment may designate at least three Business Days prior to the proposed date of payment.

Section 9.7 Entire Agreement; Amendments and Waivers. This Agreement and the documents and instruments and other agreements specifically referred to herein or delivered

pursuant hereto, including the exhibits hereto, (a) constitute the entire agreement among the Parties with respect to the subject matter hereof and supersede all prior agreements and understandings, both written and oral, among the Parties with respect to the subject matter hereof and (b) are not intended to confer upon any other Person or entity any rights or remedies hereunder except as Article VII or Article IX contemplates or except as otherwise expressly provided herein or therein. Each Party agrees that (i) no other Party (including its agents and representatives) has made any representation, warranty, covenant or agreement to or with such Party relating to this Agreement or the transactions contemplated hereby, other than those expressly set forth in the documents and instruments and other agreements specifically referred to herein or delivered pursuant hereto, including the exhibits hereto, and (ii) such Party has not relied upon any representation, warranty, covenant or agreement relating to this Agreement or the transactions contemplated hereby other than those referred to in clause (i) above. No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by all of the Parties. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (regardless of whether similar), nor shall any such waiver constitute a continuing waiver unless otherwise expressly provided. Any amendment or waiver of this Agreement by the Partnership, and any determination, decision, approval or consent of the Partnership required pursuant to this Agreement, shall be approved in advance by the Conflicts Committee.

Section 9.8 Binding Effect and Assignment. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and assigns, but neither this Agreement nor any of the rights, benefits or obligations hereunder shall be assigned, by operation of law or otherwise, by any Party without the prior written consent of the other Parties hereto.

Section 9.9 Severability. If any provision of the Agreement is rendered or declared illegal or unenforceable by reason of any existing or subsequently enacted legislation or by decree of a court of last resort, the Parties shall meet promptly and negotiate substitute provisions for those rendered or declared illegal or unenforceable, but all of the remaining provisions of this Agreement shall remain in full force and effect and will not be affected or impaired in any way thereby.

Section 9.10 Interpretation. The Parties agree that they have been represented by counsel during the negotiation and execution of this Agreement and, therefore waive the application of any law, regulation, holding or rule of construction providing that ambiguities in an agreement or other document will be construed against the party drafting such agreement or document.

Section 9.11 Counterparts. This Agreement may be executed in one or more counterparts, including electronic, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a “.pdf” format data file, such signature shall create a valid and binding obligation of the Party or other Person executing (or on whose behalf

such signature is executed) with the same force and effect as if such facsimile or “.pdf” signature page were an original thereof.

*[Remainder of page intentionally left blank]*

IN WITNESS WHEREOF, the Parties to this Agreement have caused it to be duly executed as of the date first above written.

**DELEK LOGISTICS PARTNERS, LP**

By: Delek Logistics GP, LLC, its general partner

By: /s/ Reuven Spiegel

Name: Reuven Spiegel

Title: Executive Vice President, Chief Financial Officer and Treasurer

**DELEK US ENERGY, INC.**

By: /s/ Joseph Israel

Name: Joseph Israel

Title: Executive Vice President, DK & DKL Operations

*Signature Page to Contribution Agreement*

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**Index to Schedules and Exhibits**

Schedule 1: Delek Energy Knowledge Party

Schedule 2: Partnership Knowledge Party

Exhibit A: Assignment Agreement



**FOURTH AMENDED AND RESTATED OMNIBUS AGREEMENT**

**among**

**DELEK US HOLDINGS, INC.,**

**DELEK REFINING, LTD.,**

**LION OIL COMPANY, LLC,**

**DELEK LOGISTICS PARTNERS, LP,**

**PALINE PIPELINE COMPANY, LLC,**

**SALA GATHERING SYSTEMS, LLC,**

**MAGNOLIA PIPELINE COMPANY, LLC,**

**EL DORADO PIPELINE COMPANY, LLC,**

**DELEK CRUDE LOGISTICS, LLC,**

**DELEK MARKETING-BIG SANDY, LLC,**

**DELEK MARKETING & SUPPLY, LP,**

**DKL TRANSPORTATION, LLC,**

**DELEK LOGISTICS OPERATING, LLC**

**and**

**DELEK LOGISTICS GP, LLC**

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## Table of Contents

Article I Definitions	2
1.1 Definitions	2
Article II Business Opportunities	6
2.1 Restricted Activities	6
2.2 Permitted Exceptions	6
2.3 Procedures	7
2.4 Scope of Prohibition	8
2.5 Enforcement	9
Article III Indemnification	9
3.1 Environmental Indemnification	9
3.2 Right of Way Indemnification	11
3.3 Additional Indemnification	11
3.4 Indemnification Procedures	12
3.5 Limitations Regarding Indemnification	13
Article IV Corporate Services	14
4.1 General	14
Article V Capital and Other Expenditures	15
5.1 Reimbursement of Operating, Maintenance Capital and Other Expenditures	15
Article VI [ <i>Reserved</i> ]	16
Article VII RIGHT OF FIRST REFUSAL	16
7.1 Delek US Right of First Refusal	16
7.2 Procedures for Transfer of ROFR Asset	17
Article VIII License of Name and Mark	19
8.1 Grant of License	19
8.2 Ownership and Quality	19
8.3 Termination	20
Article IX Miscellaneous	20
9.1 Choice of Law; Submission to Jurisdiction	20
9.2 Notice	20
9.3 Entire Agreement	21
9.4 Termination of Agreement	21
9.5 Amendment or Modification	21
9.6 Assignment	21
9.7 Counterparts	22
9.8 Severability	22
9.9 Further Assurances	22

9.10	Rights of Limited Partners	22
9.11	Amendment and Restatement	22
9.12	Amendment of Schedules	22
9.13	Suspension of Certain Provisions in Certain Circumstances	22
Article X Call Option		23
10.1	Call Option to Purchase Certain Assets	23
10.2	Procedures for Exercise of the Call Option	25

## **FOURTH AMENDED AND RESTATED OMNIBUS AGREEMENT**

This FOURTH AMENDED AND RESTATED OMNIBUS AGREEMENT (“Agreement”) is entered into on August 5, 2024, and effective as of, July 1, 2024, among Delek US Holdings, Inc., a Delaware corporation (“Delek US”), on behalf of itself and the other Delek Entities (as defined herein), Delek Refining, Ltd., a Texas Limited Partnership (“Delek Refining”), Lion Oil Company, LLC, an Arkansas limited liability company (“Lion Oil”), Delek Logistics Partners, LP, a Delaware limited partnership (the “Partnership”), Paline Pipeline Company, LLC, a Texas limited liability company (“Paline”), SALA Gathering Systems, LLC, a Texas limited liability company (“SALA”), Magnolia Pipeline Company, LLC, a Delaware limited liability company (“Magnolia”), El Dorado Pipeline Company, LLC, a Delaware limited liability company (“El Dorado”), Delek Crude Logistics, LLC, a Texas limited liability company (“Crude Logistics”), Delek Marketing-Big Sandy, LLC, a Texas limited liability company (“Marketing-Big Sandy”), Delek Marketing & Supply, LP, a Delaware limited partnership (“DMSLP”), DKL Transportation, LLC, a Delaware limited liability company (“DKL Transportation”), Delek Logistics Operating, LLC, a Delaware limited liability company (“OpCo”), and Delek Logistics GP, LLC, a Delaware limited liability company (the “General Partner”). The above-named entities are sometimes referred to in this Agreement each as a “Party” and collectively as the “Parties.”

### **RECITALS:**

1. The Parties executed that certain Third Amended and Restated Omnibus Agreement dated March 31, 2015 (the “Third A&R Agreement”).
2. The Parties desire to amend and restate the Third A&R Agreement to allow, among other items, for the application of the terms hereof to additional assets that the Partnership Group is acquiring from the Delek Entities.
3. The Third A&R Agreement was amended pursuant to that certain First Amendment to Third Amended and Restated Omnibus Agreement entered into on August 3, 2015.
4. The Third A&R Agreement was amended by the Third Amendment and Restatement of Schedules to Third Amended and Restated Omnibus Agreement dated May 15, 2020.

In consideration of the premises and the covenants, conditions, and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby agree as follows:

## ARTICLE I DEFINITIONS

1.1 Definitions. As used in this Agreement, the following terms shall have the respective meanings set forth below:

“Acquisition Proposal” is defined in Section 7.2(a).

“Administrative Fee” is defined in Section 4.1(a).

“Affiliate” is defined in the Partnership Agreement.

“Annual Environmental Deductible” is defined in Section 3.5(a).

“Annual ROW Deductible” is defined in Section 3.5(a).

“API 653” is defined in Section 5.1(a).

“API 653 Inspection Date” means, with respect to any API 653 Tank, (a) the date of completion of the first API 653 inspection of such tank, whether scheduled or required as a result of a failure of such tank, that occurs within five years after the applicable Closing Date or (b) if no such API 653 inspection occurs, the applicable Closing Date.

“API 653 Tank” means (a) each of the tanks listed on Schedule X to this Agreement and (b) any other tank included in the Tankage (as defined in the applicable Transaction Agreement referenced on Schedule IX to this Agreement) that is required to undergo an API 653 inspection within five years after the applicable Closing Date as a result of a failure of such tank.

“Assets” means all gathering pipelines, transportation pipelines, storage tanks, trucks, truck racks, terminal facilities, offices and related equipment, real estate and other assets, or portions thereof, conveyed, contributed or otherwise transferred or intended to be conveyed, contributed or otherwise Transferred pursuant to a Transaction Agreement to any member of the Partnership Group; *provided, however*, that any of such assets that are Transferred from the Partnership Group to a Delek Entity pursuant to Article VII or otherwise shall no longer be an “Asset” from and after such Transfer.

“Board of Directors” means for any Person the board of directors or other governing body of such Person.

“Call Option Triggering Event” shall mean any of the following:

- (i) a Partnership Change of Control; or

- (ii) the Partnership shall Transfer to a Person other than a Delek Entity or a Partnership Group Member, in one transaction or a series of transactions, substantially all of its assets, whether by sale, merger, consolidation, license, or otherwise.

“Closing Date” means the applicable closing date for each Transaction Agreement as set forth on Schedule IX to this Agreement.

“Conflicts Committee” is defined in the Partnership Agreement.

“Control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities, by contract, or otherwise.

“Covered Environmental Losses” is defined in Section 3.1(a).

“Delek Entities” means Delek US and any Person controlled, directly or indirectly, by Delek US other than the General Partner or a member of the Partnership Group; and “Delek Entity” means any of the Delek Entities.

“DKL Units” means the common units representing limited partner interests in the Partnership.

“Disposition Notice” is defined in Section 7.2(a).

“Environmental Laws” means all federal, state, and local laws, statutes, rules, regulations, orders, judgments, ordinances, codes, injunctions, decrees, Environmental Permits and other legally enforceable requirements and rules of common law now or hereafter in effect, relating to pollution or protection of human health and the environment including, without limitation, the federal Comprehensive Environmental Response, Compensation, and Liability Act, the Superfund Amendments Reauthorization Act, the Resource Conservation and Recovery Act, the Clean Air Act, the Federal Water Pollution Control Act, the Toxic Substances Control Act, the Oil Pollution Act, the Safe Drinking Water Act, the Hazardous Materials Transportation Act, and other similar federal, state or local environmental conservation and protection laws, each as amended from time to time.

“Environmental Permit” means any permit, approval, identification number, license, registration, consent, exemption, variance or other authorization required under or issued pursuant to any applicable Environmental Law.

“First API 653 Indemnification Deadline” means, with respect to any API 653 Tank, the date that is five years after the applicable API 653 Inspection Date.

“First Indemnification Deadline” means the applicable date for each Transaction Agreement set forth on Schedule IX to this Agreement.

“First ROFR Acceptance Deadline” is defined in Section 7.2(a).

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

“Hazardous Substance” means (a) any substance that is designated, defined or classified as a hazardous waste, solid waste, hazardous material, pollutant, contaminant or toxic or hazardous substance, or terms of similar meaning, or that is otherwise regulated under any Environmental Law, including, without limitation, any hazardous substance as defined under the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, and (b) petroleum, oil, gasoline, natural gas, fuel oil, motor oil, waste oil, diesel fuel, jet fuel, and other refined petroleum hydrocarbons.

“Indemnified Party” means, with respect to a Transaction Agreement, the Partnership Group or the Delek Entities, as the case may be, in their respective capacity as the party entitled to indemnification in accordance with Article III.

“Indemnifying Party” means either the Partnership Group or Delek US, as the case may be, in its capacity as the party from whom indemnification may be sought in accordance with Article III.

“License” is defined in Section 8.1.

“Limited Partner” is defined in the Partnership Agreement.

“Losses” means any losses, damages, liabilities, claims, demands, causes of action, judgments, settlements, fines, penalties, costs and expenses (including, without limitation, court costs and reasonable attorney’s and expert’s fees) of any and every kind or character, known or unknown, fixed or contingent.

“Marks” is defined in Section 8.1.

“Name” is defined in Section 8.1.

“Offer” is defined in Section 2.3(a).

“Offer Evaluation Period” is defined in Section 2.3(a).

“Offer Price” is defined in Section 7.2(a).

“Partnership Agreement” means the Second Amended and Restated Agreement of Limited Partnership of Delek Logistics Partners, LP, dated as of August 13, 2022, as amended by the Amendment No. 1 to the Second Amended and Restated Agreement of Limited Partnership of Delek Logistics Partners, LP dated effective as of February 26, 2023, to which reference is hereby made for all purposes of this Agreement.

“Partnership Change of Control” means Delek US ceases to Control the general partner of the Partnership.

“Partnership Credit Agreement” is defined in Section 9.13(a).

“Partnership Group” means the Partnership and any of its Subsidiaries, treated as a single consolidated entity.

“Partnership Group Member” means any member of the Partnership Group.

“Partnership Interest” is defined in the Partnership Agreement.

“Partnership Parties” means the Partnership, Paline, SALA, Magnolia, El Dorado, Crude Logistics, Marketing-Big Sandy and OpCo.

“Partnership Refinancing Credit Agreement” is defined in Section 9.13(a).

“Party” and “Parties” are defined in the introduction to this Agreement.

“Permitted Exceptions” is defined in Section 2.2.

“Person” means an individual or a corporation, limited liability company, partnership, joint venture, trust, unincorporated organization association, government agency or political subdivision thereof or other entity.

“Proposed Transferee” is defined in Section 7.2(a).

“Prudent Industry Practice” means such practices, methods, acts, techniques, and standards as are in effect at the time in question that are consistent with the higher of (a) the standards generally followed by the United States pipeline and terminalling industries and (b) the standards applied or followed by Delek US or its Affiliates in the performance of similar tasks or projects, or by the Partnership Group or its Affiliates in the performance of similar tasks or projects.

“Restricted Activities” is defined in Section 2.1.

“Retained Assets” means, with respect to a particular Transaction Agreement, all gathering pipelines, transportation pipelines, storage tanks, trucks, truck racks, terminal facilities, offices and related equipment, real estate and other related assets or portions thereof owned by any of the Delek Entities that were not directly or indirectly conveyed, contributed or otherwise transferred to the Partnership Group pursuant to that Transaction Agreement or the other documents referred to in that Transaction Agreement; *provided, however*, that once any such assets have been directly or indirectly conveyed, contributed or otherwise transferred to the Partnership Group pursuant to any subsequent Transaction Agreement or the other documents referred to in any subsequent Transaction Agreement, such assets shall not be included in the definition of “Retained Assets” for purposes of the first-referenced Transaction Agreement in this definition with respect to the period on or after the applicable Closing Date under that subsequent Transaction Agreement.



“ROFR Assets” means any assets of the Partnership Group that (x) are integral to any refinery owned, acquired or constructed by a Delek Entity or (y) are listed on Schedule VI to this Agreement; *provided, however*, that immaterial assets disposed of in the ordinary course are not ROFR Assets.

“ROFR Governmental Approval Deadline” is defined in Section 7.2(c).

“ROFR Response” is defined in Section 7.2(a).

“Sale Assets” is defined in Section 7.2(a).

“Schedules” means Schedules I through IX attached to this Agreement, as may be amended and restated pursuant to Section 9.12.

“Second Indemnification Deadline” means the applicable date for each Transaction Agreement as set forth on Schedule IX to this Agreement.

“Second ROFR Acceptance Deadline” is defined in Section 7.2(a).

“Subject Assets” is defined in Section 2.2(c).

“Subsidiary” means, with respect to any Person, (a) a corporation of which more than 50% of the voting power of shares entitled (without regard to the occurrence of any contingency) to vote in the election of the Board of Directors of such corporation is owned, directly or indirectly, at the date of determination, by such Person, by one or more Subsidiaries of such Person or a combination thereof, (b) a partnership (whether general or limited) in which such Person or a Subsidiary of such Person is, at the date of determination, a general or limited partner of such partnership, but only if more than 50% of the partnership interests of such partnership (considering all of the partnership interests of the partnership as a single class) is owned, directly or indirectly, at the date of determination, by such Person, by one or more Subsidiaries of such Person, or a combination thereof, or (c) any other Person (other than a corporation or a partnership) in which such Person, one or more Subsidiaries of such Person, or a combination thereof, directly or indirectly, at the date of determination, has (i) at least a majority ownership interest or (ii) the power to elect or direct the election of a majority of the directors, managers or other governing body of such Person.

“Third A&R Agreement” is defined in the recitals to this Agreement.

“Transaction Agreement” means the applicable contribution or purchase agreement identified on Schedule IX to this Agreement, together with the additional conveyance documents and instruments contemplated or referenced thereunder.

“Transfer” means to, directly or indirectly, sell, assign, lease, convey, transfer or otherwise dispose of, whether in one or a series of transactions.

**ARTICLE II**  
**BUSINESS OPPORTUNITIES**

2.1 Restricted Activities. Except with respect to assets acquired by a Delek Entity under Article VII or Article X, or as permitted by Section 2.2, the General Partner and Delek US shall be prohibited from, and Delek US shall cause each of the Delek Entities to refrain from, owning, operating, engaging in, acquiring, or investing in any business that owns or operates crude oil or refined products pipelines, terminals or storage facilities in the United States (“Restricted Activities”).

2.2 Permitted Exceptions. Notwithstanding any provision of Section 2.1 to the contrary, the Delek Entities may engage in the following activities under the following circumstances (collectively, the “Permitted Exceptions”):

(a) the ownership and/or operation of any of the Retained Assets (including replacements or expansions of the Retained Assets);

(b) the acquisition, ownership or operation of any logistics asset, including, without limitation, any crude oil or refined products pipeline, terminal or storage facility, that is (i) acquired or constructed by a Delek Entity and (ii) within, substantially dedicated to, or an integral part of, any refinery owned, acquired or constructed by a Delek Entity;

(c) the acquisition, ownership or operation of any asset or group of related assets used in the activities described in Section 2.1 that are acquired or constructed by a Delek Entity after November 7, 2012 (excluding assets acquired or constructed pursuant to Section 2.2(b) other than those assets described on Schedule VII) (the “Subject Assets”) if:

(i) the fair market value (as determined in good faith by the Board of Directors of the Delek Entity that will own the Subject Assets) of the Subject Assets is less than \$5.0 million at the time of such acquisition by the Delek Entity or completion of construction, as the case may be;

(ii) in the case of an acquisition or the construction of the Subject Assets with a fair market value (as determined in good faith by the Board of Directors of the Delek Entity that will own the Subject Assets) equal to or greater than \$5.0 million at the time of such acquisition by a Delek Entity or the completion of construction, as applicable, the Partnership has been offered the opportunity to purchase the Subject Assets in accordance with Section 2.3 and the Partnership has elected not to purchase the Subject Assets; or

(iii) notwithstanding Section 2.2(c)(i) and Section 2.2(c)(ii), the Subject Assets described on Schedule VII;

(d) the purchase and ownership of a non-controlling interest in any publicly traded entity engaged in any Restricted Activities; and

(e) the ownership of equity interests in the General Partner and the Partnership Group.

### 2.3 Procedures.

(a) If a Delek Entity acquires or constructs Subject Assets as described in Section 2.2(c)(ii), then not later than six months after the consummation of the acquisition or the completion of construction by such Delek Entity of the Subject Assets, as the case may be, the Delek Entity shall notify the General Partner in writing of such acquisition or construction and offer the Partnership Group the opportunity to purchase such Subject Assets in accordance with this Section 2.3 (the “Offer”). The Offer shall set forth the terms relating to the purchase of the Subject Assets and, if any Delek Entity desires to utilize the Subject Assets, the Offer will also include the terms on which the Partnership Group will provide services to the Delek Entity to enable the Delek Entity to utilize the Subject Assets. As soon as practicable, but in any event within 90 days after receipt by the General Partner of the Offer (the “Offer Evaluation Period”), the General Partner shall notify the Delek Entity in writing that either (i) the General Partner has elected not to cause a Partnership Group Member to purchase the Subject Assets, in which event (A) the Delek Entity shall be forever free to continue to own or operate such Subject Assets and (B) if the Delek Entity that owns such Subject Assets is not a Party hereto, such Delek Entity shall execute a joinder agreement in the form attached hereto as Exhibit A, or (ii) the General Partner has elected to cause a Partnership Group Member to purchase the Subject Assets, in which event the procedures outlined in the remainder of this Section 2.3 shall apply.

(b) If, within the Offer Evaluation Period, the Delek Entity and the General Partner are able to agree on the fair market value of the Subject Assets that are subject to the Offer and the other terms of the Offer including, without limitation, the terms, if any, on which the Partnership Group will provide services to the Delek Entity to enable the Delek Entity to utilize the Subject Assets, a Partnership Group Member shall purchase the Subject Assets for the agreed upon fair market value as soon as commercially practicable after such agreement has been reached and, if applicable, enter into an agreement with the Delek Entity to provide services in a manner consistent with the Offer.

(c) If, within the Offer Evaluation Period, the Delek Entity and the General Partner are unable to agree on the fair market value of the Subject Assets that are subject to the Offer or the other terms of the Offer including, if applicable, the terms on which the Partnership Group will provide services to the Delek Entity to enable the Delek Entity to utilize the Subject Assets, the Delek Entity and the General Partner will engage a mutually agreed upon, nationally recognized investment banking firm to determine the fair market value of the Subject Assets and any other terms on which the Partnership Group and the Delek Entity are unable to agree. The investment banking firm will determine the fair market value of the Subject Assets and any other terms on which the Partnership Group and the Delek Entity are unable to agree within 30 days of its engagement and furnish the Delek Entity and the General Partner its determination. The fees of the investment banking firm will be split equally between the Delek Entity and the Partnership Group. Once the investment banking firm has submitted its determination of the fair market value of the Subject Assets and any other terms on which the Partnership Group and the Delek

Entity are unable to agree, the General Partner will have the right, but not the obligation to cause the Partnership Group to purchase the Subject Assets pursuant to the Offer, as modified by the determination of the investment banking firm. If the General Partner elects to cause the Partnership Group to purchase the Subject Assets, then the Partnership Group shall purchase the Subject Assets under the terms of the Offer, as modified by the determination of the investment banking firm as soon as commercially practicable after such determination and, if applicable, enter into an agreement with the Delek Entity to provide services in a manner consistent with the Offer, as modified by the determination of the investment banking firm.

(d) Nothing herein shall impede or otherwise restrict the foreclosure, sale, disposition or other exercise of rights or remedies by or on behalf of any secured lender of any Subject Asset subject to a security interest in favor of such lender or any agent for or on behalf of such lender under any credit arrangement now or hereafter in effect (it being understood and agreed that no secured lender to a Delek Entity shall have any obligation to make an Offer or to sell or cause to be sold any Subject Asset to any Partnership Group Member).

2.4 Scope of Prohibition. Except as provided in this Article II and the Partnership Agreement, each Delek Entity shall be free to engage in any business activity, including those that may be in direct competition with any Partnership Group Member.

2.5 Enforcement. The Delek Entities agree and acknowledge that the Partnership Group does not have an adequate remedy at law for the breach by the Delek Entities of the covenants and agreements set forth in this Article II, and that any breach by the Delek Entities of the covenants and agreements set forth in this Article II would result in irreparable injury to the Partnership Group. The Delek Entities further agree and acknowledge that any Partnership Group Member may, in addition to the other remedies which may be available to the Partnership Group, file a suit in equity to enjoin the Delek Entities from such breach, and consent to the issuance of injunctive relief under this Agreement.

### **ARTICLE III INDEMNIFICATION**

#### 3.1 Environmental Indemnification.

(a) Subject to Section 3.2 and Section 3.5 and with respect to Assets Transferred pursuant to a Transaction Agreement, the Delek Entities, jointly and severally, shall indemnify, defend and hold harmless the Partnership Group from and against any Losses suffered or incurred by the Partnership Group, directly or indirectly, or as a result of any claim by a third party, by reason of or arising out of:

(i) any violation or correction of violation of Environmental Laws;

(ii) any environmentally related event, condition or matter associated with or arising from the ownership or operation of the Assets (including, without limitation, the presence of Hazardous Substances on, under, about or migrating to or from such Assets or the disposal or

release of Hazardous Substances generated by operation of such Assets at non-Asset locations) including, without limitation, (A) the cost and expense of any investigation, assessment, evaluation, monitoring, reporting, containment, cleanup, repair, restoration, remediation, or other corrective action required or necessary under Environmental Laws, (B) the cost or expense of the preparation and implementation of any closure, remedial, corrective action, or other plans required or necessary under Environmental Laws, and (C) the cost and expense of any environmental or toxic tort pre-trial, trial, or appellate legal or litigation support work;

(iii) any environmentally related event, condition or matter or legal action pending as of the applicable Closing Date against the Delek Entities, a true and correct summary of which, with respect to Assets Transferred pursuant to a particular Transaction Agreement, is set forth on Schedule I attached hereto;

(iv) any event, condition or environmental matter associated with or arising from the Retained Assets, whether occurring before or after the Closing Date;

(v) any obligation imposed by or violation of the consent decree entered in United States v. Tyler Holding Company, Inc. and Delek Refining, Ltd., case no. 6:09-cv-319 (Eastern District of Texas), as it exists on July 26, 2013 and may be amended; and

(vi) any obligation imposed by or violation of the consent decree entered in United States and State of Arkansas v. Lion Oil Company, LLC, Civ. No. 03-1028 (Western District of Arkansas), as it exists on the date hereof and may be amended.

*provided, however*, that with respect to any violation under Section 3.1(a)(i) or any environmentally related event, condition or matter included under Section 3.1(a)(ii) that is associated with the ownership or operation of the Assets Transferred pursuant to a Transaction Agreement, the Delek Entities will be obligated to indemnify the Partnership Group only to the extent that such environmentally related violation, event, condition or matter giving rise to the claim (x) existed or occurred in whole or in part before the applicable Closing Date for such Transaction Agreement (or, with respect to an API 653 Tank, before the applicable API 653 Inspection Date) under then-applicable Environmental Laws and (y)(i) such environmentally related violation, event, condition or matter is set forth on Schedule II attached hereto or (ii) Delek US is notified in writing of such environmentally related violation, event, condition or matter prior to the applicable First Indemnification Deadline (or, with respect to an API 653 Tank, the applicable First API 653 Indemnification Deadline) (clauses (i) through (iv) of this Section 3.1(a) collectively, with respect to such Transaction Agreement, being “Covered Environmental Losses”).

(b) The Partnership Group shall indemnify, defend and hold harmless the Delek Entities from and against any Losses suffered or incurred by the Delek Entities, directly or indirectly, or as a result of any claim by a third party, by reason of or arising out of:

(i) any violation or correction of violation of Environmental Laws associated with or arising from the ownership or operation of the Assets; and

(ii) any environmentally related event, condition or matter associated with or arising from the ownership or operation of the Assets (including, but not limited to, the presence of Hazardous Substances on, under, about or migrating to or from the Assets or the disposal or release of Hazardous Substances generated by operation of the Assets at non-Asset locations) including, without limitation, (A) the cost and expense of any investigation, assessment, evaluation, monitoring, reporting, containment, cleanup, repair, restoration, remediation, or other corrective action required or necessary under Environmental Laws, (B) the cost or expense of the preparation and implementation of any closure, remedial, corrective action, or other plans required or necessary under Environmental Laws, and (C) the cost and expense for any environmental or toxic tort pre-trial, trial, or appellate legal or litigation support work;

and regardless of whether such violation under Section 3.1(b)(i) or such environmentally related event, condition or matter included under Section 3.1(b)(ii) occurred before or after the applicable Closing Date (or, with respect to an API 653 Tank, before or after the applicable API 653 Inspection Date), in each case, only to the extent that any of the foregoing are not Covered Environmental Losses for which the Partnership Group is entitled to indemnification from the Delek Entities under this Article III without giving effect to the applicable Annual Environmental Deductible.

3.2 Right of Way Indemnification. Subject to Section 3.5, with respect to Assets Transferred pursuant to a Transaction Agreement, the Delek Entities, jointly and severally, shall indemnify, defend and hold harmless the Partnership Group from and against any Losses suffered or incurred by the Partnership Group by reason of or arising out of (a) the failure of the applicable Partnership Group Member to be the owner of such valid and indefeasible easement rights or fee ownership or leasehold interests in and to the lands on which any crude oil or refined products pipeline or related pump station, storage tank, terminal or truck rack or any related facility or equipment conveyed or contributed to the applicable Partnership Group Member on the applicable Closing Date is located as of such Closing Date, and such failure renders the Partnership Group liable to a third party or unable to use or operate the Assets in substantially the same manner that the Assets were used and operated by the applicable Delek Entity immediately prior to such Closing Date; (b) the failure of the applicable Partnership Group Member to have the consents, licenses and permits necessary to allow any such pipeline referred to in clause (a) of this Section 3.2 to cross the roads, waterways, railroads and other areas upon which any such pipeline is located as of the applicable Closing Date, and such failure renders the Partnership Group liable to a third party or unable to use or operate the Assets in substantially the same manner that the Assets were used and operated by the applicable Delek Entity immediately prior to such Closing Date; and (c) the cost of curing any condition set forth in clause (a) or (b) of this Section 3.2 that does not allow any Asset to be operated in accordance with Prudent Industry Practice, in each case to the extent that Delek US is notified in writing of any of the foregoing prior to the applicable First Indemnification Deadline.

### 3.3 Additional Indemnification.

(a) In addition to and not in limitation of the indemnification provided under Sections 3.1(a) and 3.2 and with respect to a Transaction Agreement, the Delek Entities, jointly

and severally, shall indemnify, defend, and hold harmless the Partnership Group from and against any Losses suffered or incurred by the Partnership Group by reason of or arising out of (A) events and conditions associated with the ownership or operation of the Assets and existing or occurring before the applicable Closing Date (other than Covered Environmental Losses, which are provided for under Sections 3.1, and those Losses provided for under Section 3.2) to the extent that Delek US is notified in writing of any of the foregoing prior to the applicable Second Indemnification Deadline, (B) any legal actions pending as of the applicable Closing Date and as set forth on Schedule III to this Agreement, (C) events and conditions associated with the Retained Assets whether occurring before or after the applicable Closing Date, (D) the failure to obtain any necessary consent from the Arkansas Public Service Commission, the Louisiana Public Service Commission, the Texas Railroad Commission or the Federal Energy Regulatory Commission for the conveyance to the Partnership Group of any pipelines located in Arkansas, Louisiana and Texas, if applicable, and (E) all federal, state and local income tax liabilities attributable to the ownership or operation of the Assets prior to the applicable Closing Date, including under Treasury Regulation Section 1.1502-6 (or any similar provision of state or local law), and any such income tax liabilities of the Delek Entities that may result from the consummation of the formation transactions for the Partnership Group and the General Partner occurring on or prior to the applicable Closing Date.

(b) In addition to and not in limitation of the indemnification provided under Section 3.1(b) or the Partnership Agreement, the Partnership Group shall indemnify, defend, and hold harmless the Delek Entities from and against any Losses suffered or incurred by the Delek Entities by reason of or arising out of events and conditions associated with the ownership or operation of the Assets and existing or occurring after the applicable Closing Date (other than Covered Environmental Losses which are provided for under Section 3.1(a)), unless such indemnification would not be permitted under the Partnership Agreement by reason of one of the provisos contained in Section 7.7(a) of the Partnership Agreement.

#### 3.4 Indemnification Procedures.

(a) The Indemnified Party agrees that as promptly as practicable after it becomes aware of facts giving rise to a claim for indemnification under this Article III, it will provide notice thereof in writing to the Indemnifying Party, specifying the nature of and specific basis for such claim.

(b) The Indemnifying Party shall have the right to control all aspects of the defense of (and any counterclaims with respect to) any claims brought against the Indemnified Party that are covered by the indemnification under this Article III, including, without limitation, the selection of counsel, determination of whether to appeal any decision of any court and the settling of any such claim or any matter or any issues relating thereto; *provided, however*, that no such settlement shall be entered into without the consent of the Indemnified Party (i) unless it includes a full release of the Indemnified Party from such claim and (ii) if such settlement would include any admission of fault by or imposition of injunctive or other equitable relief against the Indemnified Party.

(c) The Indemnified Party agrees to cooperate in good faith and in a commercially reasonable manner with the Indemnifying Party, with respect to all aspects of the defense of any claims covered by the indemnification under this Article III, including, without limitation, the prompt furnishing to the Indemnifying Party of any correspondence or other notice relating thereto that the Indemnified Party may receive, permitting the name of the Indemnified Party to be utilized in connection with such defense, the making available to the Indemnifying Party of any files, records or other information of the Indemnified Party that the Indemnifying Party considers relevant to such defense, the making available to the Indemnifying Party of any employees of the Indemnified Party and the granting to the Indemnifying Party of reasonable access rights to the properties and facilities of the Indemnified Party; *provided, however*, that in connection therewith the Indemnifying Party agrees to use reasonable efforts to minimize the impact thereof on the operations of the Indemnified Party and further agrees to maintain the confidentiality of all files, records, and other information furnished by the Indemnified Party pursuant to this Section 3.4. In no event shall the obligation of the Indemnified Party to cooperate with the Indemnifying Party as set forth in the immediately preceding sentence be construed as imposing upon the Indemnified Party an obligation to hire and pay for counsel in connection with the defense of any claims covered by the indemnification set forth in this Article III; *provided, however*, that the Indemnified Party may, at its own option, cost and expense, hire and pay for counsel in connection with any such defense. The Indemnifying Party agrees to keep any such counsel hired by the Indemnified Party informed as to the status of any such defense, but the Indemnifying Party shall have the right to retain sole control over such defense.

(d) In determining the amount of any Losses for which the Indemnified Party is entitled to indemnification under this Agreement, the gross amount of the indemnification will be reduced by (i) any insurance proceeds realized by the Indemnified Party, and such correlative insurance benefit shall be net of any incremental insurance premium that becomes due and payable by the Indemnified Party as a result of such claim and (ii) all amounts recovered by the Indemnified Party under contractual indemnities from third Persons. The Indemnified Party shall use commercially reasonable efforts to pursue the collection of all insurance proceeds to which it may be entitled with respect to or on account of such Losses and shall notify the Indemnifying Party of all potential claims against third Persons pursuant to contractual indemnities.

### 3.5 Limitations Regarding Indemnification.

(a) The Delek Entities shall not, in any calendar year, be obligated to indemnify, defend and hold harmless the Partnership Group for a Covered Environmental Loss under Section 3.1(a)(ii) related to any Transaction Agreement until such time as the aggregate amount of all Covered Environmental Losses related to such Transaction Agreement in such calendar year exceeds the applicable annual environmental deductible set forth on Schedule IX (the "Annual Environmental Deductible"), at which time the Delek Entities shall be obligated to indemnify the Partnership Group for the amount of Covered Environmental Losses under Section 3.1(a)(ii) related to such Transaction Agreement that are in excess of the applicable Annual Environmental Deductible that are incurred by the Partnership Group in such calendar year. The Delek Entities shall not, in any calendar year, be obligated to indemnify, defend and hold harmless the Partnership Group for any individual Loss under Section 3.2 related to any



Transaction Agreement until such time as the aggregate amount of all Losses under Section 3.2 related to such Transaction Agreement that are in such calendar year exceeds the applicable annual ROW deductible set forth on Schedule IX (the “Annual ROW Deductible”), at which time the Delek Entities shall be obligated to indemnify the Partnership Group for all Losses under Section 3.2 related to such Transaction Agreement in excess of the applicable Annual ROW Deductible that are incurred by the Partnership Group in such calendar year.

(b) For the avoidance of doubt, there is no monetary cap on the amount of indemnity coverage provided by any Indemnifying Party under this Article III.

(c) NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, IN NO EVENT SHALL ANY PARTY’S INDEMNIFICATION OBLIGATION HEREUNDER COVER OR INCLUDE CONSEQUENTIAL, INDIRECT, INCIDENTAL, PUNITIVE, EXEMPLARY, SPECIAL OR SIMILAR DAMAGES OR LOST PROFITS SUFFERED BY ANY OTHER PARTY ENTITLED TO INDEMNIFICATION UNDER THIS AGREEMENT; *provided*, that to the extent a Party hereunder receives insurance proceeds with respect to consequential, indirect, incidental, punitive, exemplary, special or similar damages or lost profits that would be waived under this Section 3.5(c), such Party shall be liable for such damages up to the amount of such insurance proceeds (net of any deductible and premiums paid with respect thereto).

(d) THE FOREGOING INDEMNITIES ARE INTENDED TO BE ENFORCEABLE AGAINST THE PARTIES IN ACCORDANCE WITH THE EXPRESS TERMS AND SCOPE THEREOF NOTWITHSTANDING ANY EXPRESS NEGLIGENCE RULE OR ANY SIMILAR DIRECTIVE THAT WOULD PROHIBIT OR OTHERWISE LIMIT INDEMNITIES BECAUSE OF THE SOLE, CONCURRENT, ACTIVE OR PASSIVE NEGLIGENCE, STRICT LIABILITY OR FAULT OF ANY OF THE INDEMNIFIED PARTIES.

#### ARTICLE IV CORPORATE SERVICES

##### 4.1 General.

(a) Delek US agrees to provide, and agrees to cause its Affiliates to provide, on behalf of the General Partner, for the Partnership Group’s benefit of all the centralized corporate services that Delek US and its Affiliates have traditionally provided in connection with the Assets including, without limitation, the general and administrative services listed on Schedule IV to this Agreement. As consideration for such services, the Partnership will pay Delek US an administrative fee (the “Administrative Fee”) of \$3.35 million per year, payable in equal monthly installments on or before the tenth business day of each month, commencing in March 2014. Delek US may increase or decrease the Administrative Fee on February 1 of each subsequent year, commencing on February 1, 2016, by a percentage equal to the change in the Consumer Price Index - All Urban Consumers, U.S. City Average, Not Seasonally Adjusted over the previous 12 calendar months or to reflect any increase in the cost of providing centralized

corporate services to the Partnership Group due to changes in any law, rule or regulation applicable to Delek US or the Partnership Group, including any interpretation of such laws, rules or regulations. The General Partner may agree on behalf of the Partnership to increases in the Administrative Fee in connection with expansions of the operations of the Partnership Group through the acquisition or construction of new assets or businesses.

(b) At the end of each calendar year, the Partnership will have the right to submit to Delek US a proposal to reduce the amount of the Administrative Fee for that year if the Partnership believes, in good faith, that the centralized corporate services performed by Delek US and its Affiliates for the benefit of the Partnership Group for the year in question do not justify payment of the full Administrative Fee for that year. If the Partnership submits such a proposal to Delek US, Delek US agrees that it will negotiate in good faith with the Partnership to determine if the Administrative Fee for that year should be reduced and, if so, the amount of such reduction. If the Parties agree that the Administrative Fee for that year should be reduced, then Delek US shall promptly pay to the Partnership the amount of any reduction for that year.

(c) The Partnership Group shall reimburse Delek US for all other direct or allocated costs and expenses incurred by Delek US and its Affiliates on behalf of the Partnership Group including, but not limited to:

(i) salaries of employees of the General Partner, Delek US or its Affiliates who devote 50% or more of their business time to the business and affairs of the Partnership Group, to the extent, but only to the extent, such employees perform services for the Partnership Group, *provided* that for employees that do not devote all of their business time to the Partnership Group, such expenses shall be based on the annual weighted average of time spent and number of employees devoting services to the Partnership Group;

(ii) the cost of employee benefits relating to employees of the General Partner, Delek US or its Affiliates who devote 50% or more of their business time to the business and affairs of the Partnership Group, including 401(k), pension, bonuses and health insurance benefits (but excluding Delek US stock-based compensation expense), to the extent, but only to the extent, such employees perform services for the Partnership Group, *provided* that for employees that do not devote all of their business time to the Partnership Group, such expenses shall be based on the annual weighted average of time spent and number of employees devoting their services to the Partnership Group;

(iii) any expenses incurred or payments made by Delek US or its Affiliates for insurance coverage with respect to the Assets or the business of the Partnership Group;

(iv) all expenses and expenditures incurred by Delek US or its Affiliates, if any, as a result of the Partnership becoming and continuing as a publicly traded entity, including, but not limited to, costs associated with annual and quarterly reports, independent auditor fees, partnership governance and compliance, registrar and transfer agent fees, tax return and Schedule K-1 preparation and distribution, legal fees and independent director compensation; and

(v) all sales, use, excise, value added or similar taxes, if any, that may be applicable from time to time with respect to the services provided by Delek US and its Affiliates to the Partnership Group pursuant to Section 4.1(a).

Such reimbursements shall be made on or before the tenth business day of the month following the month such costs and expenses are incurred, other than reimbursements solely related to bonuses for employees of the General Partner, which shall be reimbursed on or prior to the last business day of the month that such bonuses are paid. For the avoidance of doubt, the costs and expenses set forth in Section 4.1(c) shall be paid by the Partnership Group in addition to, and not as a part of or included in, the Administrative Fee.

## **ARTICLE V CAPITAL AND OTHER EXPENDITURES**

5.1 Reimbursement of Operating, Maintenance Capital and Other Expenditures. For five years following the applicable Closing Date, with respect to Assets Transferred pursuant to a Transaction Agreement, the Delek Entities will reimburse the Partnership Group on a dollar-for-dollar basis, without duplication, for each of the following:

(a) (i) any operating expenses in excess of \$500,000 in any calendar year, in the case of Assets Transferred pursuant to the Initial Transaction Agreement set forth on Schedule IX, and (ii) any operating expenses and capital expenditures, in the case of Assets Transferred pursuant to the applicable Transaction Agreement set forth on Schedule IX, in each case, that are incurred by the Partnership Group for inspections, maintenance and repairs to any storage tanks included as part of the Assets and that are made solely in order to comply with current minimum standards under (x) the U.S. Department of Transportation's Pipeline Integrity Management Rule 49 CFR 195.452 and (y) American Petroleum Institute (API) Standard 653 for Aboveground Storage Tanks ("API 653");

(b) expenses (including any fines and penalties) (net of insurance recoveries, if any) incurred by the Partnership Group for the clean up or repair of any condition caused by the failure of any Asset prior to November 7, 2017; *provided, however*, that the Delek Entities shall not be required to reimburse the Partnership Group for any expenses in excess of \$20,000,000 per event;;

(c) non-discretionary maintenance capital expenditures, other than those required to comply with applicable Environmental Laws, in excess of \$4,033,000 during the period from February 10, 2014 to December 31, 2014 with respect to those specific Assets transferred pursuant to the El Dorado Terminal and Tankage Transaction Agreement set forth on Schedule IX for which reimbursement has not been made pursuant to Section 5.1(b);

(d) non-discretionary maintenance capital expenditures, other than those required to comply with applicable Environmental Laws, in excess of (i) \$5,400,000 in calendar year 2014 (provided that no reimbursement shall be made pursuant to this clause (i) with respect to those specific Assets transferred pursuant to the El Dorado Terminal and Tankage Transaction

Agreement set forth on Schedule IX); (ii) \$9,800,000 in any calendar year beginning with calendar year 2015 and ending with calendar year 2017 and (iii) \$4,400,000 in any calendar year beginning with calendar year 2018, in each case, incurred by the Partnership Group with respect to the Assets for which reimbursement has not been made pursuant to Sections 5.1(b) or 5.1(c), *provided*, that the Delek Entities shall not be required to reimburse the Partnership Group (x) under clauses (ii) or (iii) of this Section 5.1(d) for any amounts incurred after November 7, 2017 except with respect to those specific Assets transferred pursuant to the El Dorado Terminal and Tankage Transaction Agreement set forth on Schedule IX and (y) under clause (iii) of this Section 5.1(d) for any amounts incurred after February 10, 2019 (including with respect to those specific Assets transferred pursuant to the El Dorado Terminal and Tankage Transaction Agreement set forth on Schedule IX); and

(e) capital expenditures in connection with those certain capital projects related to the Assets and as set forth on Schedule VIII to this Agreement.

## **ARTICLE VI RESERVED**

## **ARTICLE VII RIGHT OF FIRST REFUSAL**

### **7.1 Delek US Right of First Refusal.**

(a) During the term of this Agreement and until the expiration of the Call Option Exercise Period, including any extension thereof pursuant to Section 10.1(g), each Partnership Party hereby grants to Delek US a right of first refusal on any proposed Transfer (other than a grant of a security interest to a bona fide third-party lender or a Transfer to another Partnership Group Member) of any ROFR Asset set forth next to such Partnership Party's name on Schedule VI. The Parties acknowledge and agree that nothing in this Article VII shall prevent or restrict the Transfer of the capital stock, equity or ownership interests or other securities of the General Partner or the Partnership.

(b) The Parties acknowledge that all potential Transfers of ROFR Assets pursuant to this Article VII are subject to obtaining any and all required written consents of governmental authorities and other third parties and to the terms of all existing agreements in respect of the ROFR Assets; *provided, however*, that the Partnership represents and warrants that, to its knowledge after reasonable investigation, there are no terms in such agreements that would materially impair the rights granted to Delek US pursuant to this Article VII with respect to any ROFR Asset.

### **7.2 Procedures for Transfer of ROFR Asset.**

(a) In the event a Partnership Group Member proposes to Transfer any of the ROFR Assets (other than to an Affiliate) pursuant to a bona fide third-party offer (an

“Acquisition Proposal”), then the Partnership shall, prior to entering into any such Acquisition Proposal, first give notice in writing to Delek US (a “Disposition Notice”) of its intention to enter into such Acquisition Proposal. The Disposition Notice shall include any material terms, conditions and details as would be necessary for Delek US to determine whether to exercise its right of first refusal with respect to the Acquisition Proposal, which terms, conditions and details shall at a minimum include: the name and address of the prospective acquiror (the “Proposed Transferee”), the ROFR Assets subject to the Acquisition Proposal (the “Sale Assets”), the purchase price offered by such Proposed Transferee (the “Offer Price”), reasonable detail concerning any non-cash portion of the proposed consideration, if any, to allow Delek US to reasonably determine the fair market value of such non-cash consideration, the Partnership Group’s estimate of the fair market value of any non-cash consideration and all other material terms and conditions of the Acquisition Proposal that are then known to the Partnership Group. To the extent the Proposed Transferee’s offer consists of consideration other than cash (or in addition to cash), the Offer Price shall be deemed equal to the amount of any such cash plus the fair market value of such non-cash consideration. In the event Delek US and the Partnership Group are able to agree on the fair market value of any non-cash consideration or if the consideration consists solely of cash, Delek US will provide written notice of its decision regarding the exercise of its right of first refusal to purchase the Sale Assets (the “ROFR Response”) to the Partnership Group within 60 days of its receipt of the Disposition Notice (the “First ROFR Acceptance Deadline”). In the event Delek US and the Partnership Group are unable to agree on the fair market value of any non-cash consideration prior to the First ROFR Acceptance Deadline, Delek US shall indicate its desire to determine the fair market value of such non-cash consideration pursuant to the procedures outlined in the remainder of this Section 7.2(a) in a ROFR Response delivered prior to the First ROFR Acceptance Deadline. If no ROFR Response is delivered by Delek US prior to the First ROFR Acceptance Deadline, then Delek US shall be deemed to have waived its right of first refusal with respect to such Sale Asset. In the event (i) Delek US’ determination of the fair market value of any non-cash consideration described in the Disposition Notice is less than the fair market value of such consideration as determined by the Partnership Group in the Disposition Notice and (ii) Delek US and the Partnership Group are unable to mutually agree upon the fair market value of such non-cash consideration within 60 days after Delek US notifies the Partnership Group of its determination thereof, the Partnership Group and Delek US will engage a mutually agreed upon, nationally recognized investment banking firm to determine the fair market value of the non-cash consideration. The investment banking firm will determine the fair market value of the non-cash consideration within 30 days of its engagement and furnish Delek US and the General Partner its determination. The fees of the investment banking firm will be split equally between the Delek Entities and the Partnership Group. Once the investment banking firm has submitted its determination of the fair market value of the non-cash consideration, Delek US will provide a ROFR Response to the Partnership Group within 30 days after the investment banking firm has submitted its determination (the “Second ROFR Acceptance Deadline”). If no ROFR Response is delivered by Delek US prior to the Second ROFR Acceptance Deadline, then Delek US shall be deemed to have waived its right of first refusal with respect to such Sale Asset.

(b) If Delek US elects in a ROFR Response delivered prior to the applicable ROFR Acceptance Deadline to exercise its right of first refusal with respect to a Sale Asset,

within 60 days of the delivery of the ROFR Response, such ROFR Response shall be deemed to have been accepted by the applicable Partnership Group Member and such Partnership Group Member shall enter into an agreement with Delek US providing for the consummation of the Acquisition Proposal upon the terms set forth in the ROFR Response. Unless otherwise agreed between Delek US and the Partnership, the terms of the purchase and sale agreement will include the following:

(i) Delek US will agree to deliver the Offer Price in cash (unless Delek US and the Partnership Group agree that such consideration will be paid, in whole or in part, in equity securities of Delek US, an interest-bearing promissory note, or any combination thereof);

(ii) the applicable Partnership Group Member will represent that it has title to the Sale Asset that is sufficient to operate the Sale Assets in accordance with their intended and historical use, subject to all recorded matters and all physical conditions in existence on the closing date for the purchase of the applicable Sale Asset, plus any other such matters as Delek US may approve. If Delek US desires to obtain any title insurance with respect to the Sale Asset, the full cost and expense of obtaining the same (including but not limited to the cost of title examination, document duplication and policy premium) shall be borne by Delek US;

(iii) the applicable Partnership Group Member will grant to Delek US the right, exercisable at Delek US' risk and expense prior to the delivery of the ROFR Response, to make such surveys, tests and inspections of the Sale Asset as Delek US may deem desirable, so long as such surveys, tests or inspections do not damage the Sale Asset or interfere with the activities of the applicable Partnership Group Member;

(iv) Delek US will have the right to terminate its obligation to purchase the Sale Asset under this Article VII if the results of any searches under Section 7.2(b)(ii) or (iii) above are, in the reasonable opinion of Delek US, unsatisfactory;

(v) the closing date for the purchase of the Sale Asset shall occur no later than 180 days following receipt by the Partnership Group of the ROFR Response pursuant to Section 7.2(a);

(vi) the Partnership Group Member and Delek US shall use commercially reasonable efforts to do or cause to be done all things that may be reasonably necessary or advisable to effectuate the consummation of any transactions contemplated by this Section 7.2(b), including causing its respective Affiliates to execute, deliver and perform all documents, notices, amendments, certificates, instruments and consents required in connection therewith;

(vii) the sale of any Sale Assets shall be made on an "as is," "where is" and "with all faults" basis, and the instruments conveying such Sale Assets shall contain appropriate disclaimers; and

(viii) neither the Partnership Group nor Delek US shall have any obligation to sell or buy the Sale Assets if any of the consents referred to in Section 7.1(b) has not been obtained.

(c) Delek US and the Partnership Group shall cooperate in good faith in obtaining all necessary governmental and other third party approvals, waivers and consents required for the closing. Any such closing shall be delayed, to the extent required, until the third business day following the expiration of any required waiting periods under the HSR Act; *provided, however*, that such delay shall not exceed 60 days following the 180 days referred to in Section 7.2(b)(v) (the “ROFR Governmental Approval Deadline”) and, if governmental approvals and waiting periods shall not have been obtained or expired, as the case may be, by such ROFR Governmental Approval Deadline, then Delek US shall be deemed to have waived its right of first refusal with respect to the Sale Assets described in the Disposition Notice and thereafter the Partnership Group shall be free to consummate the Transfer to the Proposed Transferee, subject to Section 7.2(d)(ii).

(d) If the Transfer to the Proposed Transferee (i) in the case of a Transfer other than a Transfer permitted under Section 7.2(c), is not consummated in accordance with the terms of the Acquisition Proposal within the later of (A) 180 days after the applicable ROFR Acceptance Deadline and (B) three business days after the satisfaction of all governmental approval or filing requirements, if any, or (ii) in the case of a Transfer permitted under Section 7.2(c), is not consummated within the later of (A) 60 days after the ROFR Governmental Approval Deadline and (B) three business days after the satisfaction of all governmental approval or filing requirements, if any, then in each case the Acquisition Proposal shall be deemed to lapse, and the Partnership or member of the Partnership Group may not Transfer any of the Sale Assets described in the Disposition Notice without complying again with the provisions of this Article VII if and to the extent then applicable.

## ARTICLE VIII LICENSE OF NAME AND MARK

8.1 Grant of License. Upon the terms and conditions set forth in this Article VIII, Delek US hereby grants and conveys to each of the entities currently or hereafter comprising a part of the Partnership Group a nontransferable, nonexclusive, royalty-free right and license (“License”) to use the name “Delek” (the “Name”) and any other trademarks owned by Delek US which contain the Name (collectively, the “Marks”).

### 8.2 Ownership and Quality.

(a) The Partnership agrees that ownership of the Name and the Marks and the goodwill relating thereto shall remain vested in Delek US both during the term of this License and thereafter, and the Partnership further agrees, and agrees to cause the other members of the Partnership Group, never to challenge, contest or question the validity of Delek US’ ownership of the Name and Marks or any registration thereto by Delek US. In connection with the use of the Name and the Mark, the Partnership and any other member of the Partnership Group shall not in any manner represent that they have any ownership in the Name and the Marks or registration thereof except as set forth herein, and the Partnership, on behalf of itself and the other members of the Partnership Group, acknowledges that the use of the Name and the Marks shall not create any right, title or interest in or to the Name and the Mark, and all use of the Name and the Marks

by the Partnership or any other member of the Partnership Group, shall inure to the benefit of Delek US.

(b) The Partnership agrees, and agrees to cause the other members of the Partnership Group, to use the Name and Marks in accordance with such quality standards established by Delek US and communicated to the Partnership from time to time, it being understood that the products and services offered by the members of the Partnership Group immediately before the Closing Date are of a quality that is acceptable to Delek US and justifies the License.

8.3 Termination. The License shall terminate upon a termination of this Agreement pursuant to Section 9.4.

## ARTICLE IX MISCELLANEOUS

9.1 Choice of Law; Submission to Jurisdiction. This Agreement shall be subject to and governed by the laws of the State of Texas, excluding any conflicts-of-law rule or principle that might refer the construction or interpretation of this Agreement to the laws of another state. Each Party hereby submits to the jurisdiction of the state and federal courts in the State of Texas and to venue in Houston, Texas.

9.2 Notice. All notices, requests, demands, and other communications hereunder will be in writing and will be deemed to have been duly given: (a) if by facsimile or hand delivery, when delivered; (b) if mailed via the official governmental mail system, five (5) Business Days after mailing, *provided* that said notice is sent first class, postage pre-paid, via certified or registered mail, with a return receipt requested; (c) if mailed by an internationally recognized overnight express mail service such as FedEx, UPS, or DHL Worldwide, one (1) Business Day after deposit therewith is prepaid; or (d) if by e-mail, one Business Day after delivery with receipt confirmed. All notices will be addressed to the Parties at the respective addresses as follows:

If to the Delek Entities:

c/o Delek US Holdings, Inc.  
310 Seven Springs Way, Suite 500  
Brentwood, TN 37027  
Attn: General Counsel  
Telecopy No.: (615) 435-1271  
E-mail: legalnotices@delekus.com

with a copy, which shall not constitute notice, to:

c/o Delek US Holdings, Inc.  
310 Seven Springs Way, Suite 500  
Brentwood, TN 37027



Attn: President  
Telecopy No: (615) 435-1271  
E-mail: legalnotices@delekus.com

If to the Partnership Group:

Delek Logistics Partners, LP  
c/o Delek Logistics GP, LLC  
310 Seven Springs Way, Suite 500  
Brentwood, TN 37027  
Attn: General Counsel  
Telecopy No: (615) 435-1271  
E-mail: legalnotices@delekus.com

with a copy, which shall not constitute notice, to:

Delek Logistics Partners, LP  
c/o Delek Logistics GP, LLC  
310 Seven Springs Way, Suite 500  
Brentwood, TN 37027  
Attn: President  
Telecopy No: (615) 435-1271  
E-mail: legalnotices@delekus.com

or to such other address or to such other person as either Party will have last designated by notice to the other Party.

9.3 Entire Agreement. This Agreement, together with the Schedules attached hereto (which are incorporated herein by reference) constitute the entire agreement of the Parties relating to the matters contained herein, superseding all prior contracts or agreements, whether oral or written, relating to the matters contained herein.

9.4 Termination of Agreement. This Agreement, other than the provisions set forth in Articles III, VII and X hereof, may be terminated by Delek US or the Partnership upon a Partnership Change of Control. For the avoidance of doubt, the Parties' indemnification obligations under Article III, the right of first refusal under Article VII and the Call Option under Article X shall survive the termination of this Agreement in accordance with their respective terms.

9.5 Amendment or Modification. This Agreement may be amended or modified from time to time only by the written agreement of all the Parties hereto. Each such instrument shall be reduced to writing and shall be designated on its face an "Amendment" or an "Addendum" to this Agreement.

9.6 Assignment. No Party shall have the right to assign its rights or obligations under this Agreement without the consent of the other Parties hereto; *provided, however*, that (i) the

Partnership may make a collateral assignment of this Agreement solely to secure financing for the Partnership Group and (ii) Delek US may assign its rights under Article VII to any Affiliate of Delek US.

9.7 Counterparts. This Agreement may be executed in any number of counterparts with the same effect as if all signatory parties had signed the same document. All counterparts shall be construed together and shall constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile transmission or in portable document format (.pdf) shall be effective as delivery of a manually executed counterpart hereof.

9.8 Severability. If any provision of this Agreement shall be held invalid or unenforceable by a court or regulatory body of competent jurisdiction, the remainder of this Agreement shall remain in full force and effect.

9.9 Further Assurances. In connection with this Agreement and all transactions contemplated by this Agreement, each signatory party hereto agrees to execute and deliver such additional documents and instruments and to perform such additional acts as may be necessary or appropriate to effectuate, carry out and perform all of the terms, provisions and conditions of this Agreement and all such transactions.

9.10 Rights of Limited Partners. The provisions of this Agreement are enforceable solely by the Parties to this Agreement, and no Limited Partner of the Partnership shall have the right, separate and apart from the Partnership, to enforce any provision of this Agreement or to compel any Party to this Agreement to comply with the terms of this Agreement.

9.11 Amendment and Restatement. This Agreement amends and restates the Third A&R Agreement in its entirety and the Parties agree that the terms and provisions of this Agreement replace the terms and provisions of the Third A&R Agreement, which is no longer in force as of the date hereof.

9.12 Amendment of Schedules. The Parties may amend and restate the Schedules at any time without otherwise amending or restating this Agreement by the execution by all of the Parties of a cover page to the amended Schedules in the form attached hereto as Exhibit B. Such amended and restated Schedules shall replace the prior Schedules as of the date of execution of the cover page and shall be incorporated by reference into this Agreement for all purposes.

9.13 Suspension of Certain Provisions in Certain Circumstances. The provisions of Article VII and Article X shall be of no force and effect with respect to Delek US, Delek Refining or Lion Oil, as applicable, and such Party (i) shall have no rights or obligations under Article VII and Article X if such Party shall institute any proceeding or voluntary case seeking to adjudicate it as bankrupt or insolvent, or seeking dissolution, liquidation, winding up, reorganization, arrangement, adjustment, protection, relief or composition of it or its debts under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for any such Person or for any substantial part of its property, (ii) shall be generally not paying its debts as such debts become due or shall admit in writing its inability to pay its debts

generally, (iii) shall make a general assignment for the benefit of creditors, or (iv) shall take any action to authorize or effect any of the actions set forth above in this Section 9.13. In addition to the foregoing, notwithstanding anything in Article VII to the contrary:

(a) Delek US shall have no right to exercise any rights of first refusal under Article VII on, and no Partnership Party or lender to any Partnership Party shall have any obligation to give any Disposition Notice or other notice to the Partnership Group with respect to any proposed Transfer of any ROFR Asset while any Default or Event of Default exists under, and as defined in, that Amended and Restated Credit Agreement dated as of July 9, 2013, by and among the Partnership, the other Borrowers party thereto, the Lenders and L/C issuers from time to time party thereto, the Guarantors from time to time party thereto, Fifth Third Bank, as Administrative Agent, Bank of America, N.A., and Royal Bank of Canada, as Co-Syndication Agents, and Compass Bank, Barclays Bank PLC, PNC Bank, National Association and RBS Citizens, N.A., as Co-Documentation Agent, as amended, supplemented or otherwise modified from time to time (the "Partnership Credit Agreement"), without the prior written consent of the Required Lenders, as defined in the Partnership Credit Agreement. Upon any refinancing or replacement of any of the indebtedness evidenced by the Partnership Credit Agreement (each a "Partnership Refinancing Credit Agreement"), Delek US shall execute and deliver to any administrative agent and/or lenders under any Partnership Refinancing Credit Agreement an agreement and acknowledgement that Delek US shall have no right to exercise any right of first refusal under Article VII on any proposed Transfer of any ROFR Asset while any Default or Event of Default exists under such Partnership Refinancing Credit Agreement without the prior written consent of such administrative agent or certain proportion of the lenders with respect thereto (which proportion shall be determined by the lenders in connection with such Partnership Refinancing Credit Agreement).

## ARTICLE X CALL OPTION

### 10.1 Call Option to Purchase Certain Assets.

(a) Subject to Section 10.1(c), each Partnership Party, on behalf of itself and the Partnership Group, hereby grants to Delek US an exclusive option to purchase all or any part of the Partnership Group's right, title and interest in, to and under the assets listed on Schedule XI hereto, which Schedule XI shall be updated from time to time by mutual agreement of Delek US and the Partnership Parties; provided that Delek US can remove assets from Schedule XI at its sole option (the "**Call Option Assets**"). All references to such Call Option Assets in this Agreement shall be deemed qualified by the descriptions thereof set forth on such Schedule XI hereto. Any tangible assets constructed or acquired by a Partnership Group Member to replace the function of any of the Call Option Assets described above will be subject to the Call Option described in this Section 10.1.

(b) The Call Option will be exercisable, in whole or in part, in one or more exercises, beginning on the effective date of a Call Option Triggering Event (the "**Call Option Triggering Date**") and continuing for a period of (i) six months from such Call Option

Triggering Date, with respect to a Call Option Triggering Event (A) under clause (ii) of the definition of Call Option Triggering Event or (B) that results from a transaction where the Delek Entities transfer Control of the Partnership to a Person other than one of the Delek Entities or a Partnership Party, and (ii) four years from such Call Option Triggering Date with respect to any other Call Option Triggering Event (the “**Call Option Exercise Period**”).

(c) The Parties acknowledge that all potential Transfers of Call Option Assets pursuant to this Article X are subject to obtaining any and all required consents of governmental authorities and other third parties and to the terms of all existing agreements in respect of the Call Option Assets; *provided, however*, that the Partnership represents and warrants that, to its knowledge after reasonable investigation, there are no terms in such agreements that would materially impair the rights granted to Delek US pursuant to this Article X with respect to any Call Option Asset. Delek US and the Partnership Group shall cooperate in good faith in obtaining all necessary governmental and other third party approvals, waivers and consents required for the exercise of the Call Option.

(d) Each Partnership Group Member and Delek US shall use commercially reasonable efforts to do or cause to be done all things that are reasonably necessary to effectuate the consummation of any transactions contemplated by this Article X, including causing its respective Affiliates to execute, deliver and perform all documents, notices, amendments, certificates, instruments and consents required in connection therewith.

(e) The Parties agree and acknowledge that the sale of the Call Option Assets by the Partnership Parties to Delek US shall be made on an “as is,” “where is” and “with all faults” basis, and the instruments conveying such Call Option Assets shall contain appropriate disclaimers.

(f) Neither the Partnership Group nor Delek US shall have any obligation to sell or buy the Call Option Assets if any of the consents referred to in Section 10.1(c) has not been obtained.

(g) Delek US and the Partnership Group shall cooperate in good faith in obtaining all necessary governmental and other third party approvals, waivers and consents required for the closing. Any such closing shall be delayed, to the extent required, until the third business day following the expiration of any required waiting periods under the HSR Act. If the exercise of the Call Option is prevented or delayed due to the Partnership’s failure to obtain any required consent, then the Call Option Exercise Period shall be automatically extended with respect to the Call Option Assets subject to such consent, until such time as the exercise of the Call Option with respect to such Call Option Assets will not be so prevented or delayed; provided, that any Call Option Assets not subject to such extension will no longer be subject to this Article X (or Article VII). If the Partnership is not successful in obtaining the necessary consent of any lenders to the Transfer of the Call Option Assets pursuant to this Article X, then it will use best efforts to repay or refinance such indebtedness.

(h) During the term of this Agreement and the Call Option Exercise Period, including any extension thereof pursuant to Section 10.1(g), (i) the Partnership must obtain the

prior written consent of Delek US before changing the operating use of any Call Option Asset, and (ii) the Partnership must obtain the prior written consent of Delek US before permitting any third party to use any of the Call Option Assets, in each case such consent may not be unreasonably withheld, conditioned or delayed.

(i) During the term of this Agreement and the Call Option Exercise Period, including any extension thereof pursuant to Section 10.1(g), the Partnership Group will use commercially reasonable efforts to maintain the Call Option Assets at a level needed for continued safe and reliable operation by the Delek Entities consistent with their historical use thereof. Upon the written request of any Delek Entity, the Partnership Group will provide reasonable maintenance consistent with industry practices for such continued safe and reliable operation consistent with the historic use of such Call Option Assets (“**Past Practice**”). In the event the Partnership Group fails to provide any such requested reasonable maintenance consistent with Past Practice within 30 days upon the receipt of a written request for such maintenance from the Delek Entities, then the Delek Entities shall be entitled to provide for such maintenance and offset the reasonable, documented, out-of-pocket cost thereof against amounts owed between the Delek Entities and the Partnership Group. In the event any Delek Entity requests maintenance on any Call Option Asset beyond what is consistent with Past Practice, then the Partnership Group shall permit the Delek Entities to perform, or cause to be performed, such maintenance, at the sole cost and expense of the Delek Entities.

(j) If any exercise of the Call Option results in a change in the Call Option Assets subject to any intercompany agreement between one or more Delek Entities, on the one hand, and one or more Partnership Group Members, on the other hand, then such intercompany company agreement shall be ratably adjusted to reflect the exercise of the Call Option without renegotiation of the other terms thereof. If the Parties are unable to mutually agree upon such ratable adjustment, then such ratable adjustment shall be included as a matter to be resolved pursuant to Section 10.2(c) below.

(k) Delek US shall have no right to exercise any Call Rights under Article X while any Default or Event of Default exists under, and as defined in, the Partnership Credit Agreement, without the prior written consent of the Required Lenders, as defined in the Partnership Credit Agreement. With respect to any Partnership Refinancing Credit Agreement, Delek US shall execute and deliver to any administrative agent and/or lenders under any Partnership Refinancing Credit Agreement an agreement and acknowledgement that Delek US shall have no right to exercise any Call Option under Article X while any Default or Event of Default exists under such Partnership Refinancing Credit Agreement without the prior written consent of such administrative agent or certain proportion of the lenders with respect thereto (which proportion shall be determined by the lenders in connection with such Partnership Refinancing Credit Agreement).

#### 10.2 Procedures for Exercise of the Call Option.

(a) Each time Delek US exercises the Call Option during the Call Option Exercise Period, Delek US will provide a written notice (a “**Call Option Exercise Notice**”) to the Partnership identifying the Call Option Assets to be purchased, the fair market value it proposes

to pay for such Call Option Assets, and any other terms of the exercise, which may include terms upon which the Partnership Group will provide services to one or more Delek Entities in connection with such Call Option Assets. Delek US and the Partnership shall negotiate in good faith the terms of such Call Option exercise, including the fair market value of the Call Option Assets to be purchased, within **90 days** after the delivery of such Call Option Exercise Notice. Upon agreement of the terms of such Call Option exercise, Delek US and the Partnership shall cooperate in good faith to establish a mutually acceptable closing date (the “**Call Option Closing Date**”) for the consummation of the Transfer of the Call Option Assets. Delek US may pay the purchase price for any exercise of the Call Option in cash, DKL Units, or a combination thereof in its sole discretion, unless Delek US and the Partnership agree that such consideration will be paid, in whole or in part, in equity securities of Delek US, an interest-bearing promissory note, or any combination thereof; *provided*, that after giving pro forma effect thereto, the Total Leverage Ratio (as defined in the Indenture dated March 13, 2024 with respect to the Partnership’s 8.625% Senior Notes due 2029, as in effect as of the date hereof) does not exceed 4.00 to 1.00; *provided further*, that in the event the Partnership Group is required to provide services to one or more Delek Entities in connection with such Call Option Assets, the fees for such services shall be paid in cash only.

(b) On the Call Option Closing Date, each applicable Partnership Group Member shall represent that it has title to the Call Option Assets being transferred that is sufficient to operate the Call Option Assets in accordance with their intended and historical use, subject to all recorded matters and all physical conditions in existence on the closing date for the purchase of the applicable Call Option Asset, plus any other such matters as Delek US may approve. If Delek US desires to obtain any title insurance with respect to a Call Option Asset, the full cost and expense of obtaining the same (including but not limited to the cost of title examination, document duplication and policy premium) shall be borne by Delek US.

(c) If Delek US and the Partnership are unable to agree, within 90 days of the delivery of such Call Option Exercise Notice, on the fair market value of the Call Option Assets to be purchased under any Call Option Exercise Notice or any other terms of the purchase, including, if applicable, the terms on which the Partnership Group will provide services to one or more Delek Entities in connection with such Call Option Assets, then Delek US and the Partnership will, within 120 days of the delivery of such Call Option Exercise Notice, engage a mutually-agreed-upon, independent, nationally recognized investment banking firm (“Independent Bank”) to determine the fair market value of the Call Option Assets to be purchased and/or to propose customary terms to replace the terms on which Delek US and the Partnership are unable to agree. The fees of the investment banking firm will be split equally between Delek US and the Partnership. Delek US and the Partnership shall use commercially reasonable efforts to provide all documentation reasonably requested by the Independent Bank, and to cause the Independent Bank to submit its determination of the fair market value and/or make its proposal of customary terms within 30 days of the submission of the disputed matters to the Independent Bank. Once the Independent Bank submits its determination of the fair market value of the Call Option Assets to be purchased and/or proposes other customary terms to replace the terms on which Delek US and the Partnership are unable to agree (which determination shall be solely limited to, and must be within the range of, such matters on which the Parties are

unable agree), Delek US will have the right, but not the obligation, to purchase the Call Option Assets to be purchased on the terms as modified by the Independent Bank. Delek US will provide written notice of its decision to the Partnership within **30 days** after the Independent Bank has submitted its determination to the Parties. Failure to provide such notice within such **30-day** period shall be deemed to constitute a decision not to purchase such Call Option Assets, but Delek US shall reserve the right to include any such Call Option Assets in a future Call Option Exercise Notice during the Call Option Exercise Period.

(d) The applicable Partnership Group Member will grant to Delek US the right, exercisable at Delek US' risk and expense prior to the Call Option Closing Date, to make such surveys, tests and inspections of the Call Option Assets as Delek US may deem desirable, so long as such surveys, tests or inspections do not damage the Call Option Assets or interfere with the activities of the applicable Partnership Group Member. Delek US will have the right to terminate its obligation to purchase the Call Option Assets under this Article X if the results of any searches under this Section 10.2(d) are, in the reasonable opinion of Delek US, unsatisfactory.

(e) If requested by Delek US, the Partnership shall use commercially reasonable efforts to obtain financial statements at the sole cost and expense of Delek US, with respect to any Call Option Assets purchased by the Delek Entities as required under Regulation S-X promulgated by the Securities and Exchange Commission or any successor statute.

[Signatures on following page]

**IN WITNESS WHEREOF**, the Parties have executed this Agreement on, and effective as of, the Closing Date.

**DELEK US HOLDINGS, INC.  
LION OIL COMPANY, LLC**

By: /s/ Joseph Israel  
Name: Joseph Israel  
Title: Executive Vice President, DK & DKL Operations

By: /s/ Mark Hobbs  
Name: Mark Hobbs  
Title: Executive Vice President, Corporate Development

**DELEK LOGISTICS PARTNERS, LP**

By: Delek Logistics GP, LLC,  
its general partner

By: /s/ Reuven Spiegel  
Name: Reuven Spiegel  
Title: Executive Vice President, Chief Financial Officer, and Treasurer

By: /s/ Odely Sakazi  
Name: Odely Sakazi  
Title: Senior Vice President

*Signature page to Fourth Amended and Restated Omnibus Agreement*

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**PALINE PIPELINE COMPANY, LLC  
SALA GATHERING SYSTEMS, LLC  
MAGNOLIA PIPELINE COMPANY, LLC  
EL DORADO PIPELINE COMPANY, LLC  
DELEK CRUDE LOGISTICS, LLC  
DELEK MARKETING-BIG SANDY, LLC  
DKL TRANSPORTATION, LLC  
DELEK LOGISTICS OPERATING, LLC  
DELEK LOGISTICS GP, LLC**

By: /s/ Reuven Spiegel

Name: Reuven Spiegel

Title: Executive Vice President, Chief Financial Officer, and Treasurer

By: /s/ Odely Sakazi

Name: Odely Sakazi

Title: Senior Vice President

**DELEK MARKETING & SUPPLY, LP**

By: Delek Marketing GP, LLC,  
its general partner

By: /s/ Reuven Spiegel

Name: Reuven Spiegel

Title: Executive Vice President, Chief Financial Officer, and Treasurer

By: /s/ Odely Sakazi

Name: Odely Sakazi

Title: Senior Vice President

**Certification by Chief Executive Officer pursuant to  
Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934,  
As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Avigal Soreq, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Delek US Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Avigal Soreq  
Avigal Soreq,  
President and Chief Executive Officer  
(Principal Executive Officer)

Dated: August 7, 2024

**Certification by Chief Financial Officer pursuant to  
Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934,  
As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Reuven Spiegel, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Delek US Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ Reuven Spiegel

Reuven Spiegel,  
Executive Vice President and Chief Financial Officer  
(Principal Financial Officer)

Dated: August 7, 2024

**Certification Pursuant to  
18 U.S.C. Section 1350,  
as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the quarterly report of Delek US Holdings, Inc. (the "Company") on Form 10-Q for the quarterly period ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Avigal Soreq, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, and to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Avigal Soreq

Avigal Soreq,

President and Chief Executive Officer  
(Principal Executive Officer)

Dated: August 7, 2024

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained and furnished to the Securities and Exchange Commission or its staff upon request.

**Certification Pursuant to  
18 U.S.C. Section 1350,  
as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002**

In connection with the quarterly report of Delek US Holdings, Inc. (the "Company") on Form 10-Q for the quarterly period ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Reuven Spiegel, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, and to the best of my knowledge, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

By: /s/ Reuven Spiegel  
Reuven Spiegel,  
Executive Vice President and Chief Financial Officer  
(Principal Financial Officer)

Dated: August 7, 2024

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained and furnished to the Securities and Exchange Commission or its staff upon request.