

**2024 Third Quarter
Results Conference Call
October 31, 2024**

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

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

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

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

[Grant]

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

As we mentioned in our earnings release this morning, we have always expected 2024 to be a transition year as we move closer and closer to the inflection point when we will complete our current major capital spending program... be a short time away from a notable step change in realized segment margin... and most importantly... be in position to generate cash from operations in excess of the cash costs of running and sustaining our businesses... starting in the back half of 2025 and accelerating into 2026. I am here today to reiterate my confidence in this central thesis. Having said that, we certainly did not reasonably expect 2024 to be as challenging as it has turned out to be.

While our financial performance in the first three quarters of the year has been well below our original expectations, we believe a majority of what has impacted Genesis this year has been the result of one-time items... and other factors outside of our control. Importantly, we expect most of these challenges will be remedied by year end... hopefully leading to a more constructive operating environment moving forward. We are, in any event, evaluating a number of cost-cutting and efficiency opportunities to help offset these near-term challenges. We believe the actions we are taking... and will continue to take in the coming months and quarters... not only reflect our full alignment with our stakeholders... but are also representative of our commitment to maximizing available cash flow in the years to come.

We believe 2025 will deliver meaningful growth over 2024 in the financial performance of certain of our segments... driven by the mid-year start up for our contracted offshore developments as well as getting a number of the technical/operational issues at certain existing offshore fields behind us... a sequential improvement in our marine transportation segment... resulting from fewer scheduled dry-docks and steady to improving market fundamentals...and steady to improving performance from our onshore facilities segment. As we sit here today, we do see certain challenges in our soda and sulfur services businesses continuing into 2025. While we expect to achieve better... and more consistently efficient... operations at Westvaco and Granger next year, we are seeing macroeconomic headwinds which likely will pressure soda ash prices... at least in the early part of next year. In our sulfur services business, we have continued to have challenges on the production side at our largest host refinery and are facing competitive pressures from Chinese flake in South America. We would expect to have a better idea on these items when we discuss our outlook for 2025 in more detail next January or February. However, even with these challenges, we continue to expect growth in Adjusted EBITDA in 2025 over 2024. When combined with limited growth capital spending, we believe we will in fact turn the corner... and become cash flow positive next year...giving us the flexibility to begin focusing on capital allocation in earnest.

If we look beyond 2025, the combination of increasing volumes across our offshore infrastructure... steady to marginal improvement from our marine transportation and onshore facilities segments...and a return towards a more normalized soda ash pricing environment...which we believe is only a matter of when...not if.. all will combine to drive increasing results. Importantly, over the next few years we have identified no growth capital projects... and remain committed to not pursuing any meaningful growth projects in the near-

term... in essence, because we believe we have laid the foundation for meaningfully higher... and sustainable... Adjusted EBITDA... for the foreseeable future.

We continue to believe the partnership has adequate financial flexibility...and liquidity...and we will be in a position to utilize our future excess cash flow to simplify and strengthen our capital structure by redeeming our high-cost convertible preferred... and paying down debt in absolute terms. These actions should, in turn... lower our cost of capital... and ultimately reduce the long-term annual cash costs of running our businesses... affording us... over time...even more flexibility and levers we can pull to maximize unitholder value. In summary...absent unforeseen circumstances... we remain confident we have laid the foundation to be able to create long-term value for everyone in the capital structure in the coming years.

Now I will touch briefly on our individual business segments.

As mentioned in our earnings release, our offshore segment continued to be negatively affected by lingering operational and technical issues at a couple of our large fields where we touch the molecules multiple times via both oil and gas gathering as well as downstream transportation...which as you can infer... are higher margin volumes versus the alternative where we might just handle the volume once for downstream transportation. In almost forty years of focusing on the deepwater Gulf of Mexico... and its world class hydrocarbon-bearing reservoirs... I have never seen a string of technical/operating issues across multiple operators and multiple fields all occur right on top of one another. Whether it involved dropping a joint of casing onto flow lines and a control umbilical in 5,800 feet of water... the failure of a sleeve not being able to be remotely activated to choke off water inflows in a multi-zone completion... the separation/failure of the production tubing string in a 17,000 foot well... with the string in a twin well needing to be preemptively addressed...or the failure of a completion screen allowing

production tubing and flow lines to get sanded up... needless to say... our producer customers have recently experienced a number of unfortunate, unexpected and rare items...which in turn obviously has negatively affected our financial performance this year. While we had originally expected the operators to complete the necessary repairs during the third quarter, the various recent weather challenges in the Gulf of Mexico have caused delays in getting the appropriate equipment and service providers on-site to complete the necessary repairs on the original timeline.

That being said, we have seen a small portion of the affected production restored to date... but are now being told complete mitigation or repairs are not expected to be completed until the end of the year. As a result, these interruptions will also have a negative impact on our fourth quarter results. In our conversations with the affected producer/operators, each have reiterated they expect no long-term negative impacts to the underlying reservoirs and expect to see these volumes return by the end of the year... or certainly by early next year. We will ultimately benefit from these volumes moving through our offshore infrastructure...it will just be shifting the recognition of the economic benefit to us a little to the right...it doesn't go away.

Given some of these recent challenges, I took the opportunity over the last four or five weeks to personally go meet with senior executives at most of our key producer/shipper customers in the Gulf of Mexico. I can relay that those with the mechanical issues are working diligently to remedy the lost volumes as quickly as possible. But more importantly... all of them remain very excited and confident about the expectations for their newly sanctioned projects...the potential for additional future developments around their existing infrastructure... whether in-field or sub-sea opportunities... as well as exploratory opportunities they have already identified under their existing, valid leases in the Gulf of Mexico.

Our offshore expansion projects remain on schedule... and we continue to expect to

complete most of the construction work by the end of the year. We expect to finalize the connection of the new SYNC pipeline to the Shenandoah floating production system once it arrives at its final location in the Gulf of Mexico... with such work expected to be completed in the first quarter of 2025.

Both the Shenandoah and Salamanca new developments... and their combined almost 200,000 barrels of oil per day of incremental production handling capacity...remain on schedule to be on-line and begin in the second quarter of 2025. Similarly to other recent new developments, we continue to expect each of these to ramp up very quickly and reach initial peak production within three to six months of their respective dates of first production...if not sooner. In both cases, the operators anticipate producing at rates materially higher than our take or pay levels... or perhaps even higher than their original internal expectations when they sanctioned the projects.

These two new floating production facilities are also expected to serve as host platforms for additional future sub-sea developments or tie-back opportunities which could sustain or increase these cash flows to us for years and years into the future. In addition to the Monument field, which is a subsea tie-back to Shenandoah that we announced last quarter...we remain in active discussions with other producers to utilize the incremental pre-built capacity on the SYNC lateral and/or on the CHOPS pipeline. Importantly, these ongoing discussions around the connection of additional in-field, sub-sea or secondary recovery development opportunities would not require any incremental capital on our part... and could turn to production as early as next year...and certainly over the next few years.

I also wanted to take a moment to comment on the recent judicial events surrounding the 2020 Biological Opinion, or BiOp, issued by the National Marine Fisheries Service. In mid-August, a Maryland district judge found the existing 2020 BiOp did not meet certain requirements

stemming from the Endangered Species Act...and thus issued an order to vacate such BiOp as of December 20, 2024. This ruling could have theoretically invalidated certain permits and put parties at risk of liability for activities that could harm protected species in the Gulf of Mexico. Fast forward...as we expected...the upstream community was the champion with dealing with this matter in court...and on October 21, 2024, the same district judge in Maryland extended the date of vacatur of the 2020 BiOp to May 21, 2025. Furthermore, the National Marine Fisheries Service has publicly committed to issue a new and fully compliant BiOp before this date. While we do not anticipate any future risks surrounding this matter, we will be constantly monitoring the situation. In the end, we remain confident that we and our producer customers will continue to be fully compliant with the new BiOp once issued... and will continue to be stewards of the environment and the waters in which we operate in together.

Turning now to our soda and sulfur services segment. Our soda ash business significantly underperformed our expectations during the quarter... as we continued to experience production challenges and higher maintenance spending at our Westvaco production facility. As a result of our operating performance over the first nine months of the year, our Alkali leadership team is keenly focused on identifying the root causes of the production challenges... implementing new initiatives and proactive measures to mitigate such in the future... and reduce operating costs and maintenance spending to further streamline and lower the costs of our soda ash operations to allow us to maintain our position as America's largest and lowest cost producer...while never compromising our commitment to safe and responsible operations.

In the near-term... we must focus on costs. Just since last quarter, the export market for soda ash has... for lack of a better description... gotten pretty sloppy. Chinese domestic inventory levels and the availability of exports out of China have both recently increased. In fact, exports

from China in September were the highest since July of 2023. The increased supply of natural soda from the Berun development in Mongolia appears to have been consumed totally within China...at least until recently. There are recent indications that Chinese domestic demand must be softening...as evidenced by such increasing inventories and availability of exports.

We are, however, encouraged by the recent changes in monetary policy and rumored additional fiscal policies designed to stimulate the Chinese economy...but these will take time to become effective. In the meantime, the apparent increased availability of soda ash out of China is leading our export customers to expect lower prices. In fact, we expect to see lower export prices in the fourth quarter...even though sequentially... third quarter prices were up over the second quarter and second quarter prices were up over the first quarter of this year. We would expect that this current softness will last into 2025...at least early in the year...until the global market comes closer into balance.

In that regard, I am reminded of Warren Buffet's saying that ... in a commodity business... it is hard to look a lot smarter than your dumbest competitor. At some of the prices we believe are being offered... we know the sellers... AT BEST... are seeing marginal revenue cover their marginal production costs...with no contribution to their fixed costs. As we all learned in principles of economics... this behavior can occur in the short run...but it is not sustainable in the long run. As a result, we would expect certain producer/suppliers to curtail production... which will obviously will help tighten the market... and ultimately lead to higher prices. As I said earlier, we are America's lowest cost producer...and our brine-based facilities... ELDM at Westvaco and our optimized Granger facility... are among the lowest cost soda ash production facilities in the world. Our higher-cost competitors... both domestically and abroad... will have to carry the load of the supply response needed near-term to bring the soda ash market more into balance.

Regardless of the ultimate timing of such production rationalizations...which would happen sooner rather than later if high-cost synthetic producers in Europe and China were to begin to act more rationally... we remain committed to the soda ash business. We intend to work diligently to further optimize our cost structure... and make any necessary adjustments to maintain and strengthen our competitive advantage. I am confident that the steps we are evaluating regarding our production costs... will not only help us in the short term... but will enhance our ability to benefit sooner from the inevitable balancing of the market... and the higher and sustainable commodity prices that will undoubtedly follow.

Our marine transportation segment continues to operate in-line with our expectations as the broader market conditions remain very favorable. We continue to operate with utilization rates at or near 100 percent of practical available capacity for all classes of our vessels... and expect day rates to remain strong... if not slightly increase sequentially as our existing term and spot charters renew over the remainder of the year and throughout 2025.

Importantly, we are also nearing the completion of our heaviest regulatory dry-docking year on record for our offshore fleet. By year end, we expect to have completed such required work for six of our nine blue-water vessels... with two of our smaller offshore vessels scheduled to go in for work in the first quarter of 2025. Upon completion of these dry-dockings early next year... and absent any unforeseen events... we expect to have a clear runway to drive sequential improvement... by simply operating our vessels for more available days in 2025 relative to 2024...and almost certainly at higher realized day rates. As a result, we could reasonably see a scenario where next year's marine transportation segment could be up by more than ten percent year over year... if not higher. These market fundamentals look like they'll be around for a number of years in the future... with net retirements of older equipment...not ours by the way given the

relatively young age of our assets...and the need to see day rates increase another 30 percent or so...and be expected to sustain there well into the future...before anyone is likely to undertake a significant new-build program.

In summary, with the unforeseen challenges to our Adjusted EBITDA in 2024... we expect the full year to come in below the low end of our previous guidance range. Additionally, our bank calculated total debt to EBITDA ratio will increase to greater than 5 times in future periods...as least for a while... as we deal with the arithmetic challenge of such lower EBITDA in the denominator negatively affecting such calculated ratio. However, that will take care of itself over time... as we realize growing Adjusted EBITDA and begin to pay down debt in future periods.

As I have mentioned in the past...and will reiterate again ...the value proposition for Genesis remains unchanged and intact... at least from our perspective. We remain keenly focused on getting to the back half of 2025... and the inflection point... where we stop spending growth capital...and start harvesting significant... and growing... cash flows in excess of the cash cost of running and sustaining our businesses. This excess cash flow will allow us to simplify our capital structure... lower our overall cost of capital... maintain prudent leverage... and have the ability to opportunistically drive long-term value for our unitholders for many years ahead.

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

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

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