

GENIE ENERGY LTD.



2024 ANNUAL REPORT





Dear Fellow Stockholders:

Thank you for your investment in Genie Energy. I am pleased to report to you that both Genie Retail Energy (GRE) and Renewables (GREW) divisions recorded strong results in 2024 and are poised to drive significant value creation for our stockholders in 2025.

At GRE, our deep expertise in retail customer acquisition and retention and in commodity management, our diversified footprint covering deregulated markets in 19 states and Washington D.C., and our strong balance sheet are significant competitive advantages that enable GRE to out-grow and out-perform its industry peers.

In 2024, GRE capitalized on favorable market dynamics to ramp up customer acquisitions while reducing churn through customer retention initiatives. As a result, we added over 60,000 net new meters during 2024 — increasing our meter book by 17%.

Looking ahead, we expect additional meter growth in 2025. We are accelerating our expansion in Texas's dynamic electricity market, and we have just entered California — where we are selling natural gas. These two markets highlight our growth opportunity, but conditions are favorable to expand our customer book across our markets.

Our renewables business is focused on two distinct opportunities — developing and operating utility-scale solar generation projects, and providing high-value energy advisory and brokerage services to commercial and industrial clients nationwide.

Genie Solar develops, acquires, and operates utility-scale solar generation arrays. In 2024, we refocused on the utility-scale market after cutting our teeth on commercial solar projects. We currently operate arrays generating 10 MW, and are advancing 108 MWs of owned projects which are at various stages in our development pipeline.

Late in the year, we closed on our first solar financing deal to capitalize our operating arrays, returning approximately \$7 million in cash to our balance sheet. The financing boosted Genie's return on equity for this portfolio, enables us to capture the residual value of the power generated, and freed up capital to pursue project development and acquisition.

In 2025, we expect that Genie Solar will complete and bring online one of its community solar projects now under construction in New York. In addition, we expect to begin construction on two or three more community solar projects over the course of the year. We will also continue to build and advance our earlier stage portfolio and evaluate opportunities to add new arrays through acquisitions, including both operating and development-stage solar projects.

At Diversegy, our energy advisory and brokerage business, we grew the topline by over 60% in 2024, and turned cash-flow positive. Diversegy is on track to continue its strong growth and become a significant contributor to Genie's bottom line profitability in 2025 and beyond.

Finally, reflecting our entrepreneurial approach to businesses, we also are working on several start-ups and early-stage business initiatives within GREW. The most advanced of these, Roded, has patented technology that turns agricultural and industrial plastic waste into end-use plastic products for industrial customers. It has successfully demonstrated its technology in Israel and begun to generate its first revenues, selling plastic pallets in local markets there. Roded's pallets are equivalent in size, versatility, and strength to current market offerings, and we believe it can scale up to produce them at disruptive price points.

We expect to invest in the full range of exciting growth opportunities across our GRE and GREW businesses in 2025, return significant cash to our stockholders through our dividend and opportunistic share repurchases, and further increase the cash on our balance sheet. I look forward to reporting to you on our progress throughout the year.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael Stein', with a long horizontal flourish extending to the right.

Michael Stein  
Chief Executive Officer

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

FORM 10-K

Annual report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934  
for the fiscal year ended December 31, 2024,

or

Transition report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934.  
Commission File Number:1-35327

**Genie Energy Ltd.**

(Exact name of registrant as specified in its charter)

Delaware

45-2069276

(State or other jurisdiction of  
incorporation or organization)

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

520 Broad Street, Newark, New Jersey 07102

(Address of principal executive offices, zip code)

(973) 438-3500

(Registrant's telephone number, including area code)

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

**Title of each class**

**Trading Symbol**

**Name of each exchange on which registered**

Class B common stock, par value \$0.1 per share

GNE

New York Stock Exchange

Securities registered pursuant to section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

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, if any, every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) 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 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

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

The aggregate market value of the voting and non-voting stock held by non-affiliates of the registrant, based on the closing price on June 28, 2024 (the last business day of the registrant's most recently completed second fiscal quarter) of the Class B common stock of \$14.62 per share, as reported on the New York Stock Exchange, was approximately \$288.8 million.

As of March 12, 2025, the registrant had outstanding 25,435,418 shares of Class B common stock and 1,574,326 shares of Class A common stock. Excluded from these numbers are 3,889,037 shares of Class B common stock held in treasury by the registrant.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive proxy statement relating to its Annual Meeting of Stockholders, to be held May 6, 2025, are incorporated by reference into Part III of this Form 10-K to the extent described therein.

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**Genie Energy Ltd.**

**Annual Report on Form 10-K**

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## Part I

As used in this Annual Report, unless the context otherwise requires, the terms “the Company,” “Genie,” “we,” “us,” and “our” refer to Genie Energy Ltd., a Delaware corporation, and its subsidiaries, collectively.

### Item 1. Business.

#### BUSINESS OVERVIEW

Genie Energy Ltd. is end-to-end provider of energy services. We manage our business and report results through two reporting segments.

- Genie Retail Energy (“GRE”) supplies electricity and natural gas to residential and small business customers through retail energy providers (“REPs”) operating in certain deregulated markets within the United States; and
- Genie Renewables (“GREW”) is primarily comprised of the following three lines of businesses:
  - Genie Solar — an integrated solar energy company that develops, constructs and operates utility-scale solar energy projects;
  - CityCom Solar (“CityCom”) — a marketer of community solar and alternative products and services complementary to our energy offerings;
  - Diversegy LLC (“Diversegy”) — a provider of energy procurement and advisory services to industrial, commercial and municipal customers.

The Company owns 100% of Genie Retail Energy, Inc. and 95.5% of Genie Energy Services, LLC (“GES”). GES holds our interest in the entities comprising the GREW segment. In the third quarter of 2022, the Company ceased to operate a former segment, GRE International (“GREI”). Certain of GREI’s assets and liabilities and operations were classified as discontinued operations and the segment’s remaining assets and liabilities were combined with corporate.

GRE owns and operates REPs, including IDT Energy, Inc. (“IDT Energy”), Residents Energy, LLC (“Residents Energy”), Town Square Energy, LLC and Town Square Energy East, LLC (collectively, “TSE”), Southern Federal Power, LLC (“SFP”), Evergreen Gas & Electric, LLC (“Evergreen”) and Mirabito Natural Gas, LLC (“Mirabito”). GRE’s REP businesses resell electricity and natural gas to residential and small business and small commercial customers. The majority of GRE’s REPs’ customers are located in the Eastern and Midwestern United States and Texas. Mirabito supplies natural gas to commercial customers in Florida.

GREW consists of our 95.5% interest in Genie Solar, our 92.8% interest in CityCom Solar and our 96.0% interest in Diversegy.

#### DISCONTINUED OPERATIONS IN UNITED KINGDOM, FINLAND AND SWEDEN

Previously, the Company had a third segment, Genie Retail Energy Internationals, or GREI, which supplied electricity and natural gas to residential and small business customers in certain markets in Europe. GREI was comprised of Orbit Energy Limited (“Orbit”), which operated in the United Kingdom, Lumo Energia Oyj (“Lumo Finland”) which operated in Finland and Lumo Energi AB (“Lumo Sweden”) which operated in Sweden.

On November 29, 2021, Orbit was declared insolvent and its customers were transferred to the “supplier of last resort.” Effective December 1, 2021, the administration of Orbit was transferred to third-party administrators (the “Orbit Administrator”). The accounts of Orbit were deconsolidated from those of the Company effective December 1, 2021.

On November 28, 2023, the administration of Orbit ceased and the control of Orbit reverted back to the Company from the Orbit Administrator. The accounts of Orbit were consolidated with those of the Company effective November 28, 2023.

In the third quarter of 2022, the Company decided to discontinue the operations of Lumo Energia Oyj (“Lumo Finland”) and Lumo Energi AB (“Lumo Sweden”). In July 2022, the Company entered into a series of transactions to sell most of the electricity swap instruments held by Lumo Sweden. The Company also entered into a series of transactions to transfer the customers of Lumo Finland and Lumo Sweden to other suppliers.

In November 2022, Lumo Finland declared bankruptcy and the administration of Lumo Finland was transferred to an administrator (the “Lumo Administrators”). All assets and liabilities of Lumo Finland remain with Lumo Finland, in which the Company retains its ownership interest, however, the management and control of Lumo Finland were transferred to the Lumo Administrators. Since the Company lost control of the management of Lumo Finland in favor of the Lumo Administrators, the accounts of Lumo Finland were deconsolidated effective November 9, 2022.

We account for the operations in the United Kingdom, Finland and Sweden as discontinued operations.

Following the discontinuance of operations of Lumo Finland and Lumo Sweden, GRE International ceased to be a separate segment and certain GREI’s assets and liabilities and operations were classified as discontinued operations and the segment’s remaining assets and liabilities and results of continuing operations of GRE International were combined with corporate.

## **REPORTABLE SEGMENTS**

We have two reportable business segments: GRE and GREW. Our reportable segments are distinguished by types of service, customers and customer geography. Financial information by segment and geographic areas is presented in “Note 18 — Business Segment and Geographic Information” in the Notes to our Consolidated Financial Statements in this Annual Report.

## **GENERAL BUSINESS INFORMATION**

Our main offices are located at 520 Broad Street, Newark, New Jersey 07102. Our telephone number is (973) 438-3500 and our web site is [www.genie.com](http://www.genie.com).

We make available free of charge through the investor relations page of our web site (<http://genie.com/investors/sec-filings/>) our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and all amendments to these reports, and all beneficial ownership reports on Forms 3, 4 and 5 filed by directors, officers and beneficial owners of more than 10% of our equity securities as soon as reasonably practicable after such material is electronically filed with the Securities and Exchange Commission. We have adopted a Code of Business Conduct and Ethics for all of our employees, including our principal executive officer and principal financial officer. Copies of our Code of Business Conduct and Ethics are available on our web site.

No portion of our web site (<https://genie.com>), including the various pages thereof (e.g. the investor relations pages and the materials available thereon) and the information contained therein or incorporated therein are incorporated into this Annual Report on Form 10-K or our other filings with the Securities and Exchange Commission.

## **KEY EVENTS IN OUR HISTORY**

In November 2004, IDT Corporation, or IDT, our former corporate parent, launched a retail energy provider business in New York State under the brand name IDT Energy.

In October 2011, we were spun-off by IDT and became an independent public company with our Class B common stock listed on the New York Stock Exchange.

In November 2016, GRE purchased Retail Energy Holdings, LLC, which operated REPs under the brand name Town Square Energy.

In August 2017, GRE acquired Mirabito Natural Gas, a commercial supplier located in Florida. The acquisition expanded GRE’s serviceable markets into Florida.

In July 2019, we launched our Southern Federal Power REP and entered the energy supply market in Texas.

In April 2023, Genie Solar broke ground on its first company-owned solar generation project in Upstate New York.

In June 2023, we announced the redemption of all remaining outstanding shares of our Series A 2012 Preferred Stock.

In July 2023, Genie Solar broke ground on its second company-owned solar generation project, a 6.25 MW array also in Upstate New York.

In late 2023 and early 2024, Genie Solar acquired a portfolio of operating solar system facilities in Ohio, Michigan and Indiana.

## **RECENT DEVELOPMENTS**

In November 2024, Genie Solar closed a \$7.4 million term loan to finance a portfolio of operating solar generation assets.

## **DIVIDENDS**

We pay a quarterly dividend on our Class A and Class B common stock.

The aggregate dividends paid in the year ended December 31, 2024 on our Class A and Class B common stock (the “Common Stock”) was \$8.2 million, as follows:

- On February 28, 2024, we paid a quarterly dividend of \$0.0750 per share on our Common Stock for the fourth quarter of 2023 to stockholders of record at the close of business on February 20, 2024.
- On May 31, 2024, we paid a quarterly dividend of \$0.0750 per share on our Common Stock for the first quarter of 2024 to stockholders of record at the close of business on May 20, 2024.
- On August 22, 2024, we paid a quarterly dividend of \$0.0750 per share on our Common Stock for the second quarter of 2024 to stockholders of record at the close of business on August 14, 2024.
- On November 20, 2024, we paid a quarterly dividend of \$0.0750 per share on our Common Stock for the third quarter of 2024 to stockholders of record as of the close of business on November 12, 2024.

On February 26, 2025, we paid a quarterly dividend of \$0.075 per share on our Common Stock for the fourth quarter of 2024 to stockholders of record as of the close of business on February 18, 2025.

## **BUSINESS**

### **Genie Retail Energy**

#### *Overview*

GRE is comprised of REPs and related businesses. GRE’s REP businesses acquire residential and business electricity and natural gas customers in deregulated markets in the United States. GRE purchases electricity and natural gas on the wholesale markets and resells these commodities to GRE’s REPs’ customers. The difference between the net sales price of electricity and natural gas sold to its customers and the cost of their electricity and natural gas supplies and related costs are the REP businesses’ gross profits.

GRE’s REP businesses operate in certain utility territories within the deregulated retail energy markets of nineteen states in the United States: California, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island and Texas, as well as in Washington, D.C. As part of our ongoing business development efforts, we routinely evaluate opportunities in other deregulated jurisdictions to accelerate the growth of our customer base and to reduce operational and regulatory risks associated with geographical concentration.

GRE’s REP businesses operate under several brand names including IDT Energy, Residents Energy, Town Square Energy, Southern Federal Power, Evergreen and Mirabito. GRE’s diverse offerings, in both the electricity and natural gas markets, include variable rate and fixed rate offerings. Throughout many of their markets, GRE’s REPs offer

green electricity and green natural gas products. Green electricity supply is matched with renewable energy certificates, or RECs that reflect the generation of electricity from renewable sources. Green natural gas supply is matched with carbon offsets certificates generated mostly from greenhouse emission reduction projects.

Historically, GRE has expanded its REP businesses primarily through organic growth of its REPs and acquisition of other REPs. Organic growth is achieved by adding new customers through customer acquisition programs at a rate faster than customers are lost through attrition. New customers are generally acquired through a combination of marketing and sales channels including door-to-door solicitation, telemarketing, online and digital marketing, direct mail, and municipal aggregation contracts. Municipal aggregation contracts award the electricity supply of the participating residents to a single supplier at a fixed price.

GRE evaluates its customer base both in terms of the numbers of commodity meters served and the number of Residential Customer Equivalents (“RCEs”) represented by these meters. An RCE is a unit of measure denoting the typical annual commodity consumption of a single-family residential customer. One RCE represents 1,000 therms of natural gas or 10,000 kWh of electricity.

Customer churn is a significant factor in the REP business. GRE’s REPs’ monthly churn rates average between four and seven percent per month. Customer churn tends to be impacted by commodity prices, weather-driven consumption changes and the price to REP customers relative to competitors including the incumbent utility. Newly acquired customers typically have higher rates of churn than longer-tenured customers. Expiration of municipal aggregation deals also impacts churn as the customers are moved to the new supplier.

GRE’s revenue represented approximately 94.9% and 95.6% and 96.3% of our total consolidated revenue in 2024, 2023 and 2022, respectively. In 2024, GRE generated revenue of \$403.3 million comprised of \$350.5 million from sales of electricity, \$52.1 million from sales of natural gas and \$0.7 million from other sources, as compared with revenue of \$409.9 million in 2023, comprised of \$350.8 million from the sales of electricity, \$56.0 million from the sales of natural gas and \$3.1 million from other sources and in 2022, consolidated revenue was \$304.0 million, comprised of \$241.8 million from the sales of electricity and \$62.1 million from the sales of natural gas. GRE’s electricity sales as a percentage of total sales have increased in recent years as our sales channels have acquired more electric customers than gas customers. The change in the electric and natural gas proportions is due to the Company’s expansion and growth in states where only electricity has been deregulated such as Massachusetts and Texas.

GRE’s REP revenue is seasonal. Approximately 43.0% 48.1% and 39.7% of our natural gas revenues in 2024, 2023 and 2022, respectively, were generated during the first quarter, when the demand for heating in our service areas tends to be highest. Although the demand for electricity is not as seasonal as natural gas (due, in part, to usage of electricity for both heating and cooling), approximately 28.7%, 32.5% and 30.5% of total revenues from electricity sales in 2024, 2023 and 2022, respectively, were generated in the third quarter when the demand for cooling in our service areas tends to be highest.

Severe and unusual weather patterns have significantly impacted GRE’s financial results at various times through its history, and will likely do so again. For example, a polar vortex that impacted the northeast in the first quarter of 2014 and Winter Storm Uri that impacted Texas in the first quarter of 2021 both resulted in significant losses for GRE.

Global climate change has produced variations in temperature and weather patterns, resulting in unusual weather conditions, more intense, and more frequent and extreme weather events, which could further impact our operations. Weather projections suggest increases to summer temperature and humidity trends, as well as more erratic precipitation and storm patterns over the long term. The frequency in which weather conditions emerge outside the current expected climate norms could contribute to the weather-related impacts discussed above.

As of December 31, 2024, GRE serviced 423,000 meters (333,000 electric and 90,000 natural gas), compared to 361,000 meters (279,000 electric and 82,000 natural gas) as of December 31, 2023. As of December 31, 2024, GRE has 399,000 RCEs (319,000 electric and 80,000 natural gas), compared to 360,000 RCEs (272,000 electric and 88,000 natural gas) as of December 31, 2023.

## *REP Industry Overview*

REPs operate in deregulated retail energy markets in the US. REPs purchase electricity and natural gas in the wholesale markets and resell these commodities to their customers including homeowners, renters and small to mid-sized commercial and governmental operations and institutions. Incumbent local utilities continue to handle electricity and natural gas distribution, billing, and in many cases, collections. The utilities remit the proceeds collected for the commodity supply portion of their bills less certain fees to the REPs.

REPs generally have no significant fixed assets and have low levels of capital expenditure. Their cost of revenue is incurred to purchase electricity and natural gas in their respective wholesale markets and other factors. Selling, general and administrative expenses are primarily related to customer acquisition, customer retention, billing and purchase of receivables, or POR, fees paid to the utilities, and program management.

As of December 31, 2024, there were thirty U.S. states in which there is some level of energy deregulation. We currently market in all the states where residential deregulation covers both electricity and natural gas, and in some states, where residential deregulation covers only one commodity. We are in the process of applying for licenses or setting up operations in certain such states and are constantly evaluating market opportunities in others.

## *Marketing*

The services of GRE's REPs - IDT Energy, Residents Energy, TSE, SFP, Evergreen and Mirabito - are made available to customers under several offerings with distinct terms and conditions. The offerings include fixed rate contracts whose unit price remains the same throughout the agreed upon term and variable rate programs whose prices may be adjusted month-to-month. The frequency and degree of these rate adjustments are determined by GRE. Variable rate products are available to all customers in all states served by GRE's REPs except for Connecticut.

As of December 31, 2024, meters supplied under variable rate offerings constituted approximately 39.8% of GRE's meter base. The balance of meters were supplied under fixed rate agreements.

GRE's REPs offer green electricity and green natural gas products in many of their markets. Renewable electricity supply is 100% matched with renewable energy certificates, or RECs, that reflect the generation of electricity from sources such as hydro-electric wind, solar and biomass. Green natural gas supply is matched with carbon offsets certificates generated mostly from greenhouse emission reduction projects.

The electricity and natural gas we sell through our offerings are metered and delivered to customers by the local utilities. The utilities also provide billing and collection services for the majority of our customers.

In many states, GRE's REPs' receivables are purchased by the utilities in their territories for a percentage of their face value. In exchange, the utility accepts a first priority lien against the customer receivable without recourse to the REP. Programs operating within this framework are preferred to as purchase of receivables, or POR, programs, and they mitigate our credit risk. Over the course of 2024, the associated cost was approximately 1.2% of GRE's revenue. At December 31, 2024, 83.6% of GRE's net accounts receivable were under a POR program.

Certain utilities in Connecticut, Ohio, New York, Pennsylvania, Illinois, Washington, D.C. and Massachusetts offer POR programs, without recourse. These programs permit customers with past-due balances to remain in the POR and consolidated bill programs. However, utilities in New Jersey generally do not permit customers with past-due balances beyond 120 days to enroll or remain in their POR programs. After a certain amount of time (determined based on the specific commodity), the REP becomes responsible for the billing and collection of the commodity portion of the future invoices for its delinquent customers. Certain utilities in Delaware, Illinois, New Hampshire, Ohio and Rhode Island do not offer POR, but they do offer consolidated billing. In Florida and Texas, there are no POR or consolidated billing programs.

GRE targets markets in which we can procure energy in an efficient and transparent manner. We seek to purchase wholesale energy where there is a real-time market that reflects a fair commodity price for all participants. This allows GRE to reflect a true market cost base and adjust its rates to its variable rate customers taking into account prevailing market rates.

We regularly monitor deregulated and deregulating markets in states where we do not yet operate to determine whether and under what conditions we could operate profitably. We may initiate the licensing process in a selected region to facilitate entry into that region contingent upon favorable deregulatory developments.

#### *Procurement and Management of Gas and Electric Supply*

Certain of GRE's REPs are party to an Amended and Restated Preferred Supplier Agreement with BP Energy Company, or BP, through November 30, 2026. Under the agreement, the REPs purchase electricity and natural gas at the market rate plus a fee. The obligations to BP are secured by a first security interest in deposits or receivables from utilities in connection with their purchase of the REP's customer's receivables, and in any cash deposits or letters of credit posted in connection with any collateral accounts with BP. The ability to purchase electricity and natural gas under this agreement is subject to satisfaction of certain conditions including the maintenance of certain covenants. At December 31, 2024, the Company was in compliance with such covenants.

GRE's REPs are required to meet certain minimum green energy supply criteria in many of the markets in which it operates. We meet those thresholds by acquiring REC. In addition, GRE offers green or other renewable energy products to its customers in many of the territories in which we operate. GRE acquires green renewable energy conversion rights or attributes and RECs to satisfy the load requirements of electricity customers and carbon offsets for natural gas customers.

GRE does not own electrical power generation, transmission, or distribution facilities, or natural gas production, pipeline or distribution facilities. For their natural gas supply, GRE's REPs currently contract with Dominion Transmission, Inc., National Fuel Supply, Williams Gas Pipeline and Texas Eastern Transmission and others for natural gas pipeline, storage and transportation services. For electricity supply, they utilize the regional independent system operators (ISOs) including the New York Independent System Operator, Inc. (NYISO), and PJM Interconnection, LLC, (PJM), ISO New England, and Electricity Reliability Council of Texas (ERCOT), for electric transmission and distribution. NYISO operates the high-voltage electric transmission network in New York State, and administers and monitors New York's wholesale electricity markets. PJM is a regional transmission organization that coordinates the movement of wholesale electricity in all or parts of thirteen states (including New Jersey, Pennsylvania, Maryland and Illinois) and the District of Columbia. ISO New England administers the electric grid and oversees wholesale electricity markets in the New England region. In Texas, SFP acquires power through ERCOT.

For risk management purposes, GRE's REPs utilize forward physical delivery contracts for a portion of their purchases of electricity and natural gas, which are defined as commodity derivative contracts. In addition, GRE's REPs enter into put and call options as hedges against unfavorable fluctuations in market prices of electricity and natural gas.

The ISOs perform real-time load balancing for each of the electrical power grids in which GRE REPs operate. Similarly, load balancing is performed by the utilities or local distribution company, or LDC, for each of the natural gas markets in which GRE operates. Load balancing ensures that the amount of electricity and natural gas that GRE's REPs purchase is equal to the amount necessary to service all the REPs' customer demands at all times. GRE's REPs are charged or credited for balancing the electricity and natural gas purchased and sold for their account by their suppliers and the LDCs. GRE's REPs manage the differences between the actual electricity and natural gas demands of their customers and their bulk or block purchases by buying and selling in the spot market, and through monthly cash settlements and/or adjustments to future deliveries in accordance with the load balancing performed by utilities, LDCs, and/or ISOs.

#### *Competition*

As an operator of REPs, GRE often competes with the local utility companies in each of the markets in which it provides services and with many other licensed REPs. In some markets, competitor REPs are affiliated with local utilities. GRE also competes with several large vertically integrated energy companies as well as smaller independent operators. Competition with the utilities and REPs impacts GRE's gross margins, customer acquisition rates and customer churn rates.

Increasing our market share depends in part on our ability to persuade more customers to switch from other providers to one of our REPs at a higher rate than our customers churn to other providers. Moreover, local utilities and some REPs may have certain advantages such as name recognition, financial strength and long-standing relationships with customers. Persuading potential customers to switch to GRE requires significant investments in marketing and sales operations.

### *Regulation*

REPs such as ours must be licensed in each state and utility service territory in which they operate. Each is subject to the rules and regulations governing the operations of REPs in each jurisdiction.

Although the rates charged by GRE's REPs are not regulated in the same way as the rates of utility companies, the manner in which the REPs market to potential customers, the type of products offered, and the relationships between the REPs and their customers, are heavily regulated. GRE's REPs must also comply with various quarterly and/or annual reporting requirements in order to maintain their eligibility to provide service. In certain jurisdictions the REPs are required to publish product offers with the applicable regulatory commissions, or in the public domain, generally on a website established for such purpose. In addition to the regulations that govern the relationships between GRE's REPs and their customers, GRE's REPs also maintain specific Terms & Conditions or Terms of Service for each product in each jurisdiction that the parties agree to be bound by.

From time to time, the Company is party to legal proceedings that arise in the ordinary course of business including those with utility commissions or other government regulatory or law enforcement agencies.

As of December 31, 2024, GRE's REPs operate in Washington D.C., New York, Pennsylvania, New Jersey, Maryland, Illinois, Indiana, Ohio, Michigan, New Hampshire, Rhode Island, Connecticut, Florida, Massachusetts, Delaware, Maine, Texas, California and Georgia. The federal government and related public service/utility commissions, among others, establish the rules and regulations for our REP operations.

Like all operators of REPs, GRE is affected by the actions of governmental agencies, mostly on the state level, by the respective state Public Service/Utility Commissions, and other organizations (such as NYISO, ERCOT and PJM) and indirectly by the Federal Energy Regulatory Commission, or FERC. Regulations applicable to electricity and natural gas have undergone substantial changes over the past several years as a result of restructuring initiatives at both the state and federal levels. We may be subject to new laws, orders or regulations or the revision or interpretation of existing laws, orders or regulations.

### *Environment*

In March 2021, the Biden Administration announced a framework for the "Build Back Better" agenda. The proposed framework included policies to address climate change across the federal government through the tax code, an energy efficiency and clean energy standard and research and development, among other areas of focus.

In April 2021, President Biden announced that the United States' Nationally Defined Contribution to the international Paris Climate Agreement will be an economy-wide reduction in greenhouse gas emissions ("GHG") emissions of 50-52% by 2030, relative to 2005 levels. In advance of the November 2021 Conference of the Parties 26 meeting in Glasgow, Scotland, the Biden Administration released details on its strategy to achieve those targets as part of the "Build Back Better" agenda.

On August 16, 2022, President Biden signed the Inflation Reduction Act ("IRA"), which aims to reduce U.S. carbon emissions and promote economic development through investments in clean and renewable energy projects. The consumer-facing clean energy tax credits created or expanded by the IRA are intended to drive rapid adoption of energy efficiency, electric transportation, and solar energy which would require the utility industry to expand and modernize infrastructure, systems and services to integrate and optimize these resources.

In addition to climate-related initiatives at the federal level, some states have adopted provisions designed to regulate GHG emissions and renewable and other portfolio standards, which impact the power sector. See discussion below for additional information on renewable and other portfolio standards.

Certain northeast and mid-Atlantic states (Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia) currently participate in the Regional Greenhouse Gas Initiative (“RGGI”). The program requires most fossil fuel-fired power plant owners and operators in the region to hold allowances, purchased at auction, for each ton of carbon dioxide emissions. Non-emitting resources do not have to purchase or hold these allowances. Pennsylvania joined RGGI in April 2022.

Broader state programs impact other sectors as well, such as the District of Columbia’s Clean Energy DC Omnibus Act and cross-sector GHG reduction plans. Maryland expects to meet and exceed the mandate set in the Greenhouse Gas Emissions Reduction Act to reduce statewide GHG emissions 40% (from 2006 levels) by 2030, and the state’s Climate Solutions Now Act of 2022 further updates requirements with a proposal to reduce emissions 60% (from 2006 levels) by 2031. New Jersey accelerated its goals through Executive Order 274, which establishes an interim goal of 50% reductions below 2006 levels by 2030 and affirms its goal of achieving 80% reductions by 2050 and includes programs to drive greater amounts of electrified transportation. Delaware’s Climate Change Solutions Act established in August 2023 sets a statewide GHG emissions reduction goal of 50% by January 1, 2030 and a net-zero GHG emissions goal by January 1, 2050, on a net basis as compared to a 2005 baseline. Illinois’ climate bill, Clean Energy Jobs Act, establishes decarbonization requirements for the state to transition to 100% clean energy by 2050 and supports programs to improve energy efficiency, manage energy demand, attract clean energy investment and accelerate job creation.

Corporations are facing increasing pressure from their customers and investors to align their businesses with environmental and sustainability objectives, including supporting goals to reduce GHG emissions in their business operations. Leading institutional investors and money managers are increasingly considering sustainability as a key factor in investment decisions and are increasingly advocating for more transparency in disclosure on climate-related matters and pledging to align proxy voting to climate-rated proposals with its fiduciary duty. An increasing number of corporations are also proactively making commitments to reducing their GHG emissions footprint, either through procuring increasing amounts of clean energy, such as RECs, EFECs, or emissions offsets, to offset their carbon footprint over time.

The need for new clean, reliable sources of power that can scale, decarbonize the system, and meet new load requirements is leading to rapid advancements in emerging technologies like advanced nuclear power, carbon capture and sequestration, energy storage, advanced geothermal and hydrogen. The improvements in advanced nuclear including Small Modular Reactors (SMR), growing state and federal support, and the potential to rapidly reduce costs with scaled deployment create a potential path to market for new nuclear within the next decade. Carbon capture and sequestration is similarly experiencing substantial investment and a heightened focus that could impact deployment earlier within the next decade. On a nearer term time horizon, it is expected that energy storage will continue to see high levels of investment driven by lower costs, state-directed mandates, a backlog of storage projects in the interconnection queue, and utilities seeking large-scale storage capacity to support higher renewables penetration, and innovations in battery chemistries and technologies. Advanced geothermal and clean hydrogen have similar opportunities to scale supply with early deployments de-risking the technologies. Clean hydrogen, in particular, has the potential to drive decarbonization downstream across hard to decarbonize demand sectors, like long-haul transportation, steel, chemicals, heating, agriculture, and long-term power storage. Collectively, advanced nuclear, carbon sequestration, energy storage, geothermal, and clean hydrogen are expected to help support carbon reduction goals.

The reelection of President Donald Trump has altered the landscape of federal climate policy. In the short time since his inauguration, President Trump has taken several actions that pare back climate and sustainability initiatives from prior administrations and called for the repeal of several Biden-era energy tax-support and related initiatives. It is not yet clear what impact, if any, these actions may have on us. President Trump has also emphasized the importance of reliable, affordable electricity to grow the economy and protect national security, and has specifically cited nuclear energy as an important technology.

On January 20, 2025, President Trump issued the executive order “Unleashing American Energy.” The order revokes President Biden’s Executive Orders related to climate initiatives. In addition to withdrawing from the Paris Climate Agreement, President Trump directed the United States Environmental Protection Agency (EPA) to abandon the consideration of the “social cost of carbon” in regulatory determinations and submit a recommendation on the fate of the 2009 finding under the Clean Air Act (CAA) that greenhouse gases threaten public health and welfare, which

serves as a necessary statutory prerequisite for EPA to implement greenhouse gas emission standards for motor vehicles and other sectors. All federal agencies are directed to pause clean energy and climate-related funding under the Inflation Reduction Act and Infrastructure Investment and Jobs Act.

The Company cannot predict the nature of future regulations or how such regulations and industry developments might impact its future operations.

The adoption and implementation of any laws or regulations imposing obligations on, or limiting GHG emissions could adversely affect pricing or demand for our offerings. We may not be able to pass on increases in costs to customers. In addition, changes in regulatory policies that result in a reduction in the demand for hydrocarbon products and carbon-emitting fuel sources that are deemed to contribute to climate change, or restrict the use of such products or fuel sources, may reduce demand for our offerings or impact the energy supply markets.

### *Employees*

As of February 28, 2025, GRE employed 152 employees, 59 of whom are located in the Jamestown, New York office, 59 of whom are located in our New Jersey office, 19 of whom are located in our Arizona office and 15 of whom are located in Texas.

## **Genie Renewables**

### *Overview*

GREW is comprised of businesses that market and provide renewable and other energy solutions. GREW currently primarily consists of (i) our 95.5% interest in Genie Solar, (ii) our 92.8% interest in CityCom, and (iii) our 96.0% interest in Diversegy.

Genie Solar is engaged in multiple facets of the solar energy ecosystem including, development, construction, management and operations of small utility scale solar generation projects including community solar. We utilize our best-in-class technology and expertise to identify and permit potential solar sites, design, build operate them as well as to evaluate and acquire operating solar generation assets. Genie Solar holds our 60.0% interest in Prism which designs and manufactures specialized solar panels.

Our current portfolio consists of a 9.4 MW operating portfolio of projects in Ohio and Michigan, ~10 MW of community solar projects in New York that are at the construction phase 6 MW of projects in permitting and an additional 72MW of projects under development.

CityCom Solar is a provider of customer acquisition solutions for community solar and alternative products and services that are complementary to our energy offerings.

Diversegy is an energy procurement advisor to industrial, commercial and municipal customers across deregulated energy markets in the United States. The company acts as an intermediary between customers and suppliers, leveraging its expertise and relationships to secure attractive contract rates and terms. It also offers ancillary energy services in both deregulated and regulated state markets.

### *Market*

Genie Solar is engaged in different business areas within the solar energy industry.

Solar energy is one of the fastest growing forms of renewable energy with numerous economic and environmental benefits that make it an attractive complement to and/or substitute for traditional forms of energy generation. Demand for renewable energy has accelerated recently with the renewable targets and decarbonization goals across all industry segments, including the public sector, the private sector and residential customers.

In recent years, the price of solar power systems, and accordingly the cost of producing electricity from such systems, has dropped to levels that are competitive with or below the wholesale price of electricity in many markets. Worldwide solar markets continue to develop, aided by the above factors as well as demand elasticity resulting from declining industry average selling prices, both at the module and system level, which make solar power more affordable.

Multiple markets within the United States possess characteristics favorable for the solar generation market, including (i) sizeable electricity demand, particularly around growing population centers and industrial areas; (ii) strong demand for renewable energy generation; and (iii) abundant solar resources. In those areas and applications in which these factors are more pronounced, our solar energy solutions compete favorably on an economic basis with traditional forms of energy generation.

CityCom markets direct to consumer customer acquisition solution for community solar and alternative products and services across United States

Diversegy competes for industrial, commercial and municipal customers in markets across the United States.

The energy procurement market operates within the broader energy industry, facilitating transactions between energy suppliers and customers. Energy procurement companies play a critical role in deregulated energy markets, helping customers identify the optimal services and terms for their specific needs.

The energy procurement sector has grown significantly in regions with energy deregulation, such as the United States, Canada, and parts of Europe. Increasing volatility in energy prices, rising demand for cost-effective energy solutions, and growing awareness of energy procurement strategies have driven demand for these services. The market is influenced by factors such as regulatory changes, technological advancements, and shifts in energy supply dynamics, including the integration of renewable energy sources.

The market is expected to continue experiencing growth as businesses seek ways to manage energy costs and navigate the increasingly complex energy markets. The increasing integration of renewable energy, advancements in smart grid technology, and evolving regulatory policies will further influence the industry's direction. The market is expected to continue experiencing growth as businesses seek ways to manage energy costs and navigate the increasingly complex energy markets. The increasing integration of renewable energy, advancements in smart grid technology, and evolving regulatory policies will further influence the industry's direction.

#### *Business Operations*

In 2024, Genie Solar accounted for 1.6% and 31.1% of our consolidated revenue and GREW segment's revenue, respectively.

In 2024, CityCom Solar accounted for 0.5% and 10.5% of our consolidated revenue and GREW segment's revenue, respectively.

In 2024, Diversegy accounted for 3.0% and 58.1% of our consolidated revenue and GREW segment's revenue, respectively.

#### *Regulations*

On May 23, 2023, the EPA published in the Federal Register proposed new source performance standards under CAA section 111(b) that would establish standards of performance for emissions of greenhouse gases (expressed as carbon dioxide (CO<sub>2</sub>)) for newly constructed, modified, and reconstructed fossil fuel-fired electric utility steam generating units and fossil fuel-fired stationary combustion turbines. On that same day, in a separate rulemaking under CAA section 111(d), the EPA published proposed emission guidelines for states to use in developing plans to limit CO<sub>2</sub> emissions from existing fossil fuel-fired electric generating units and certain large existing stationary combustion turbines.

Additionally, a number of federal regulations have increased the cost of fossil generation across the country over the last several decades. The Clean Air Act of 1970 originally provided the EPA with authority to regulate emissions, but it was not until the 2000s that EPA restrictions on sulfur dioxide and nitrogen oxides emissions required installation of scrubbers or other emissions control equipment. More recently, EPA's continued air quality level regulations have driven controls on all types of units along with stringent operational limitations. EPA has also set broader standards for greenhouse gas emissions particularly from new, modified, and reconstructed fossil-fired power plants forcing efficiency improvements and increasing maintenance costs. At the state level, a number of carbon pricing schemes have been implemented, including a cap-and-trade program in California and a carbon tax in the Northeast via the RGGI.

In addition, the Biden Administration continues to propose legislation and both regulatory and executive actions to help accelerate the clean energy transition, including new tax incentives, additional restrictions on methane and other GHG emissions, and other policies intended to combat climate change. For example, in December 2021, President Biden signed an executive order calling for the federal government to achieve net zero emissions by 2050, with a 65% reduction by 2030. The order specifically directs the federal government to use its scale and procurement power to achieve 100% carbon pollution-free electricity by 2030, with at least half coming from locally supplied clean energy, as well as 100% zero-emission vehicle acquisitions by 2035 and a net-zero emissions building portfolio by 2045, all of which may contribute to increased demand for alternative energy technologies, including renewable energy and energy storage. The Administration has also set a goal of economy-wide net zero emissions in the United States by 2050.

In April 2024, EPA issued a final rule that regulates greenhouse gases from existing coal, new natural gas-fired power plants, and existing oil/gas steam generators under Clean Air Act section 111. The applicable standards are subcategorized by retirement date for existing coal and capacity factor for existing gas. EPA has solicited comment on approaches for regulating GHGs from existing gas plants in a docket that closed in May 2024. In October 2024, the U.S. Supreme Court rejected a request to temporarily block implementation of EPA's GHG standards for existing coal, new gas, and existing oil/gas steam generators. The rule is currently being litigated in the DC Circuit. Under the Unleashing American Energy Executive Order, issued on January 20, 2025, agencies are directed to revisit regulations that "impose an undue burden" on the use of domestic energy resources, including coal, natural gas, and oil. In February 2025, EPA filed a motion to hold the D.C. Circuit litigation in abeyance.

### *Government Incentives*

The U.S. federal government provides an uncapped investment tax credit, or "Federal ITC," that originally allowed a taxpayer to claim a credit of 30% of qualified expenditures for a residential or commercial solar generation facility. The Tax Act did not make any changes to the existing laws surrounding tax credits for renewable energy. The Federal ITC is currently at 26% for a solar generation facility. A permanent 10% Federal ITC is available for non-residential solar generation facility construction that begins on or after January 1, 2022.

On August 16, 2023, the Inflation Reduction Act (IRA) was enacted. The IRA extended the ITC through December 31, 2025, for solar, wind, geothermal, biogas, combined heat and power ("CHP") facilities, and microgrid projects that begin construction before December 31, 2025. The IRA established a Federal ITC level of 30.0% for all projects that meet Prevailing Wage and Apprenticeship standards as well as additional 10.0% - 20.0% credits for projects that meet certain domestic materials requirements, placement within an energy community or placement within an environmental justice area. The IRA also allows for interconnection costs within qualified ITC costs and extends the Federal ITC for eligible costs associated with standalone energy storage.

Many states offer a personal and/or corporate investment or production tax credit for renewable energy facilities, which is additive to the Federal ITC. Further, more than half of the states, and many local jurisdictions, have established property tax incentives for renewable energy facilities that include exemptions, exclusions, abatements and credits. Many renewable energy facilities in the U.S. have been financed with a tax equity financing structure, whereby the tax equity investor is a member holding equity in the limited liability company that directly or indirectly owns the solar generation facility or wind power plant and receives the benefits of various tax credits. Additionally, Solar Development often benefits from state incentives that may provide valuable Renewable Energy Certificates, cash refunds and/or guaranteed revenue per unit of electricity produced by utility scale solar projects like community solar.

Many states also have adopted procurement requirements for renewable energy production. Thirty states, Washington, D.C., and two territories have active renewable or clean energy requirements, while an additional 3 states and 1 territory have set voluntary renewable energy goals. Renewable portfolio standard ("RPS") legislation has seen two opposing trends in recent years. On one hand, many states with RPS targets are expanding or renewing those goals. Since 2018, 15 states, 2 territories, and Washington, D.C., have passed legislation to increase or expand their renewable or clean energy targets. Eleven states and one territory have allowed their RPS targets to expire.

There are 41 states that have a regulatory policy known as net metering. Net metering typically allows our customers to interconnect their on-site solar generation facilities to the utility grid and offset their utility electricity purchases by receiving a bill credit at the utility's retail rate for energy generated by their solar generation facility in excess of

electric load that is exported to the grid. Some states require utilities to provide net metering to their customers until the total generating capacity of net metered systems exceeds a set percentage of the utilities' aggregate customer peak demand.

It is unclear what impact the executive order issued by President Trump, referenced, above, will have on the solar energy incentives in the IRA.

### *Growth Strategy*

Genie Solar expects to grow by constructing the projects that are currently in its development pipeline. Once the projects are constructed, we can sell the energy produced to generate revenue.

Beyond the existing pipeline we expect to grow through organic efforts and selective acquisitions. Organically, our business development team searches for new land on which to develop small utility-scale solar projects. They make arrangements to secure the option to build as we take the project through initial feasibility diligence.

On the acquisition side, we leverage a network of brokers, referral agents and bankers to find projects that are either operational/generating revenue or are still in development.

CityCom expects to grow by expanding customers base within its existing product and services as well as by expanding into additional product markets.

Diversegy expects to grow by expanding its market reach, enhancing product service offerings, leveraging new technology platforms and deepening its strong client relationships.

### *Competition*

At Genie Solar, the market is highly competitive and continually evolving. We face increased competition in the acquisition of attractive development projects as well as in the markets for the service providers needed to develop and construct projects with attractive economics. Within the community solar space, we will face competition for retail customers from other community solar operators as well as alternative solar service providers.

At CityCom, we face competition from alternative service providers as well as alternative products and services that source customers for our clients.

At Diversegy, the energy procurement market is highly competitive with a number of different competition types. We face competition from other brokers as well as other REPs and incumbent utilities that market directly to customers.

### *Employees*

As of February 28, 2025, GREW employed 22 employees, all of whom are located in our New Jersey office.

### **Climate Change**

As indicated by the Intergovernmental Panel on Climate Change, emissions of GHG, including carbon dioxide, are very likely changing the world's climate. Climate change could affect customer demand for the Company's product offerings. It might also cause physical damage to the energy production ecosystem that the Company's REPs rely on to procure electricity and natural gas for their customers. Additionally, climate change could affect the availability of risk management products and services that the Company REPs rely on to manage its risk position.

In September 2016, the U.S. joined in adopting the agreement reached on December 12, 2015, at the United Nations Framework Convention on Climate Change meetings in Paris to reduce GHGs. The Paris Agreement's non-binding obligations to limit global warming to below two degrees Celsius became effective on November 4, 2016. Genie cannot currently estimate the financial impact of climate change policies, although potential legislative or regulatory programs restricting CO2 emissions, or litigation alleging damages from GHG emissions, could require material capital and other expenditures or result in changes to its operations.

In December 2009, the EPA released its final "Endangerment and Cause or Contribute Findings for GHGs under the Clean Air Act (CAA)," concluding that concentrations of several key GHGs constitute an "endangerment" and may be regulated as "air pollutants" under the CAA and mandated measurement and reporting of GHG emissions

from certain sources, including electric generating units (EGU). Subsequently, the EPA released its final Clean Power Plan (CPP) regulations in August 2015 to reduce CO<sub>2</sub> emissions from existing fossil fuel-fired EGUs and finalized state regulations imposing CO<sub>2</sub> emission limits for new, modified, and reconstructed fossil fuel-fired EGUs. Numerous states and private parties filed appeals and motions to stay the CPP with the D.C. Circuit in October 2015. On February 9, 2016, the U.S. Supreme Court stayed the rule during the pendency of the challenges to the Washington D.C. Circuit and U.S. Supreme Court. On March 28, 2017, an executive order, entitled “Promoting Energy Independence and Economic Growth,” instructed the EPA to review the CPP and related rules addressing GHG emissions and suspend, revise or rescind the rules if appropriate. On June 19, 2019, the EPA repealed the CPP and replaced it with the affordable clean energy (ACE) rule that established guidelines for states to develop standards of performance to address GHG emissions from existing coal-fired generation. On January 19, 2021, the Washington D.C. Circuit vacated and remanded the ACE rule declaring that the EPA was “arbitrary and capricious” in its rule making and, as such, the ACE rule is no longer in effect and all actions thus far taken by states to implement the federally mandated rule are now null and void. The D.C. Circuit decision is subject to legal challenge. Depending on the outcomes of further appeals and how any final rules are ultimately implemented, the future cost of compliance may be material. On May 23, 2023, the EPA proposed significantly revising the manner in which new and existing Electric Generating Units’ GHG emissions should be regulated including using hydrogen as a fuel, capturing and storing/sequestering CO<sub>2</sub> and requiring new units to be more efficient. The EPA has stated that it intends to finalize these revisions in 2024. The Company expects that the final rule will be challenged in the courts and accordingly uncertain over the next several years.

In December 2021, President Biden signed an executive order calling for the federal government to achieve net zero emissions by 2050, with a 65% reduction by 2030. The order specifically directs the federal government to use its scale and procurement power to achieve 100% carbon pollution-free electricity by 2030, with at least half coming from locally supplied clean energy, as well as 100% zero-emission vehicle acquisitions by 2035 and a net-zero emissions building portfolio by 2045, all of which may contribute to increased demand for alternative energy technologies, including renewable energy and energy storage.

Additionally, a number of other federal and state regulations have increased the cost of fossil generation across the country over the last several decades. The Clean Air Act of 1970 originally provided the EPA with authority to regulate emissions, but it was not until the 2000s that EPA restrictions on sulfur dioxide and nitrogen oxides emissions required installation of scrubbers or other emissions control equipment. More recently, EPA’s continued air quality level regulations have driven controls on all types of units along with stringent operational limitations. EPA has also set broader standards for greenhouse gas emissions particularly from new, modified, and reconstructed fossil-fired power plants forcing efficiency improvements and increasing maintenance costs. At the state level, a number of carbon pricing schemes have been implemented, including a cap-and-trade program in California and a carbon tax in the Northeast via the RGGI.

The cost to the Company to comply with any legislation, regulations or initiatives limiting GHG or emissions or otherwise seeking to limit the impact of climate change could be substantial. Moreover, regulations imposing obligations on, or limiting GHG emissions from, our equipment and operations could adversely affect pricing or demand for our offerings. We may not be able to pass on increases in costs to customers. In addition, changes in regulatory policies that result in a reduction in the demand for hydrocarbon products and carbon-emitting fuel sources that are deemed to contribute to climate change, or restrict the use of such products or fuel sources, may reduce demand for our offerings or impact the energy supply markets.

Additionally, on March 21, 2022, the U.S. Securities and Exchange Commission issued a proposed rule regarding the enhancement and standardization of mandatory climate-related disclosures for investors. The proposed rule would require registrants to include certain climate-related disclosures in their registration statements and periodic reports, including, but not limited to, information about the registrant’s governance of climate-related risks and relevant risk management processes; climate-related risks that are reasonably likely to have a material impact on the registrant’s business, results of operations or financial condition and their actual and likely climate-related impacts on the registrant’s business strategy, model and outlook; climate-related targets, goals and transition plan (if any); certain climate-related financial statement metrics in a note to their audited financial statements; Scope 1 and Scope 2 GHG emissions; and Scope 3 GHG emissions and intensity, if material, or if the registrant has set a GHG emissions reduction target, goal or plan that includes Scope 3 GHG emissions. Although the proposed rule’s ultimate date of effectiveness and the final form and substance of these requirements is not yet known and the ultimate scope

and impact on our business is uncertain, compliance with the proposed rule, if finalized, may result in increased legal, accounting and financial compliance costs, make some activities more difficult, time-consuming and costly, and place strain on our personnel, systems and resources.

Further, legislative and regulatory initiatives are underway to that purpose. The Inflation Reduction Act of 2022 (“IRA”), signed into law in August 2022, appropriates significant federal funding for renewable energy initiatives and, for the first time ever, imposes a fee on GHG emissions from certain oil and gas sources and facilities. The emissions fee and funding provisions of the law could increase operating costs within the oil and gas industry and accelerate a transition away from fossil fuels, which could in turn adversely affect our business and results of operations. The U.S. Congress has also considered legislation that would control GHG emissions through a “cap and trade” program and several states have already implemented programs to reduce GHG emissions. Additionally, following the U.S. Supreme Court finding that GHG emissions fall within the CAA definition of an “air pollutant,” the EPA has adopted regulations that, among other things, establish construction and operating permit review for GHG emissions from certain large stationary sources, require the monitoring and annual reporting of GHG emissions from certain petroleum and natural gas system sources, and together with the United States Department of Transportation, implement GHG emissions limits on vehicles manufactured for operation in the United States. The EPA has also proposed rules in November 2021 and 2022 intended to reduce methane emissions from new and existing oil and gas sources. Furthermore, many state and local leaders have intensified or stated their intent to intensify efforts to support international climate commitments and treaties, in addition to developing programs that are aimed at reducing GHG emissions by means of cap and trade programs, carbon taxes or encouraging the use of renewable energy or alternative low-carbon fuels.

Many states in which we operate have state and regional programs to reduce GHG emissions and renewable and other portfolio standards, which impact the power sector and other sectors as well. A total of 25 states and the District of Columbia have 100% clean energy targets, deep GHG reductions, or both, encompassing 53% of U.S. residential electricity customers.

On January 20, 2025, President Trump issued the executive order “Unleashing American Energy.” The order revokes President Biden’s Executive Orders related to climate initiatives. In addition to withdrawing from the Paris Climate Agreement, President Trump directed EPA to abandon the consideration of the “social cost of carbon” in regulatory determinations and submit a recommendation on the fate of the 2009 finding under the CAA that greenhouse gases threaten public health and welfare, which serves as a necessary statutory prerequisite for EPA to implement greenhouse gas emission standards for motor vehicles and other sectors. All federal agencies are directed to pause clean energy and climate-related funding under the Inflation Reduction Act and Infrastructure Investment and Jobs Act. It is unclear what impact the executive orders will have on the energy regulation landscape.

### **Employees and Human Capital Resources**

Attracting and retaining qualified personnel familiar with our businesses who head our different businesses units is critical to our success. As of February 28, 2025, we had a total of 186 employees, of which all were full-time employees. Additionally, we utilize the services of external marketing companies who engage in sales practices on our behalf. These vendors utilize both employees and contractors.

Our human capital resources objectives include, as applicable, identifying, recruiting, retaining, incentivizing and integrating our existing and new employees, advisors and consultants. To accomplish that, our compensation practices are designed to attract and retain qualified and motivated personnel and align their interests with the goals of the Company and with the best interests of our stockholders. Our compensation philosophy is to provide compensation to attract the individuals necessary for our current needs and growth initiatives, and provide them with the proper incentives to motivate those individuals to achieve our long-term plans, which includes among other things, equity and cash incentive plans that attract, retain and reward personnel through the granting of stock-based and cash-based compensation awards.

We believe that talent attraction and retention are critical to our ability to achieve our strategy and that a trained, diverse and inspired workforce is integral to delivering on our objectives. Our recruiting process reaches a wide array of potential employees, and we employ a rigorous screening process to ensure that we identify and hire quality professionals. We work to ensure that compensation and benefits offered to employees are fair and reflects industry standards and best practices.

We are committed to diversity and inclusion in the workforce including a policy of non-discriminatory treatment and respect of human rights for all current and prospective employees. Discrimination on the basis of an individual's race, religion, creed, color, sex, sexual orientation, age, marital status, disability, national origin or veteran's status is not permitted by us and is illegal in many jurisdictions. We respect the human rights of all employees and strive to treat them with dignity consistent with standards and practices recognized by the international community.

## **Intellectual Property**

We rely on a combination of patents, copyrights, trademarks, domain name registrations and trade secret laws in the United States and other jurisdictions and contractual restrictions to protect our intellectual property rights and our brand names. All of our employees sign confidentiality agreements. These agreements provide that the employee may not use or disclose our confidential information except as expressly permitted in connection with the performance of his or her duties for us, or in other limited circumstances. These agreements also state that, to the extent rights in any invention conceived of by the employee while employed by us do not vest in us automatically by operation of law, the employee is required to assign his or her rights to us.

## **Item 1A. Risk Factors.**

### **RISK FACTORS**

Our business, operating results or financial condition could be materially adversely affected by any of the following risks as well as the other risks highlighted elsewhere in this document, particularly the discussions about regulation, competition and intellectual property. The trading price of our Class B common stock could decline due to any of these risks.

#### **Risks Related to Genie Retail Energy**

*The REP business is highly competitive, and we may be forced to reduce prices or incur additional costs.*

GRE's REP businesses face substantial competition both from the traditional incumbent utilities as well as from other REPs, including REP affiliates of the incumbent utilities in specific territories. As a result, we may be forced to reduce prices, incur increased costs or lose market share and cannot always pass along increases in commodity costs to customers. We compete on the basis of provision of services, customer service and price. Present or future competitors may have greater financial, technical or other resources which could put us at a disadvantage. Additionally, our experience has shown that utilities do not change their rates offered to customers immediately in response to increased prices for the underlying commodities.

Increasing our market share depends in part on our ability to persuade more customers to switch to GRE's services than those that churn from us to other providers or back to the local utility. Moreover, local utilities and some REPs may have certain advantages such as name recognition, financial strength and long-standing relationships with customers. Persuading potential customers to switch to GRE's REPs requires significant marketing and sales operations. If GRE is not successful in convincing customers to switch our REP businesses, results of operations and financial condition will all be adversely affected.

*Our strategy is based on current regulatory conditions and assumptions, which could change or prove to be incorrect.*

From time to time, various states may propose or modify legislation regulations which could adversely affect our marketing practices and ability to acquire and serve customers. The Company and the REP industry as a whole is working with government representatives, legislators, and advocacy interest groups to lobby for legislation and regulation that most effectively protects customer interests while preserving the competitive structure of deregulated markets. We also seek to expand and diversify into new markets with regulatory structures that are more favorable to the competitive retail supply of energy.

For example, in response to legislation, the New York Public Service Commission ("PSC") issued a number of orders implementing various directives, including, imposing (i) registration requirements for all energy supply sales agents, consultants and brokers, and (ii) compensation disclosure requirements. Additionally, PSC Staff has

proposed that new consent requirements for changes in product offerings and pricing be added to the Uniform Business Practices. We are working to ensure that its products and services are fully compatible with these Orders. Nevertheless, compliance could impact customer acquisition, revenue and profitability. As of December 31, 2024, New York represented 12.5% of GRE's total meters served and 11.3% of the total residential customer equivalents ("RCEs") of GRE's customer base. For the years ended December 31, 2024 and 2023, gross revenue from New York was \$59.3 million and \$63.5 million, respectively.

In Maryland, recent legislation has called for the elimination of POR and variable rate offerings on new contracts that commence after the effective date of the legislation. Various groups have been working to demonstrate that the legislation, as is, is unlikely to accomplish its stated goals and objectives, and will just drive supplier and competitive rates out of the marketplace. As a result, it is possible that the legislative bodies will amend the bills. We are working to ensure that its products and services are fully compatible with these Orders. Nevertheless, compliance could impact customer acquisition, revenue and profitability. As of December 31, 2024, Maryland represented 3.2% of GRE's total meters served and 2.5% of the total residential customer equivalents ("RCEs") of GRE's customer base. For the years ended December 31, 2024 and 2023, gross revenue from Maryland was \$12.7 million and \$9.7 million, respectively.

On February 25, 2025, the Massachusetts Department of Public Utilities (DPU) issued a notice calling for an industry-wide working group meeting to discuss possible changes to the business practices within the industry. The changes to be discussed will include the removal of certain key acquisition channels, and the imposition of various customer consents, which could impact contract renewals. Any possible changes are preliminary at this point, and subject to review and discussion by the industry participants, approval by the DPU Commissioners, and the rule and regulation-making processes. As of December 31, 2024, Massachusetts represented 9.5% of GRE's total meters served and 7.8% of the total residential customer equivalents ("RCEs") of GRE's customer base. For the years ended December 31, 2024 and 2023, gross revenue from Massachusetts was \$47.3 million and \$60.4 million, respectively.

Although the Company is participating in industry groups and lobbying to minimize against adverse legislation, such legislation could have a material impact on the Company's ability to sell and market energy supply in those states.

Any legislative or regulatory changes that negatively impacts the sale of fossil fuels or electricity derived therefrom would adversely affect the results of our operations and financial conditions.

*Unusual weather conditions, which may become more commonplace, may have significant direct and indirect impacts on GRE's results of operations.*

Severe weather, natural disasters, and other related phenomena could become more prevalent and unpredictable as a result of climate change or other factors, which could negatively affect our business and financial condition to the extent such events occur in or impact markets GRE operates. Customer energy needs vary with weather conditions, primarily due to fluctuations in temperature and humidity. To the extent weather conditions are affected by climate change, customer energy use could increase or decrease depending on the duration and magnitude of the changes. More frequent extreme weather conditions and seasonal fluctuations also impact the variability of load and generation. Weather conditions also impact transmission and distribution system operations. For example, exceptionally warm weather conditions for a long duration, which generally would result in increased customer energy usage, would also result in increased operational risks for transmission and distribution infrastructure, such as the risk of equipment malfunction due to continuous operation.

Because our variable pricing plan resulted in increased prices charged to customers, we experienced an increase in customer churn as utilities and fixed price REPs appeared to have more attractive pricing, although those increased churn levels have peaked. A failure to mitigate an increase in churn could result in decreases in meters served and revenues.

In certain markets, we contractually commit to provide customers with a fixed price, irrespective of our cost of supply in the wholesale energy markets. Even under variable contracts, we seek to manage customer price expectations by using reasonable efforts to avoid or mitigate potential pass-throughs related to unforeseeable weather events (even where such pass-throughs are contractually permissible). Although we use our best efforts to reasonably hedge our commodity positions to absorb weather-related cost spikes, we cannot always anticipate unforeseeable extreme weather events, and we may be forced to absorb these cost increases in order to serve our customers.

For example, a confluence of issues in January and February 2014 associated with the winter season's polar vortex resulted in extraordinarily large spikes in the prices of wholesale electricity and natural gas in markets where GRE and other retail providers purchase their supply. Repeats of the circumstances or similar circumstances could similarly harm margins and profitability in the future, and we could find it necessary to take similar or other actions that would have a negative impact on our financial condition and results of operations.

Additionally, in mid-February of 2021, the State of Texas experienced unprecedented cold weather and snow. With the grid overtaxed and rolling blackouts being enforced, by order of ERCOT, real-time commodity prices during the crisis escalated astronomically. Although our supply commitment for our customers in Texas was reasonably hedged for expected winter weather conditions, the extreme usage spike exposed us to further unexpected cost increases. Despite our cost increases related to the unprecedented price volatility in real-time electricity prices, we maintained customer rates under current agreements with customers. The impact on our consolidated profitability for the year ended December 31, 2021 was approximately \$10.6 million.

*Our REP business may be subject to increased costs or liabilities related to the impact of GHG emissions or climate change, which may lead to substantially increased costs, including those beyond our ability to satisfy.*

There has been a trend in recent years toward increased scrutiny and regulatory oversight of the oil and gas and energy industries, including, among other things, proposed or enacted laws and regulations aimed at reducing or restricting oil and gas production or making the production, marketing or usage of oil and gas, including for generation of electricity, more expensive.

Future laws or regulation or legal or regulatory efforts could also seek to impose liability on participants in the supply chain for natural gas or electricity produced from carbon-emitting fuel sources, including REPs like those we own and operate, for the current and historical effects of GHG and climate change, including health impacts, personal injuries and property and other damages.

As discussed more fully in the section entitled "*Climate Change*" of this Annual Report on Form 10-K, the cost to us to comply with any legislation, regulations or initiatives limiting GHG or emissions or otherwise seeking to limit the impact of climate change could be substantial. Moreover, regulations imposing obligations on, or limiting GHG emissions that may be deemed to result from our operations could adversely affect pricing or demand for our offerings. We may not be able to pass on increases in costs to customers. In addition, changes in regulatory policies that result in a reduction in the demand for natural gas or electricity generated from carbon-emitting fuel sources that are deemed to contribute to climate change, or restrict the use of such products or fuel sources, may reduce demand for our offerings or impact the energy supply markets.

Moreover, environmental agencies may seek penalties for failure to comply with laws, regulations or permits from parties involved in the supply chain for natural gas or electricity produced from carbon-emitting fuel sources, including REPs like those we own and operate, whose operations do not actually directly emit carbon fuels.

We may also be subject to penalties from other regulatory agencies and be subject to increased operating costs for remediation and clean-up costs, civil penalties, or subject to claims from regulatory agencies, law enforcement for alleged effects of GHG and climate change, including health impacts, personal injuries and property and other damages.

We may face lawsuits from various parties targeting stakeholders within the broader energy industry. The exposure is broad generally in nature and many of the initial plaintiffs were companies involved in the exploration and development phase of industry. It is unknown how widespread this risk will be to parties in the energy value chain, including REP's. Although we have taken action to comply with all industry rules and regulations, we cannot ensure that those actions will be effective, and we will not be subject to litigation in the future.

*GRE's business is subject to physical, market and economic risks relating to potential effects of climate change, and policies at the national, regional and state levels to regulate GHG emissions and mitigate climate change could adversely impact our results of operations, financial condition and cash flows.*

Fluctuations in weather and other environmental conditions, including temperature and precipitation levels, may affect consumer demand for electricity or natural gas. In addition, the potential physical effects of climate change, such as increased frequency and severity of storms, floods and other climatic events, could disrupt GRE's operations and supply chain, and cause it to incur significant costs in preparing for or responding to these effects. These or other

changes in climate could lead to increased operating costs or capital expenses. GRE's customers may also experience the potential physical impacts of climate change and may incur significant costs in preparing for or responding to these efforts, including increasing the mix and resiliency of their energy solutions and supply.

*Fixed Rate Products or Guaranteed Pricing Programs could result in losses or decreased profits if GRE fails to estimate future commodity prices and commodity consumption accurately.*

REPs and utilities offering fixed rate products or guaranteed pricing often are unable to change their sell rates offered to customers in response to volatility in the prices of the underlying commodities or changes in the regulatory environment. Sudden spikes in commodity prices, particularly when coupled with rapid, unexpected increases in consumptions, expose us to the risk that we will incur significant unforeseen costs in performing fixed rate contracts. During the year ended December 31, 2024, GRE's meters enrolled in offerings with fixed rate characteristics constituted approximately 58.8% and 36.5% of GRE's electric and natural gas revenues, respectively. Fixed rate products are becoming a greater part of our offering as they are currently preferred by many customers and regulators.

However, it is difficult to predict future commodity costs. Any shortfalls resulting from the risks associated with fixed rate programs will reduce our working capital and profitability. Our inability to accurately estimate the cost of providing services under these programs could have an adverse effect on our profitability and cash flows. We employ an active and robust hedging program. Within this exercise there are inherent assumptions about consumption and pricing. There is risk that volatility will take place outside of the range of potential outcomes contemplated by the program. In these instances, the hedge will not be sufficient to control for risk and losses may occur.

*Commodity price volatility could have an adverse effect on our cost of revenues and our results of operations.*

Volatility in the markets for certain commodities can have an adverse impact on our costs for the purchase of the electricity and natural gas that GRE sells to its customers as what occurred in Texas and Japan during January and February of 2021. Similar or increased unprecedented volatility events can have a material adverse impact on our financial condition because of our fixed or guaranteed price products, we cannot, and in our variable price products, due to customer or competitive factors, we may not always be able or choose to, pass along increases in costs to our customers. This would have an adverse impact on our margins and results of operations. Alternatively, volatility in pricing for GRE's electricity and natural gas related to the cost of the underlying commodities can lead to increased customer churn. In times of high commodity costs, our variable pricing model and commodity purchasing approach can lead to competitive disadvantages as we must pass along all or some portion of our increased costs to our customers.

*GRE's growth depends in part on its ability to enter new markets.*

New markets, both domestic and international, are evaluated based on many factors, which include the regulatory environment, as well as GRE's REP businesses' ability to procure energy in an efficient and transparent manner. We seek to purchase wholesale energy where there is a real time market that reflects a fair price for the commodity for all participants. Once new markets are determined to be suitable for GRE's REP businesses, we expend substantial efforts to obtain necessary licenses and will incur significant customer acquisition costs and there can be no assurance that we will be successful in new markets. Furthermore, there are regulatory differences between the markets that we currently operate in and new markets, including, but not limited to, exposure to credit risk, additional churn caused by tariff requirements, rate-setting requirements and incremental billing costs. A failure to identify, become licensed in, and enter new territories may have a material negative impact on our growth, financial condition and results of operations.

*GRE may be subject to future litigation that could limit its operations.*

In connection with the 2013-2014 events described in the Risk Factor above entitled "*Unusual weather conditions which may become more commonplace, may have significant direct and indirect impacts on GRE's and GREI's business and results of operations,*" IDT Energy was also sued in separate putative class action suits in New York, New Jersey and Pennsylvania, partially related to the price increases during the winter of 2014. From time to time, IDT Energy is also subject to inquiries, investigation or action from public utility commissions or other governmental regulatory or law enforcement agencies related to compliance of its practices with statutory or regulatory schemes.

IDT Energy does not believe that it was at fault or acted in any way improperly with respect to the events of winter 2014 or in connection with any other practices that are subject to investigation or litigation. Although we have taken action to insulate us and our customers from future similar events, we cannot assure that those actions will be effective and we will not be subject to litigation in the future.

Such class action lawsuits or other claims against us could have a material adverse impact on our financial condition, competitive position or results of operations.

*Industry transition risks associated with climate change, including those related to regulatory mandates could negatively impact our financial results.*

Where federal or state legislation mandates the use of renewable fuel sources, such as wind and solar and such legislation does not also provide for adequate cost recovery, it could result in significant changes in our business, including material increases in REC and power purchase costs. Such mandatory renewable portfolio requirements may have an adverse effect on our financial condition and results of operations.

A number of regulatory and legislative bodies have introduced requirements and/or incentives to reduce peak demand and energy consumption. Such conservation programs could result in customer consumption reduction and adversely impact our financial results in different ways.

In the past, we have been adversely impacted by reduced electric usage due in part to energy conservation efforts such as the use of efficient lighting products such as CFLs, halogens and LEDs. We are unable to determine what impact, if any, conservation will have on our financial condition or results of operations.

*We face risks that are beyond our control due to our reliance on third parties and our general reliance on the electrical power and transmission infrastructure within the United States.*

Our ability to provide energy delivery and commodity services depends on the operations and facilities of third parties, including, among others, BP, NYISO and PJM. Our reliance on the electrical power generation and transmission infrastructure within the United States makes us vulnerable to large-scale power blackouts. The loss of use or destruction of third party facilities that are used to generate or transmit electricity due to extreme weather conditions, breakdowns, war, acts of terrorism or other occurrences could greatly reduce our potential earnings and cash flows.

*The REP business, including our relationship with our suppliers, is dependent on access to capital and liquidity.*

Our business involves entering into contracts to purchase large quantities of electricity and natural gas. Because of seasonal fluctuations, we are generally required to purchase electricity or natural gas in advance and finance that purchase until we can recover such amounts from revenues. Certain of GRE's REPs have a Preferred Supplier Agreement with BP pursuant to which we purchase electricity and natural gas at market rate plus a fee. The agreement has been modified and extended since 2009, and is scheduled to terminate on November 30, 2026, subject to renewal by agreement of the parties. In addition to other advantages of this agreement, we are only required to post security with BP. There can be no assurance that we will be able to maintain the required covenants, that BP will be able to maintain their required credit rating, or that the agreement will be renewed upon its expiration. In addition, the security requirements outside of the BP agreement may increase as we enter other markets. Difficulty in obtaining adequate credit and liquidity on commercially reasonable terms may adversely affect our business, prospects and financial conditions.

*A revision to certain utility best practices and programs in which we participate and with which we comply could disrupt our operations and adversely affect our results and operations.*

Certain retail access "best practices" and programs proposed and/or required by state regulators have been implemented by utilities in most of the service territories in which we operate. One such practice is participation in purchase of receivables programs under which certain utilities purchase customer receivables for approximately 98.0% of their face value in exchange for a first priority lien in the customer receivables without recourse against a REP. This program is key to our control of bad debt risk in our REP business.

*The REP business depends on maintaining the licenses in the states in which we operate and any loss of those licenses would adversely affect our business, prospects and financial conditions.*

GRE's REP businesses require licenses from public utility commissions and other regulatory organizations to operate its business. Those agencies may impose various requirements to obtain or maintain licenses. Further, certain non-governmental organizations have been focusing on the REP industry and the treatment of customers by certain REPs. Any negative publicity regarding the REP industry in general, including, but not limited to, legislatures potentially seeking to restrict the activities of REPs and GRE in particular or any increase in customer complaints regarding GRE's REP businesses could negatively affect our relationship with the various commissions and regulatory agencies and could negatively impact our ability to obtain new licenses to expand operations or maintain the licenses currently held. In the aftermath of the polar vortex, several regulatory bodies adopted more aggressive policies toward REPs, including the action against IDT Energy in Pennsylvania described elsewhere in this Annual Report on Form 10-K. Any loss of our REP licenses would cause a negative impact on our results of operations, financial condition and cash flow.

*Our growth strategy depends, in part, on our acquiring complementary businesses and assets and expanding our existing operations, which we may be unable to do.*

Our growth strategy is based, in part, on our ability to acquire businesses and assets that are complementary to our existing operations. We may also seek to acquire other businesses. The success of this acquisition strategy will depend, in part, on our ability to accomplish the following:

- identify suitable businesses or assets to buy;
- complete the purchase of those businesses on terms acceptable to us;
- complete the acquisition in the time frame we expect;
- improve the results of operations of the businesses that we buy and successfully integrate their operations into our own; and
- avoid or overcome any concerns expressed by regulators, including antitrust concerns.

There can be no assurance that we will be successful in pursuing any or all of these steps. Our failure to implement our acquisition strategy could have an adverse effect on other aspects of our business strategy and our business in general. We may not be able to find appropriate acquisition candidates, acquire those candidates that we find or integrate acquired businesses effectively or profitably.

## **Risks Related to GREW**

*Competition in solar markets globally and across the solar value chain is intense, and could remain that way for an extended period of time.*

We face significant competition in securing new development projects at attractive lease rates. Additionally, for community solar projects, we will face competition in attracting retail customers to our projects. As the demand for solar energy grows, more companies and investors enter the market, increasing competition for projects and potentially profits.

*Changes in government regulations and policies can impact the financial viability of solar projects.*

The success of solar energy projects is highly dependent on government regulations and policies that impact the financial viability of the projects. This can include changes to tax incentives, subsidies, grid access and net metering policies. It can also include changes in building and safety codes, environmental regulations, and land use policies that impact the ability to construct and operate solar projects. The reduction, modification or elimination of any of these policies in one or more of our customer markets would materially and adversely affect the growth of such markets or result in increased price competition, either of which could cause our revenue to decline and materially adversely affect our financial results.

On January 20, 2025, President Trump issued the executive order “Unleashing American Energy.” The order revokes President Biden’s Executive Orders related to climate initiatives. In addition to withdrawing from the Paris Climate Agreement, President Trump directed EPA to abandon the consideration of the “social cost of carbon” in regulatory determinations and submit a recommendation on the fate of the 2009 finding under the CAA that greenhouse gases threaten public health and welfare, which serves as a necessary statutory prerequisite for EPA to implement greenhouse gas emission standards for motor vehicles and other sectors. All federal agencies are directed to pause clean energy and climate-related funding under the Inflation Reduction Act and Infrastructure Investment and Jobs Act. It is unclear what impact the executive orders will have on the available project incentives.

*Implementation of global trade tariffs could impact the availability and pricing of key project components.*

In February 2025, President Donald Trump announced a series of tariffs aimed at reshaping United States trade policy, including a 10% tariff on imports from China. The implementation of tariffs and the potential for retaliatory tariffs from other countries could impact on the availability and pricing of key components required to build our solar projects. It is unknown at this time what tariffs will remain in place.

*An increase in interest rates or tightening of the supply of capital in the global financial markets could increase the cost of borrowing and negatively impact our projects.*

Genie Solar intends to utilize long-term debt financing for its operating portfolio. As a result, an increase in interest rates, or a reduction in the supply of project debt financing could reduce the number of solar projects that we are able to construct and operate.

*The operation and maintenance of our solar facilities are subject to operational risks, the consequences of which could have a material adverse effect on our business operations, financial condition, and the results of operations.*

The required operation, maintenance, refurbishment, and construction of our facilities involve risks, including performance below expected levels of output or system efficiency. There can be no guarantee that our maintenance program will be able to detect all potential failures in our facilities or eliminate all adverse consequences of such a failure. In addition, work stoppages and other unforeseen problems may disrupt the construction, operation and maintenance of our facilities. We intend to enter into service and maintenance agreements with the manufacturers of certain key equipment.

*In developing projects, we face risks related to project siting, utility interconnection, third party financing, construction, permitting, governmental approvals and the negotiation of project development agreements.*

We own, develop, construct, manage and operate electric-generation facilities. We must periodically apply for licenses and permits from various local, state, and federal regulatory authorities and abide by their respective conditions. A lack of successes in obtaining necessary licenses or permits on acceptable terms or resolving challenges to such licenses or permits could impact our ability to develop projects. Additionally, any delay in obtaining or renewing necessary licenses or permits or if regulatory authorities initiate any associated investigations against us, our business, financial condition, results of operations and prospects may adversely impact project economics. Additionally, risks associated with construction, such as cost overruns and delays, and other contingencies that may arise in the course of completing installations may adversely impact project economics.

*While we intend to seek acquisitions of solar generation assets and portfolios in various stages of development to add to our portfolio, we may not be successful in identifying or marking any acquisitions in the future.*

Our business strategy includes growth through the acquisitions of solar generation assets and portfolios in various stages of development. There is a risk that we may not be able to identify attractive acquisition opportunities or successfully acquire those opportunities that are identified. There is always the possibility that even if there is success in closing acquisitions, we may not derive the benefits, such as administrative or operational synergies or earnings obtained, that were expected. The market acquisition opportunities are highly competitive and may become even more so, which would increase our cost of making future acquisitions.

As part of the acquisition evaluation and close process, we conduct deep due diligence to identify potential contingencies, negotiate transaction terms, complete transactions, and manage post-closing matters such as the integration of the acquired assets into our existing business operations. In some cases, our due diligence reviews

are dependent on the completeness and accuracy of disclosures made by third parties. If the information shared by the third parties is incomplete or inaccurate, we may incur unanticipated costs or expenses following a completed acquisition.

*The energy procurement business faces various market and operational risks.*

Our energy procurement business faces various market and operational risks including. The market risks include changes in the competitive pricing landscape, changes in the regulatory environment and potential supplier defaults. Operational risks include customer credit risk and technology platform risk.

## **General Corporate Risks**

*We could be harmed by network disruptions, security breaches, or other significant disruptions or failures of our IT infrastructure and related systems or of those we operate for certain of our customers.*

To be successful, we need to continue to have available a high capacity, reliable and secure network. We face the risk, as does any company, of a security breach, whether through cyber-attack, malware, computer viruses, sabotage, or other significant disruption of our IT infrastructure and related systems. As such, there is a risk of a security breach or disruption of the system we operate, including possible unauthorized access to our and our customers' proprietary or classified information. We are also subject to breaches of our network resulting in unauthorized utilization of our services or products, which subject us to the costs of providing those products or services, which are likely not recoverable. The secure maintenance and transmission of our and our customers' information is a critical element of our operations. Our information technology and other systems that maintain and transmit customer information, or those of service providers or business partners, may be compromised by a malicious third party penetration of our network security, or that of a third party service provider or business partner, or impacted by advertent or inadvertent actions or inactions by our employees, or those of a third party service provider or business partner. As a result, our or our customers' information may be lost, disclosed, accessed or taken without the customers' consent or our product and service may be used without payment.

Although we make significant efforts to maintain the security and integrity of these types of information and systems, there can be no assurance that our security efforts and measures will be effective or that attempted security breaches or disruptions would not be successful or damaging, especially in light of the growing sophistication of cyber-attacks and intrusions sponsored by state or other interests. We may be unable to anticipate all potential types of attacks or intrusions or to implement adequate security barriers or other preventative measures. Certain of our business units have been the subject of attempted and successful cyber-attacks in the past. We have researched the situations and do not believe any material internal or customer information has been compromised.

Network disruptions, security breaches and other significant failures of the above-described systems could (i) disrupt the proper functioning of our networks and systems and therefore our operations or those of certain of our customers; (ii) result in the unauthorized use of our services or products without payment, (iii) result in the unauthorized access to, and destruction, loss, theft, misappropriation or release of proprietary, confidential, sensitive or otherwise valuable information of ours or our customers, including trade secrets, which others could use to compete against us or for disruptive, destructive or otherwise harmful purposes and outcomes; (iv) require significant management attention or financial resources to remedy the damages that result or to change our systems and processes; (v) subject us to claims for contract breach, damages, credits, fines, penalties, termination or other remedies; or (vi) result in a loss of business, damage our reputation among our customers and the public generally, subject us to additional regulatory scrutiny or expose us to litigation. Any or all of which could have a negative impact on our results of operations, financial condition and cash flows.

*Our businesses depend on the continuing efforts of our management team and our personnel with strong industry or operational knowledge and our efforts may be severely disrupted if we lose their services.*

Our success depends on key members of our management team, the loss of whom could disrupt our business operation. Our business also requires a capable, well-trained workforce to operate effectively. There can be no assurance that we will be able to retain our qualified personnel, the loss of whom may adversely affect our business, prospects and financial conditions.

*A determination that independent contractors are employees could expose us to various liabilities and additional costs.*

Regulations that govern the status and classification of independent contractors are subject to changes and divergent interpretations by various authorities, which can create uncertainty and unpredictability for us. Certain states have effectively narrowed the definition of an independent contractor by requiring hiring entities to use a stricter test to determine a given worker's classification, place the burden of proof for classifying workers as independent contractors on hiring entities and provides enforcement powers to the state and municipalities. Legislative proposals concerning worker classification are being considered by various other states. Any requirement to reclassify independent contractors as employees could require us to significantly alter certain aspects of our business model or operations, increase our costs and impact our ability to grow our business. Any of the foregoing could have an adverse impact on our business, financial condition, and results of operations. If we are required to reclassify independent contractors as employees, we may incur additional costs and taxes which could adversely affect our business, financial condition, and results of operations.

*Our business, results of operation and financial conditions could be adversely affected by the resurgence of the coronavirus COVID-19 pandemic and any restrictions put in place in connection therewith.*

If the COVID-19 pandemic re-emerges and impacts the territories we serve, our business, operations and financial condition could be impacted in more significant ways. The continued spread of COVID-19 and efforts to contain the virus could have the following impacts:

- Adversely impact our strategic business plans and growth strategy;
- Result in increases in purchase of receivable, or POR fees and allowance for credit bad debt expense as a result of delayed or non-payment from our customers, both of which could be magnified by federal or state government legislation that requires us to extend suspensions of disconnections for non-payment;
- Reduce the availability and productivity of our employees and third-party resources;
- Cause us to experience an increase in costs as a result of our emergency measures;
- Cause a deterioration of the credit quality of our counterparties, including power purchase agreement counterparties, contractors or retail customers, that could result in credit losses;
- Cause impairment of long-lived assets; and
- Cause a deterioration in our financial metrics or the business environment that adversely impacts our credit ratings.

*Uncertainty related to our exit in the Finnish market.*

We face uncertainty related to our exit from the Finnish market.

On November 8, 2023, the Lumo Administrator, acting on behalf of the Bankruptcy Estate, filed a claim in the District Court of Helsinki against Genie Nordic, our wholly owned subsidiary and the parent company of Lumo Finland, its directors, officers and affiliates, in which it alleges that the gain from the sale of swap instruments owned by Lumo Sweden amounting to €35.2 million (equivalent to \$36.6 million as of December 31, 2024) belongs to the Bankruptcy Estate. We believe that the Lumo Administrator's position is without merit, and we intend to vigorously defend our position against the Lumo Administrator's claims. The Bankruptcy Estate filed an additional claim with the District Court on May 27, 2024 against Lumo Sweden for €4.8 million (equivalent to \$5.0 million as of December 31, 2024), also alleging that the gain from the sale of the swap instruments belongs to the Bankruptcy Estate, bringing the aggregate sum of claims related to the gain from sale of swap instruments to €40.0 million (equivalent to \$41.6 million as of December 31, 2024). We believe that the Lumo Administrators' position is without merit, and we intend to vigorously defend our position.

We are also notified that the Lumo Administrator filed a claim against one of Lumo Finland's suppliers, seeking to recover payments made by Lumo Finland amounting to €4.2 million (equivalent to \$4.4 million as of December 31, 2024) prior to the bankruptcy. The Lumo Administrator has also filed a recovery claim jointly against us and the supplier amounting to €1.6 million (equivalent to \$1.7 million as of December 31, 2024)

alleging that a portion of the payment by Lumo Finland effectively reduced the Company's liability under the terms of a previously supplied parental guarantee (this €1.6 million is included within and not additive to the €4.2 million). The Lumo Administrators allege that the payments represented preferential payments and therefore belong to the bankruptcy estate which are recoverable under the laws of Finland. We intend to challenge the Lumo Administrator's claims.

We believe that the maximum exposure for these cases would likely be limited by the potential amount of the customers' claims in the bankruptcy case. Based on the progress made in assessing those claims, we expect those claims to be between the range of €2.0 million and €4.0 million. Although we do not believe that it is legally obligated to pay anything, given the likelihood of negotiating a settlement to minimize further costs, we recognized an estimated loss of €2.5 million (equivalent to \$2.6 million at the date of the transaction) recorded in the fourth quarter of 2024. The estimated loss is included in the loss from discontinued operations, net account in the consolidated statement of operations for the year ended December 31, 2024.

### **Risk Related to Our Financial Condition and Reporting**

*We had a material weakness in our internal control over financial reporting in previous years and cannot assure you that additional material weaknesses will not be identified in the future.*

We reported in our Annual Report on Form 10-K as of December 31, 2020, a material weakness in internal control specifically related to management's review of the income tax provision. During 2021, we implemented certain remediation measures related to the material weakness, however, we concluded that our internal control over financial reporting was ineffective as of December 31, 2021 (see *Item 9A Control and Procedures* in our Annual Report on Form 10-K filed on March 16, 2022). During 2022, we implemented certain additional remediation measures related to the material weakness and concluded that our internal control over financial reporting was effective as of December 31, 2022.

*Completion of remediation does not provide assurance that our remediation or other controls will continue to operate properly.*

While we aim to work diligently to ensure a robust internal control that is devoid of significant deficiencies and material weaknesses, given the complexity of the accounting rules, we may, in the future, identify additional significant deficiencies or material weaknesses in our disclosure controls and procedures and internal control over financial reporting. Any failure to maintain or implement required new or improved controls, or any difficulties we encounter in their implementation, could result in additional significant deficiencies or material weaknesses, cause us to fail to meet our periodic reporting obligations or result in material misstatements in our financial statements. Any such failure could also adversely affect the results of periodic management evaluations and annual auditor attestation reports regarding the effectiveness of our internal control over financial reporting required under Section 404 of the Sarbanes-Oxley Act of 2002 and the rules promulgated under Section 404. The existence of a material weakness could result in errors in our financial statements that could result in a restatement of financial statements, cause us to fail to meet our reporting obligations and cause investors to lose confidence in our reported financial information, leading to a decline in our stock price. See *Item 9A Controls and Procedures* for a further discussion of our assessment of our internal controls over financial reporting.

### **Risks Related to Our Capital Structure**

*Holders of our Class B common stock have significantly less voting power than holders of our Class A common stock.*

Holders of our Class B common stock are entitled to one-tenth of a vote per share on all matters on which our stockholders are entitled to vote, while holders of our Class A common stock are entitled to three votes per share. As a result, the ability of holders of our Class B common stock to influence our management is limited.

*We are controlled by our principal stockholder, which limits the ability of other stockholders to affect the management of the Company.*

Howard S. Jonas, our Chairman of our Board of Directors controls a majority of the voting power of our capital stock.

As of March 12, 2025, Mr. Jonas has voting power over 1,574,326 shares of our Class A common stock (which are convertible into shares of our Class B common stock on a 1-for-1 basis) and 3,137,764 shares of our Class B common stock, representing approximately 69.3% of the combined voting power of our outstanding capital stock. Mr. Jonas will be able to control matters requiring approval by our stockholders, including the election of all of the directors and the approval of significant corporate matters, including any merger, consolidation or sale of all or substantially all of our assets. As a result, the ability of any of our other stockholders to influence our management is limited.

*The relationships between Howard S. Jonas and IDT Corporation and Rafael Holdings, Inc. could conflict with our stockholders' interests.*

Howard S. Jonas, Chairman of our Board of Directors and former Chief Executive Officer, is also the chairman of IDT Corporation and Chairman of the Board of Rafael Holdings, Inc. (Rafael). These relationships may cause a conflict of interest with our stockholders, specifically with regard to demands on Mr. Jonas' time and the attention that he can dedicate to the Company as well as in the unlikely event that the business interests of the Company and other entities controlled by Mr. Jonas were to conflict. Although we, IDT Corporation and Rafael each have implemented policies and procedures (including each of those entity's respective Code of Business Conduct and Ethics, Corporate Governance Guidelines and Statement of Policy with Respect to Related Person Transactions) to (i) specifically address the prohibition, without the express consent of the Board of Directors, for a director to take for themselves personally opportunities that are discovered through the use of Company property, information or position; and (ii) identify and properly address potential and actual conflicts of interest, there can be no assurance that, when such business opportunities arise or conflicts are resolved in accordance with applicable laws, such conflicts of interest will not harm our business, prospects and financial condition and result in the diversion of Company corporate opportunities to IDT and/or Rafael.

**Item 1B. Unresolved Staff Comments.**

None.

**Item 1C. Cybersecurity.**

*Cybersecurity risk management and strategy*

Our cybersecurity risk management is based on recognized cybersecurity industry frameworks and standards, including those of the National Institute of Standards and Technology, the Center for Internet Security Controls, and the International Organization for Standardization. We use these frameworks, together with information collected from internal assessments, to develop policies for the use of our information assets (for example, TI business information and information resources such as mobile phones, computers and workstations), access to specific intellectual property or technologies, and protection of personal information. We protect these information assets through industry-standard techniques, such as multifactor authentication and malware defenses. We also work with internal stakeholders across the company to integrate foundational cybersecurity principles throughout our organization's operations, including the employment of multiple layers of cybersecurity defenses, restricted access based on business needs, and integrity of our business information. Throughout the year, we also regularly train our employees on cybersecurity awareness, confidential information protection and simulated phishing attacks.

We regularly engage third-party assessors to conduct penetration testing and measure our program to industry standard frameworks. We also have standing engagements with incident response experts and external counsel. We frequently collaborate with industry experts and cybersecurity practitioners at other companies to exchange information about potential cybersecurity threats, best practices and trends.

Our cybersecurity risk management extends to risks associated with our use of third-party service providers. For instance, we conduct risk and compliance assessments of third-party service providers that request access to our information assets.

Our cybersecurity risk management is an important part of our comprehensive business continuity program and enterprise risk management. Our global information security team periodically engages with a cross-functional group of subject matter experts and leaders to assess and refine our cybersecurity risk posture and preparedness. For

example, we regularly evaluate and update contingency strategies for our business in the event that a portion of our information resources were to be unavailable due to a cybersecurity incident. We practice our response to potential cybersecurity incidents through regular tabletop exercises, threat hunting and red team exercises.

#### *Governance of cybersecurity risk management*

The board of directors, as a whole, has oversight responsibility for our strategic and operational risks. The audit committee assists the board of directors with this responsibility by reviewing and discussing our risk assessment and risk management practices, including cybersecurity risks, with members of management. The audit committee, in turn, periodically reports on its review with the board of directors.

Management is responsible for day-to-day assessment and management of cybersecurity risks and reports regularly to the audit committee.

#### **Item 2. Properties.**

Our headquarters are located at 520 Broad St., Newark, New Jersey. Our lease for our office space at 520 Broad Street expires in April 2025 and is for 8,631 square feet and includes two parking spots per thousand square feet of space leased. The annual base rent is \$198,513. We have the right to terminate the lease upon four months' notice and, upon early termination, Genie would be required to pay a penalty equal to 25% of the portion of the rent due over the course of the remaining term. Upon expiration of the lease, we have the right to renew the lease for another 5 years on substantially the same terms, with a 2% increase in the rental payments.

GRE's Jamestown, New York offices are located at 317-321 North Main Street where we lease approximately 4,000 square feet of space. GRE's Arizona office is located in Gilbert, Arizona where we lease approximately 3,300 square feet. GRE's Texas office is located in Houston, Texas where we lease approximately 4,200 square feet.

Genie Solar is constructing community solar array projects in Lansing and Perry, New York where we lease 20 acres and 15 acres of land, respectively.

Genie Solar owns and operates a portfolio of 12 solar arrays with an aggregate rating of 9.4 megawatts located in several school facilities in Ohio and Michigan.

#### **Item 3. Legal Proceedings.**

Certain legal proceedings in which we are involved are discussed in Note 15, *Legal and Regulatory Proceedings*, in the Notes to Consolidated Financial Statements in this Annual Report on Form 10-K, which is incorporated by reference.

#### **Item 4. Mine Safety Disclosures.**

Not applicable.

**Part II**

**Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.**

Our Class B common stock trades on the New York Stock Exchange under the symbol “GNE”.

On March 12, 2025, there were 238 holders of record of our Class B common stock and 1 holder of record of our Class A common stock. Howard Jonas has voting dispositive power over 1,574,326 shares of Class A common stock. These numbers do not include the number of persons whose shares are in nominee or in “street name” accounts through brokers. On March 12, 2025, the last sales price reported on the New York Stock Exchange for the Class B common stock was \$14.25 per share.

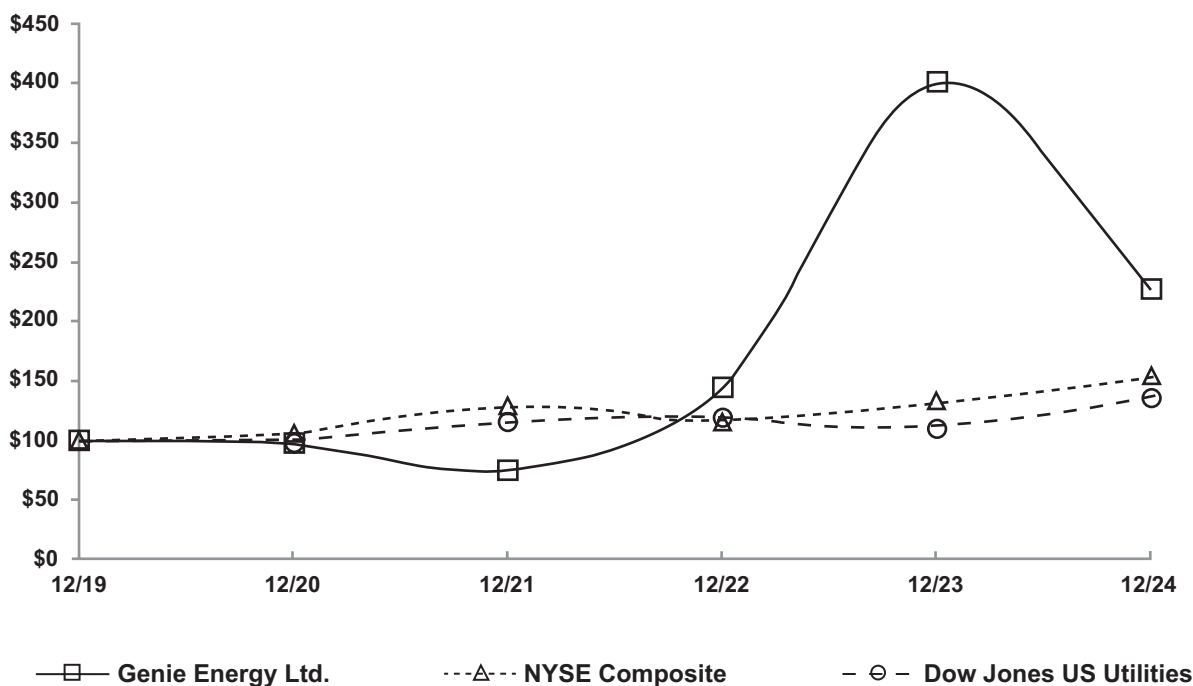
Additional information regarding dividends required by this item is incorporated by reference from the Management’s Discussion and Analysis section in Item 7 to Part II and Note 12 to the Consolidated Financial Statements in Item 8 to Part II of this Annual Report.

The information required by Item 201(d) of Regulation S-K will be contained in our Proxy Statement for our Annual Stockholders Meeting, which we will file with the Securities and Exchange Commission within 120 days after December 31, 2024, and which is incorporated by reference herein.

**Performance Graph of Stock**

The line graph below compares the cumulative total stockholder return on our Class B common stock with the cumulative total return of the New York Stock Exchange Composite Index and the Dow Jones US Utilities Index for the period beginning December 31, 2019 and ending December 31, 2024. The graph and table assume that \$100 was invested December 31, 2019 with the cumulative total return of the NYSE Composite Index and the Dow Jones US Utilities Index, and that all dividends were reinvested. Cumulative total stockholder returns for our Class B common stock, NYSE Composite Index and the Dow Jones US Utilities Index are based on our fiscal year.

**COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN\***  
Among Genie Energy Ltd., the NYSE Composite Index and the Dow Jones US Utilities Index



\*\$100 invested on 12/31/19 in stock or index, including reinvestment of dividends. Fiscal year ending December 31.

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## Issuer Purchases of Equity Securities

The following table provides information with respect to purchases by us of our shares during the fourth quarter of the year ended December 31, 2024.

	Total Number of Shares Purchased	Average Price per Share	Total Number of Shares Purchased as part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs <sup>(1)</sup>
October 1 – 31, 2024 . . . . .	18,348	\$ 15.93	18,348	4,151,037
November 1 – 30, 2024 . . . . .	6,652	15.68	6,652	4,144,385
December 1 – 31, 2024 . . . . .	143,762	14.87	143,762	4,000,623
<b>Total</b> . . . . .	<b>168,762</b>	<b>\$ 15.02</b>		

(1) Under our existing stock repurchase program, approved by our Board of Directors on March 11, 2013, we were authorized to repurchase up to an aggregate of 7.0 million shares of our Class B common stock.

**Item 6. [Reserved]**

## Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

This Annual Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including statements that contain the words “believes,” “anticipates,” “expects,” “plans,” “intends” and similar words and phrases. These forward-looking statements are subject to risks and uncertainties that could cause actual results to differ materially from the results projected in any forward-looking statement. In addition to the factors specifically noted in the forward-looking statements, other important factors, risks and uncertainties that could result in those differences include, but are not limited to, those discussed under Item 1A to Part I “Risk Factors” in this Annual Report. The forward-looking statements are made as of the date of this Annual Report, and we assume no obligation to update the forward-looking statements, or to update the reasons why actual results could differ from those projected in the forward-looking statements. Investors should consult all of the information set forth in this report and the other information set forth from time to time in our reports filed with the Securities and Exchange Commission pursuant to the Securities Act of 1933 and the Securities Exchange Act of 1934, including our reports on Forms 10-Q and 8-K.

The following discussion should be read in conjunction with the Consolidated Financial Statements and Notes thereto included in Item 8 of this Annual Report.

### Overview

We are comprised of Genie Retail Energy (“GRE”) and Genie Renewables (“GREW”). Prior to the third quarter of 2022, we had a segment, Genie Retail Energy International, or GRE International, which supplied electricity to residential and small business customers in Scandinavia. In the third quarter of 2022, we discontinued the operations of Lumo Finland and Lumo Sweden, and GRE International ceased to be a segment and the remaining assets and liabilities and results of any continuing operations of GRE International were combined with corporate.

GRE owns and operates retail energy providers (“REPs”), including IDT Energy, Residents Energy, Town Square Energy (“TSE”), Southern Federal and Mirabito Natural Gas. GRE’s REPs’ businesses resell electricity and natural gas primarily to residential and small business customers, with the majority of the customers in the Midwestern and Eastern United States and Texas.

GREW holds a 95.5% interest in Genie Solar, an integrated solar energy company that develops, constructs and operates utility-scale solar energy projects, a 92.8% interest in CityCom Solar, a marketer of community solar and alternative products and services complementary to our energy offerings, and a 96.0% interest in Diversegy, an energy procurement advisor for industrial, commercial and municipal customers.

## Discontinued Operations in Finland and Sweden

Prior to the third quarter of 2022, the Company had a third segment, Genie Retail Energy International, or GRE International, which supplied electricity to residential and small business customers in Scandinavia. However, as result of volatility in the energy market in Europe, in the third quarter of 2022, we decided to discontinue the operations of Lumo Energia Oyj (“Lumo Finland”) and Lumo Energi AB (“Lumo Sweden”). In July 2022, the Company entered into a series of transactions to sell most of the electricity swap instruments held by Lumo Sweden for a gross aggregate amount of €41.1 million (equivalent to approximately \$41.4 million at the dates of the transactions) before fees and other costs. The sale price is being settled monthly based on the monthly commodity volume specified in the instruments from September 2022 to March 2025. The Company also entered into a series of transactions to transfer the customers of Lumo Finland and Lumo Sweden to other suppliers.

We determined that the discontinued operations in Finland and Sweden represented a strategic shift that would have a major effect on our operations and financial statements. We account for these businesses as discontinued operations and accordingly, present the results of operations and related cash flows as discontinued operations for all periods presented. Any remaining assets and liabilities of the discontinued operations are presented separately and are reflected within assets and liabilities from discontinued operations in the accompanying consolidated balance sheets as of December 31, 2024 and 2023. Lumo Finland and Lumo Sweden are continuing to liquidate their remaining receivables and settle any remaining liabilities.

On November 7, 2022, Lumo Finland filed a petition for bankruptcy, which was approved by the Helsinki District Court on November 9, 2022. The administration of Lumo Finland was transferred to an administrator (the “Lumo Administrator”). All assets and liabilities of Lumo Finland remain with Lumo Finland, in which we retain our ownership interest, however, the management and control of Lumo Finland were transferred to the Lumo Administrator. Since the Company lost control of the management of Lumo Finland in favor of the Lumo Administrator, the accounts of Lumo Finland were deconsolidated effective November 9, 2022.

Net loss from discontinued operations of Lumo Finland and Lumo Sweden, net of taxes was \$2.5 million and \$0.4 million for the years ended December 31, 2024 and 2023, respectively.

Following the discontinuance of operations of Lumo Finland and Lumo Sweden, GRE International ceased to be a segment and the remaining assets and liabilities and the results of continuing operations of GRE internal were combined with corporate.

On November 8, 2023, the Lumo Administrator, acting on behalf of the Bankruptcy Estate, filed a claim in the District Court of Helsinki against Genie Nordic, a wholly owned subsidiary of the Company and the parent company of Lumo Finland, its directors, officers and affiliates, in which it alleges that the gain from the sale of swap instruments owned by Lumo Sweden amounting to €35.2 million (equivalent to \$36.6 million as of December 31, 2024) belongs to the Bankruptcy Estate. The Bankruptcy Estate filed an additional claim with the District Court on May 27, 2024 against Lumo Sweden for €4.8 million (equivalent to \$5.0 million as of December 31, 2024), also alleging that the gain from the sale of the swap instruments belongs to the Bankruptcy Estate, bringing the aggregate sum of claims related to the gain from sale of swap instruments to €40.0 million (equivalent to \$41.6 million as of December 31, 2024). We believe that the Lumo Administrator’s position is without merit, and we are vigorously defending our position.

We are also notified that the Lumo Administrator filed a claim against one of Lumo Finland’s suppliers, seeking to recover payments made by Lumo Finland amounting to €4.2 million (equivalent to \$4.4 million as of December 31, 2023) prior to the bankruptcy. The Lumo Administrator has also filed a recovery claim jointly against us and the supplier amounting to €1.6 million (equivalent to \$1.7 million as of December 31, 2023) alleging that a portion of the payment by Lumo Finland effectively reduced our liability under the terms of a previously supplied parental guarantee (this €1.6 million is included within and not additive to the €4.2 million). The Lumo Administrator alleges that the payments represented preferential payments and therefore belong to the bankruptcy estate which are recoverable under the laws of Finland. We are challenging the Lumo Administrator’s claims.

We believe that the maximum exposure for these cases would likely be limited by the potential amount of the customers’ claims in the bankruptcy case. Based on the progress made in assessing those claims, we expect those claims to be in the range of €2.0 million and €4.0 million. Although we do not believe that we are legally obligated to pay anything, given the likelihood of negotiating a settlement to minimize further costs of challenging the claims,

we recognized an estimated loss of €2.5 million (equivalent to \$2.6 million at the date of the transaction) recorded in the fourth quarter of 2024. The estimated loss is included in the loss from discontinued operations, net account in the consolidated statement of operations for the year ended December 31, 2024.

### **Discontinued U.K. Operations**

On November 29, 2021 Orbit Energy Limited (“Orbit”), a subsidiary of the Company which operated in United Kingdom was declared insolvent and its customers were transferred to a “supplier of last resort.” Effective December 1, 2021, the administration of Orbit was transferred to a third party administrator (the “Orbit Administrator”). The accounts of Orbit were deconsolidated from those of the Company effective December 1, 2021.

We determined that the discontinued operations of Orbit represented a strategic shift that would have a major effect on our operations and financial statements. Since the appointment of the Orbit Administrator, we accounted Orbit’s business as discontinued operations and accordingly, have presented the results of operations and related cash flows as discontinued operations. Any remaining assets and liabilities of the discontinued operations have been presented separately, and are reflected within assets and liabilities from discontinued operations in our consolidated balance sheets as of December 31, 2024 and 2023. Since the Company lost control of the management of Orbit in favor of the Orbit Administrator, the accounts of Orbit were deconsolidated effective December 1, 2021.

On November 28, 2023, the administration of Orbit ceased and the control of Orbit reverted back to the Company from the Orbit Administrator. The accounts of Orbit were consolidated with those of the Company effective November 28, 2023.

### **Genie Retail Energy**

GRE operates REPs that resell electricity and/or natural gas to residential and small business customers in California, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Maine, Maryland, Massachusetts, Michigan, New Hampshire, New Jersey, New York, Ohio, Pennsylvania, Rhode Island, Texas and Washington, D.C. GRE’s revenues represented approximately 94.9% and 97.3% of our consolidated revenues in the years ended December 31, 2024 and 2023, respectively.

GRE’s cost of revenues consists primarily of natural gas and electricity purchased for resale. Certain of GRE’s REPs are party to an Amended and Restated Preferred Supplier Agreement with BP Energy Company, or BP, which is in effect through November 30, 2023. Those REPs’ ability to purchase electricity and natural gas under this agreement is subject to satisfaction of certain conditions including the maintenance of certain covenants.

As an operator of REPs, GRE does not own electrical power generation, transmission, or distribution facilities, or natural gas production, pipeline or distribution facilities. Instead, GRE’s REPs contract with various pipeline and distribution companies for natural gas pipeline, storage and transportation services, and utilizes NYISO, PJM, ISO New England and MISO for electric transmission and distribution. GRE’s cost of revenues includes scheduling costs, ISO fees, pipeline costs and utility service charges for the purchase of these services.

For risk management purposes, GRE’s REPs utilize put and call options and swaps as hedges against unfavorable fluctuations in market prices of electricity and natural gas and to reduce exposure from price fluctuations. The put and call options and swaps are recorded at fair value as a current asset or liability and any changes in fair value are recorded in cost of revenues. The impact of these options and swaps on cost of revenues is relatively small in comparison to the purchases of gas and electricity for resale.

The electricity transmission and distribution operators perform real-time load balancing for each of the electrical power grids in which GRE’s REPs operate. Similarly, the utility or the local distribution company, or LDC, performs load balancing for each of the natural gas markets in which GRE’s REPs operate. Load balancing ensures that the amount of electricity and natural gas that GRE’s REPs purchase is equal to the amount necessary to service their customers’ demands at any specific point in time. GRE’s REPs manage the differences between the actual electricity and natural gas demands of its customers and its bulk or block purchases by buying and selling in the spot market, and through monthly cash settlements and/or adjustments to futures deliveries in accordance with the load balancing performed by utilities, LDCs, and electricity transmission and distribution operators. Suppliers and the LDC’s charge or credit GRE for balancing the electricity and natural gas purchased and sold for its account.

Local utilities generally meter and deliver electricity and natural gas to GRE's REPs' customers. The local utilities also provide billing and collection services on GRE's REPs behalf for most of customers and certain local utilities offer purchase of receivables, or POR, programs. GRE's REPs receive the proceeds less the utility's fees for purchase of receivables billing and other ancillary services, where applicable.

Volatility in the electricity and natural gas markets affects the wholesale cost of the electricity and natural gas that GRE's REPs sell to customers. GRE's REPs may not always choose to pass along increases in costs to their customers for various reasons including competitive pressures and for overall customer satisfaction. In addition, GRE's REPs offer fixed rate products or guaranteed pricing and may be unable to change their sell rates offered to fixed rate and guaranteed pricing customers in response to volatility in the prices of the underlying commodities. This can adversely affect GRE's gross margins and results of operations. Alternatively, increases in GRE's REPs rates charged to customers may lead to increased customer churn.

GRE's REPs' selling expense consists primarily of sales commissions paid to independent agents and marketing costs, which are the primary costs associated with the acquisition of customers. Selling, general and administrative expenses include compensation, benefits, utility fees for billing and collection, professional fees, rent and other administrative costs.

#### *Seasonality and Weather; Climate Change*

The weather and the seasons, among other things, affect GRE's REPs' revenues. Weather conditions have a significant impact on the demand for natural gas used for heating and electricity used for heating and cooling. Typically, colder winters increase demand for natural gas and electricity, and hotter summers increase demand for electricity. Milder winters and/or summers have the opposite effect. Unseasonable temperatures in other periods may also impact demand levels. Potential changes in global climate may produce, among other possible conditions, unusual variations in temperature and weather patterns, resulting in unusual weather conditions, more intense, frequent and extreme weather events and other natural disasters. Some climatologists believe that these extreme weather events will become more common and more extreme, which will have a greater impact on our operations. Natural gas revenues typically increase in the first quarter due to increased heating demands and electricity revenues typically increase in the third quarter due to increased air conditioning use. Approximately 43.0%, 48.1% and 39.7% of GRE's natural gas revenues for the relevant years were generated in the first quarter of 2024, 2023 and 2022, respectively, when demand for heating was highest. Although the demand for electricity is not as seasonal as natural gas (due, in part, to usage of electricity for both heating and cooling), approximately 28.7%, 32.5% and 30.5% of GRE's electricity revenues for 2024, 2023 and 2022, respectively, were generated in the third quarters of those years. GRE's REPs' revenues and operating income are subject to material seasonal variations, and the interim financial results are not necessarily indicative of the estimated financial results for the full year. In addition, extraordinary weather has and can lead to extreme spikes in the prices of wholesale electricity and natural gas in markets where GRE and other retail providers purchase their supply, or in challenges to the grid or supply markets in affected areas. Such events could have material impact on our margins and operations.

In addition to the direct physical impact that climate change may have on our business, financial condition and results of operations because of the effect on pricing, demand for our offerings and/or the energy supply markets, we may also be adversely impacted by other environmental factors, including: (i) technological advances designed to promote energy efficiency and limit environmental impact; (ii) increased competition from alternative energy sources; (iii) regulatory responses aimed at decreasing greenhouse gas emissions; and (iv) litigation or regulatory actions that address the environmental impact of our energy products and services.

#### *Purchase of Receivables*

Utility companies offer purchase of receivables, or POR, programs in most of the service territories in which we operate. GRE's REPs reduce their customer credit risk by participating in POR programs for a majority of their receivables. In addition to providing billing and collection services, utility companies purchase those REPs' receivables and assume all credit risk without recourse to those REPs. GRE's REPs' primary credit risk in these jurisdictions is therefore nonpayment by the utility companies. In the years ended December 31, 2024, 2023 and 2022, the associated cost was approximately 1.2%, 0.9% and 1.1% of GRE's revenue, respectively. At December 31, 2024 and 2023, 83.6% and 84.4% of GRE's net accounts receivable were under POR programs, respectively.

### Concentration of Customers and Associated Credit Risk

GRE's REPs reduce their customer credit risk by participating in purchase of receivable programs for a majority of their receivables. In addition to providing billing and collection services, some utility companies purchase those REPs' receivables and assume all credit risk without recourse to those REPs for those purchased receivables. GRE's REPs primary credit risk with respect to those purchased receivables is therefore nonpayment by the utility companies. Certain of the utility companies represent significant portions of our consolidated revenues and consolidated gross trade accounts receivable balance during certain periods, and such concentrations increase our risk associated with nonpayment by those utility companies.

The following table summarizes the percentage of consolidated trade receivable by customers that equal or exceed 10.0% of consolidated net trade receivables at December 31, 2024 and 2023 (no other single customer accounted for 10.0% or greater of our consolidated net trade receivable as of December 31, 2024 and 2023).

	December 31,	
	2024	2023
Customer A . . . . .	13.2%	21.4%

na — less than 10.0% of consolidated net trade receivables

The following table summarizes the percentage of consolidated revenues from customers that equal or exceed 10% or greater of the Company's consolidated revenues in the period (no other single customer accounted for more than 10% of consolidated revenues in these periods):

	Year ended December 31,		
	2024	2023	2022
Customer A . . . . .	20.0%	19.5%	na
Customer B . . . . .	na	na	10.1%

na — less than 10.0% of consolidated revenues in the period

### Legal Proceedings

Although GRE endeavors to maintain best sales and marketing practices, such practices have been the subject of certain class action lawsuits in the past.

See Notes 16, *Legal and Regulatory Proceedings*, in the Notes to Consolidated Financial Statements in this Annual Report on Form 10-K, which is incorporated by reference.

### Agency and Regulatory Proceedings

From time to time, the Company responds to inquiries or requests for information or materials from public utility commissions or other governmental regulatory or law enforcement agencies related to investigations under statutory or regulatory schemes. The Company cannot predict whether any of those matters will lead to claims or enforcement actions or whether the Company and the regulatory parties will enter into settlements before a formal claim is made. See Note 15, *Legal and Regulatory Proceedings*, in the Notes to Consolidated Financial Statements in this Annual Report on Form 10-K, which is incorporated by reference, for further detail on agency and regulatory proceedings.

## CRITICAL ACCOUNTING POLICIES

Our financial statements and accompanying notes are prepared in accordance with accounting principles generally accepted in the United States of America, or U.S. GAAP. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses as well as the disclosure of contingent assets and liabilities. Critical accounting policies are those that require application of management's most subjective or complex judgments, often as a result of matters that are inherently uncertain and may change in subsequent periods. Our critical accounting policies include those related to the allowance for doubtful accounts, goodwill and income taxes. Management bases its estimates and judgments on historical experience and other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates under different assumptions or conditions. See Note 1 to the Consolidated Financial Statements in this Annual Report for a complete discussion of our significant accounting policies.

## Revenue Recognition

### *Revenues from the Sale of Electricity and Natural Gas*

Revenue from the single performance obligation to deliver a unit of electricity and/or natural gas is recognized as the customer simultaneously receives and consumes the benefit. Variable quantities in requirements contracts are considered to be options for additional goods and services because the customer has a current contractual right to choose the amount of additional distinct goods to purchase. GRE records unbilled revenues for the estimated amount customers will be billed for services rendered from the time meters were last read to the end of the respective accounting period. The unbilled revenue is estimated each month based on available per day usage data, the number of unbilled days in the period and historical trends.

Many utility companies in the U.S. offer purchase of receivable, or POR, programs in most of the service territories in which we operate, and GRE's REPs participate in POR programs for a majority of their receivables. We estimate variable consideration related to our rebate programs using the expected value method and a portfolio approach. Our estimates related to rebate programs are based on the terms of the rebate program, the customer's historical electricity and natural gas consumption, the customer's rate plan, and a churn factor. Taxes that are imposed on our sales and collected from customers are excluded from the transaction price.

We recognize the incremental costs of obtaining a contract with a customer as an asset if it expects the benefit of those costs to be longer than one year. We determined that certain sales commissions to acquire customers meet the requirements to be capitalized. For GRE, we apply a practical expedient to expense costs as incurred for sales commissions to acquire customers as the period would have been one year or less.

### *Revenues from Solar Panels*

Our revenues from sales of solar panels are recognized at a point in time following the transfer of control of the solar panels to the customer, which typically occurs upon shipment or delivery depending on the terms of the underlying contracts. For sales contracts that contain multiple performance obligations, such as the shipment or delivery of solar modules, we allocate the transaction price to each performance obligation identified in the contract based on relative standalone selling prices, or estimates of such prices, and recognize the related revenue as control of each individual product is transferred to the customer, in satisfaction of the corresponding performance obligations.

### *Revenues from Solar Projects*

Genie Solar enters into contracts to identify, develop, and in some cases operate solar generation sites to provide solar electricity to customers. Solar project contracts consist of a series of tasks and components and accordingly are accounted for as multiple performance obligations. Because our performance creates and enhances assets that are controlled by, and specific to, customers, we recognize construction services revenue over time. Revenue for these performance obligations is recognized using the input method based on the cost incurred as a percentage of total estimated contract costs. Due to the significance of the costs associated with solar panels to the total project, our judgment on when such costs should be included in the measure of progress has a material impact on revenue recognition. Contract costs include all direct material and labor costs related to contract performance.

### *Solar Energy Generation*

Energy generation revenue is earned from both the sale of electricity generated from solar projects and the sale of renewable energy credits. Revenue from energy generation is recognized when we satisfy the performance obligation, which occurs at the time of the delivery of electricity at the contractual rates as stipulated in the power purchase entered into with the customers. We apply for and receive Solar Renewable Energy Credit ("SREC") in certain jurisdictions for power generated by solar energy systems it owns. There are no direct costs allocated to SRECs upon generation. We typically sell SRECs to different customers from those purchasing the energy. The sale of each SREC is a distinct performance obligation satisfied at a point in time and the performance obligation related to each SREC is satisfied when each SREC is delivered to the customer.

## *Others*

Revenues from commissions from selling third-party products to customers, entry and other fees from the energy brokerage are recognized at the time the performance obligations are met. Our contracts with customers for commission revenue contain a single performance obligation and are satisfied at a point in time.

### **Allowance for Doubtful Accounts**

We maintain an allowance for doubtful accounts for estimated losses that result from the inability or unwillingness of our customers to make required payments. The allowance for doubtful accounts was \$8.1 million at December 31, 2024 and \$6.6 million at December 31, 2023. Our allowance is determined based on known troubled accounts, historical experience and other currently available evidence. Our estimates of recoverability of customer accounts may change due to new developments, changes in assumptions or changes in our strategy, which may impact our allowance for doubtful accounts balance. We continually assess the likelihood of potential amounts or ranges of recoverability and adjust our allowance accordingly, however, actual collections and write-offs of trade accounts receivable may materially differ from our estimates.

### **Goodwill**

Our goodwill balances were \$12.7 million and \$10.0 million at December 31, 2024 and 2023, respectively. Goodwill is not amortized since it is deemed to have an indefinite life. It is reviewed annually (or more frequently under various conditions) for impairment using a fair value approach.

Goodwill is the excess of the acquisition cost of businesses over the fair value of the identifiable net assets acquired. Goodwill and other indefinite lived intangible assets are not amortized. These assets are reviewed annually (or more frequently under various conditions) for impairment using a fair value approach.

The fair value of the reporting unit is estimated using discounted cash flow methodologies, as well as considering third party market value indicators. Calculating the fair value of the reporting units requires significant estimates and assumptions by management. Should the estimates and assumptions regarding the fair value of the reporting units prove to be incorrect, the Company may be required to record impairments to its goodwill in future periods and such impairments could be material.

We perform our annual goodwill impairment test as of October 1. In reviewing goodwill for impairment, we have the option, for any or all of our reporting units that carry goodwill — to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the estimated fair value of a reporting unit is less than its carrying amount. If we elect to perform a qualitative assessment and determine that an impairment is more likely than not, we are then required to perform the quantitative impairment test, otherwise, no further analysis is required. We also may elect not to perform the qualitative assessment and, instead, proceed directly to the quantitative impairment test. The ultimate outcome of the goodwill impairment review for a reporting unit should be the same whether we choose to perform the qualitative assessment or proceed directly to the quantitative impairment test. In each of 2024 and 2023, we elected to perform a qualitative analysis for our GRE reporting unit as of October 1. The Company determined, after performing a qualitative analysis, that there was no evidence that it is more likely than not that the fair value of the identified reporting unit was less than the carrying amounts, therefore, it was not necessary to perform a quantitative impairment test.

The determination of the fair value of our reporting units is based on an income approach that utilizes discounted cash flows for each reporting unit and other Level 3 inputs as specified in the fair value hierarchy in ASC Topic 820, *Fair Value Measurements and Disclosure*. Under the income approach, we determine fair value based on the present value of the most recent cash flow projections for the reporting unit as of the date of the analysis and calculate a terminal value utilizing a terminal growth rate. The significant assumptions under this approach include, among others: income projections, which are dependent on future sales, new customers, customer behavior, competitor pricing, operating expenses, the discount rate, and the terminal growth rate. The cash flows used to determine fair value are dependent on a number of significant management assumptions such as the expectations of future performance and the expected future economic environment, which are partly based upon our historical experience. The estimates are subject to change given the inherent uncertainty in predicting future results. Additionally, the discount rate and the terminal growth rate are based on judgment of the rates that would be utilized by a hypothetical market participant.

## Income Taxes

Our current and deferred income taxes and associated valuation allowance are impacted by events and transactions arising in the normal course of business as well as in connection with special and non-routine items. Assessment of the appropriate amount and classification of income taxes is dependent on several factors, including estimates of the timing and realization of deferred income tax assets, the results of Internal Revenue Service audits of our federal income tax returns, and changes in tax laws or regulations.

The valuation allowance on our deferred income tax assets was \$10.3 million and \$10.1 million at December 31, 2024 and 2023, respectively. We employ a tax strategy that enables us to currently deduct losses from our foreign subsidiaries against our profitable U.S. operations and we assess the realizability of deferred taxes quarterly. Because of our current projections, we concluded that we are more likely than not to utilize our deferred federal income tax assets in the foreseeable future and have released the valuation on those assets that we expect to utilize.

We use a two-step approach for recognizing and measuring tax benefits taken or expected to be taken in a tax return. We determine whether it is more-likely-than-not that a tax position will be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. In evaluating whether a tax position has met the more-likely-than-not recognition threshold, we presume that the appropriate taxing authority that has full knowledge of all relevant information will examine the position. Tax positions that meet the more-likely-than-not recognition threshold are measured to determine the amount of tax benefit to recognize in the financial statements. The tax position is measured at the largest amount of benefit that is greater than 50 percent likely of being realized upon ultimate settlement. Differences between tax positions taken in a tax return and amounts recognized in the financial statements will generally result in one or more of the following: an increase in a liability for income taxes payable, a reduction of an income tax refund receivable, a reduction in a deferred tax asset, or an increase in a deferred tax liability. We review and adjust our liability for unrecognized tax benefits based on our best estimate and judgment given the facts, circumstances and information available at each reporting date. To the extent that the outcome of these tax positions is different from the amounts recorded, such differences may affect income tax expense and actual tax payments.

## RECENTLY ISSUED ACCOUNTING STANDARDS

Information regarding new accounting pronouncements is included in Note 1 — *Description of Business and Summary of Significant Accounting Policies*, to the Consolidated Financial Statements included in this Annual Report on Form 10-K.

## RESULTS OF OPERATIONS

We evaluate the performance of our operating business segments based primarily on income (loss) from operations. Accordingly, the income and expense line items below income (loss) from operations are only included in our discussion of the consolidated results of operations.

### Year Ended December 31, 2024 compared to Year Ended December 31, 2023

#### *Genie Retail Energy Segment*

(amounts in thousands)	Year ended December 31,		Change	
	2024	2023	\$	%
Revenues:				
Electricity . . . . .	\$ 350,514	\$ 350,779	\$ (265)	(0.1)%
Natural gas . . . . .	52,101	55,988	(3,887)	(6.9)
Others . . . . .	725	3,112	(2,387)	(76.7)
Total revenues . . . . .	403,340	409,879	(6,539)	(1.6)
Cost of revenues . . . . .	271,191	266,519	4,672	1.8
Gross profit . . . . .	132,149	143,360	(11,211)	(7.8)
Selling, general and administrative . . . . .	75,604	71,449	4,155	5.8
Income from operations . . . . .	\$ 56,545	\$ 71,911	\$ (15,366)	(21.4)

*Revenues.* GRE's electricity revenues slightly decreased in 2024 compared to 2023. The slight decrease in electricity revenues in 2024 compared to 2023 was the result of a decrease in average price charged to customers offset by an increase in electricity consumption. The average rate per kilowatt hour sold decreased by 3.0% in 2024 compared to 2023 due to general market conditions. Electricity consumption by GRE's REPs' customers increased by 3.0% in 2024 compared to 2023. The increase in electricity consumption reflected an increase in the average number of meters served, which increased by 4.8% in 2024 compared to 2023, partially offset by a 1.7% decrease in average electricity consumption per meter in 2024 compared to 2023. The increase in meters served was driven by strong customer acquisitions during 2024. Electricity consumption per meter decreased in 2024 compared to 2023 due to cooler than usual weather during the 2024 summer cooling season and standard fluctuations in customer consumption patterns.

GRE's natural gas revenues decreased in 2024 compared to 2023. The decrease in natural gas revenues in 2024 compared to 2023 was a result of decrease in the average revenue per therm sold partially offset by an increase in natural gas consumption. The average rate per therm sold decreased by 11.6% in 2024 compared to 2023. due to general market conditions. Natural gas consumption of GRE's REPs' customers increased by 5.3% in 2024 compared to 2023 due to a 7.0% increase in average meters served in 2024 compared to 2023 partially offset by a decrease in average consumption per meter in 2024 compared to 2023. The increase in meters served was driven by customer acquisition efforts during 2023 and continued through 2024.

Other revenues in 2024 included revenues from the sale of petroleum products in Israel up to May 2024 and customer termination fees from commercial customers.

The customer base for GRE's REPs as measured by meters serviced consisted of the following:

<u>(in thousands)</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>	<u>June 30, 2024</u>	<u>March 31, 2024</u>	<u>December 31, 2023</u>
Meters at end of quarter:					
Electricity customers. . . .	333	311	278	281	279
Natural gas customers. . . .	90	88	84	83	82
Total meters. . . . .	<u>423</u>	<u>399</u>	<u>362</u>	<u>364</u>	<u>361</u>

Gross meter acquisitions in 2024 were 326,000 compared to 316,000 in 2023. In the first quarter of 2023, we resumed customer acquisition activities using a variety of new and existing channels after a "strategic pause" implemented from the fourth quarter of 2021 through 2022. Gross meter acquisitions in 2024 increased compared to 2023 primarily due to a customer aggregation deal that started in September 2024. In 2024, customer acquisition efforts were conducted at a historically normalized level.

The number of meters served on December 31, 2024 increased by 62,000 meters or 17.2% from December 31, 2023. The increase in the number of meters served at December 31, 2024 compared to December 31, 2023 was due to a significant aggregation deal that started in September 2024.

In 2024, average monthly churn increased to 5.4% compared to 4.9% in 2023, as a result of higher churn rates related to newly acquired customers.

The average rates of annualized energy consumption, as measured by residential customer equivalents, or RCEs, are presented in the chart below. An RCE represents a natural gas customer with annual consumption of 100 mmbtu or an electricity customer with annual consumption of 10 MWh. Because different customers have different rates of energy consumption, RCEs are an industry standard metric for evaluating the consumption profile of a given retail customer base.

<u>(in thousands)</u>	<u>December 31, 2024</u>	<u>September 30, 2024</u>	<u>June 30, 2024</u>	<u>March 31, 2024</u>	<u>December 31, 2023</u>
RCEs at end of quarter:					
Electricity customers. . . .	319	301	267	267	272
Natural gas customers. . . .	80	79	78	81	88
Total RCEs . . . . .	<u>399</u>	<u>380</u>	<u>345</u>	<u>348</u>	<u>360</u>

RCEs increased by 10.8% at December 31, 2024 compared to December 31, 2023. The increase is due to the customer acquisition activities discussed above.

*Cost of Revenues and Gross Margin Percentage.* GRE's cost of revenues and gross margin percentage were as follows:

(amounts in thousands)	Year ended December 31,		Change	
	2024	2023	\$	%
Cost of revenues:				
Electricity . . . . .	\$ 238,054	\$ 218,631	\$ 19,423	8.9%
Natural gas . . . . .	32,471	45,205	(12,734)	(28.2)
Others . . . . .	665	2,683	(2,018)	(75.2)
Total cost of revenues . . . . .	<u>\$ 271,190</u>	<u>\$ 266,519</u>	<u>\$ 4,671</u>	<u>1.8%</u>

nm — not meaningful

	Year ended December 31,		Change
	2024	2023	
Gross margin percentage:			
Electricity . . . . .	32.1%	37.7%	(5.6)%
Natural gas . . . . .	37.7%	19.3%	18.4%
Others . . . . .	8.3%	13.8%	(5.5)%
Total gross margin percentage . . . . .	<u>32.8%</u>	<u>35.0%</u>	<u>(2.2)%</u>

Cost of revenues for electricity increased in 2024 compared to 2023 primarily because of increases in the average unit cost of electricity and electricity consumption. The average unit cost of electricity increased by 5.7% in 2024 compared to 2023 due to higher wholesale prices of electricity during 2024 compared to 2023. Electricity consumption by GRE's REPs' customers increased by 3.0% in 2024 compared to 2023. The gross margin on electricity decreased in 2024 compared to 2023, because the average cost of electricity increased while the rates charged to customers decreased.

Cost of revenues for natural gas decreased in 2024 compared to 2023 primarily because of a decrease in the average unit cost of natural gas partially offset by a decrease in total natural gas consumption. The average unit cost of natural gas decreased 31.8% in 2024 compared to 2023 due to a decrease in the average wholesale price of natural gas during 2024 compared to 2023. Natural gas consumption by GRE's REPs' customers decreased by 5.3% in 2024 compared to 2023. Gross margin on natural gas sales increased in 2024 compared to 2023 because the average unit cost of natural gas decreased more than the decrease in the average rate charged to customers.

The cost of other revenues in 2024 included the cost of petroleum products sold in Israel.

*Selling, General and Administrative.* The increase in selling, general and administrative expenses in 2024 compared to 2023 was primarily due to increases in marketing and customer acquisition costs, employee-related costs, billing and POR program fees and management fees. Marketing and customer acquisition expenses increased by \$1.3 million in 2024 compared to 2023 as a result of an increase in the number of meters acquired during 2024. Employee-related expenses increased by \$0.5 million in 2024 compared to 2023 primarily due to an increase in the number of employees and commissions earned by employees from commercial sales. Billing and POR program fees and regulatory fees increased by \$1.9 million in 2024 compared to 2023 as a result of changes in rates implemented by several utilities. Management fees increased by \$0.6 million in 2024 compared to 2023 as a result of a favorable results at GRE's Mirabito business unit. As a percentage of GRE's total revenues, selling, general and administrative expenses increased to 18.7% in 2024 from 17.4% in 2023.

### **Genie Renewables**

The GREW (formerly GES) segment is composed of Genie Solar, CityCom Solar and Diversegy. Genie Solar is an integrated solar energy company that develops, constructs and operates utility-scale solar energy projects. CityCom Solar is a marketer of community solar and alternative products and services complementary to our energy offerings. Diversegy is a provider of energy procurement advisory services to industrial, commercial and municipal customers.

On November 3, 2023, Genie Solar acquired ten special-purpose entities that own and operate solar system facilities in Ohio and Michigan for an aggregate purchase price of \$7.5 million. On November 3, 2023, Genie Solar also signed an agreement to purchase from the sellers of the Ohio and Michigan facilities another special purpose entity that owns and operates a solar system facility in Indiana, for \$1.3 million, subject to the satisfaction of certain closing conditions. In February 2024, the purchase of the solar system facility in Indiana was completed.

The acquisitions have been accounted for as asset acquisitions with a total purchase price of \$9.0 million, including \$0.2 million of direct transaction cost allocated to solar arrays assets included in the property and equipment account in our consolidated balance sheets.

The Company recorded revenue from the solar array acquisitions of approximately \$1.2 million and \$0.1 million in its consolidated statements of operations and comprehensive income for the year ended December 31, 2024 and 2023.

(amounts in thousands)	Year Ended December 31,		Change	
	2024	2023	\$	%
Revenue . . . . .	\$ 21,862	\$ 18,829	\$ 3,033	16.1%
Cost of revenue . . . . .	15,528	15,983	(455)	(2.8)
Gross profit . . . . .	6,334	2,846	3,488	122.6
Selling, general and administrative expenses . . . . .	9,124	8,635	489	5.7
Impairment of assets . . . . .	185	—	185	nm
Loss from operations . . . . .	\$ (2,975)	\$ (5,789)	\$ 2,814	(48.6)%

nm — not meaningful

*Revenue.* GREW's revenues increased in 2024 compared to 2023. The increase in revenues were the result of increased revenues generated by Diversegy that includes commissions, entry fees and other fees revenue, contributions from the portfolio of operating solar projects at Genie Solar and revenues from the development of solar projects for customers from Genie Solar, partially offset by a decrease in revenues from commissions from selling alternative products and services to customers by CityCom Solar.

*Cost of Revenue.* The variations in the cost of revenues in 2024 compared to 2023 are due to changes in the mix of products from which the revenues were generated during the periods. In the first quarter of 2024, we recorded a \$0.4 million charge to the cost of revenues of Genie Solar to write down the carrying value of solar panel inventories to the estimated net realizable value.

*Selling, General and Administrative.* Selling, general and administrative expenses increased in 2024 compared to 2023 primarily due to increases in headcount in Genie Solar and Diversegy, consulting fees, warehousing costs at Genie Solar and depreciation from the solar arrays acquired by Genie Solar in November 2023 and February 2024.

*Impairment of assets.* The impairment of assets recorded in 2024 relates to capitalized cost at Genie Solar for solar projects that were discontinued in the 2024.

### Corporate

As discussed above, the remaining accounts of GRE International were transferred to corporate starting in the third quarter of 2022 (when GRE International ceased being treated as a separate segment). Entities under corporate do not generate any revenues, nor does it incur any cost of revenues. Corporate costs include unallocated compensation, consulting fees, legal fees, business development expenses and other corporate-related general and administrative expenses.

(amounts in thousands)	Year Ended December 31,		Change	
	2024	2023	\$	%
General and administrative expenses . . . . .	\$ 8,668	\$ 11,025	\$ (2,357)	(21.4)%
Provision for captive insurance liabilities . . . . .	33,612	45,088	(11,476)	(25.5)
Loss from operations . . . . .	\$ (42,280)	\$ (56,113)	\$ 13,833	(24.7)

The increase in Corporate general and administrative expenses in 2024 compared to 2023 was primarily because of decreases in employee-related cost and professional and consulting fees. As a percentage of our consolidated revenues, corporate general and administrative expenses decreased from 2.6% in 2023 to 2.0% in 2024.

In December 2023, we established a wholly-owned captive insurance subsidiary (the “Captive”) with the primary purpose of enhancing our risk financing strategies. The Captive insures against certain risks unique to our operations for which insurance may not be currently available or economically feasible in today’s insurance marketplace. The covered risks are both current and related to historical business activities.

In the fourth quarter of 2024, we expanded our self-insurance risk management strategy to cover additional risk related to its current and historical business operations. The coverage is being provided on an occurrence basis, with an initial policy that reflects 1) exposure, for occurrences in the year prior to implementation, to claims made subsequent to program inception, to the extent recoveries were still possible under relevant statutes of limitation, and 2) exposure for annual periods commencing with implementation of the program.

With input from external experts, we estimated the expected ultimate cost of: 1) claims defense cost, settlements and penalties resulting from insured risk, and 2) stranded risk which includes economic losses due to regulatory restrictions or unanticipated reduction of demand, as well as the level cost associated with contesting such restrictions. In assessing the loss contingency, we estimated the severity and frequency of expected losses based on our activities. A range of margins was selected so that the cumulative expenses plus risk of losses over a given number of years equal the expected magnitude. This produced a range of annual premium options for the protective period. The contribution of a priori expected plus risk margin losses from each of these periods is multiplied by a current remaining probability factor, which recognizes the relative likelihood that a claim will still be brought subsequent to program inception. These are added together to obtain estimated required reserves and required premiums (net of expenses) at program inception-related exposure prior to program inception.

The amount of the expected loss liability for each risk is based on an analysis performed by a third-party actuary which assumed historical patterns. The key assumptions used in developing these estimates are subject to variability.

In 2024 and 2023, we paid premiums of \$39.6 million and \$51.2 million, respectively, to the Captive which amounts are included in restricted cash in our consolidated balance sheets as of December 31, 2024 and 2023. The Captive must maintain a sufficient level of cash to fund future reserve payments and secure the Captive’s liabilities, particularly those related to the insured risks. We also recognized \$33.6 million and \$45.1 million provisions for captive insurance liability for 2024 and 2023, respectively, related to the Captive’s exposure for the insured risks.

#### *Consolidated*

*Selling, General and Administrative.* Stock-based compensation expense included in consolidated selling, general and administrative expenses was \$2.3 million and \$2.8 million in 2024 and 2023, respectively. At December 31, 2024, aggregate unrecognized compensation cost related to non-vested stock-based compensation was \$5.9 million. The unrecognized compensation cost expected to be recognized over the average service period of 2.5 years.

As a percentage of our consolidated revenues, selling, general and administrative expenses increased from 21.3% in 2023 to 22.0% in 2024.

The following is a discussion of our consolidated income and expense line items below loss from operations.

(amounts in thousands)	Year Ended December 31,		Change	
	2024	2023	\$	%
Income from operations . . . . .	\$ 11,290	\$ 10,009	\$ 1,281	12.8%
Interest income . . . . .	7,072	5,076	1,996	39.3
Interest expense. . . . .	(464)	(99)	(365)	(368.7)
Gain on marketable equity securities and investments. . . . .	351	478	(127)	26.6
Other income, net . . . . .	1,620	2,644	(1,024)	(38.7)
Provision for income taxes . . . . .	(4,667)	(4,239)	(428)	(10.1)
Net income from continuing operations . . .	15,202	13,869	1,333	9.6
(Loss) income from discontinued operations, net of tax. . . . .	(2,907)	6,409	(9,316)	145.4
Net income . . . . .	12,295	20,278	(7,983)	(39.4)
Net loss (income) attributable to noncontrolling interests. . . . .	293	(740)	1,033	(139.6)
Net income attributable to Genie Energy Ltd. . . . .	\$ 12,588	\$ 19,538	\$ (6,950)	(35.6)%

*Interest income.* Interest income increased in 2024, compared to 2023 primarily due to increases in average cash, cash equivalents and restricted cash during the period and significant increases in average effective interest rates on those balances.

*Gain on Marketable Equity Securities and Investments.* The gain on marketable equity securities and investment for the year ended December 31, 2024 pertains to the change in fair value of the Company's investments various entities.

*Other income, net.* Other income, net in 2024 consisted primarily of foreign currency transactions and equity in net loss in equity method investees. Other income (loss) income, net, consisted of a one-time tax credit related to payroll taxes incurred in prior years, foreign currency transactions and equity in net loss in equity method investees.

*Provision for Income Taxes.* The decrease in provision for income tax in 2024 compared to 2023 is primarily due to decreases in the amount of taxable income in the various taxing jurisdictions. Income before income taxes increased to \$19.9 million in 2024 compared to \$18.1 million in 2023.

*(Loss) income from discontinued operations, net of tax.* Loss from discontinued operations, net of tax in the year ended December 31, 2024 is mainly from an estimated loss resulting from legal cases filed by the Lumo Administrator, as discussed above, partially offset by provision for taxes and foreign exchange differences in Lumo Sweden. Income from discontinued operations, net of tax in year ended December 31, 2023 is mainly from an increase in the estimated value of our investments in Orbit and foreign exchange differences in Lumo Sweden.

*Net Loss (Income) Attributable to Noncontrolling Interests.* Net loss attributable to noncontrolling interests for the year ended December 31, 2024 primarily consist2 of net income from Citizens Choice ("CCE") partially offset by losses incurred in various businesses in Renewables segments. Net income attributable to noncontrolling interests for the year ended December 31, 2023 primarily consists of net income from CCE and various businesses in Renewables segments.

**Year Ended December 31, 2023 compared to Year Ended December 31, 2022**

(amounts in thousands)	Year Ended December 31,		Change	
	2023	2022	\$	%
Revenues:				
Electricity . . . . .	350,779	241,828	108,951	45.1
Natural gas . . . . .	55,988	62,144	(6,156)	(9.9)
Others . . . . .	3,112	—	3,112	—
Total revenues . . . . .	409,879	303,972	105,907	34.8
Cost of revenues . . . . .	266,519	150,990	115,529	76.5
Gross profit . . . . .	143,360	152,982	(9,622)	(6.3)
Selling, general and administrative . . .	71,449	60,425	11,024	18.2
Income from operations . . . . .	71,911	92,557	(20,646)	(22.3)

nm — not meaningful

*Revenues.* GRE’s electricity revenues increased in 2023 compared to 2022. The increase in electricity revenues in 2023 compared to 2022 was the result of an increase in electricity consumption partially offset by a decrease in the average price charged to customers. Electricity consumption by GRE’s REPs’ customers increased by 47.8% in 2023 compared to 2022. The increase in electricity consumption reflected an increase in the average number of meters served, which increased by 41.7% in 2023 compared to 2022 and a 4.3% increase in average electricity consumption per meter in 2023 compared to 2022. The increase in meters served was driven by strong customer acquisitions during 2023, while customer acquisition efforts had been reduced during 2022. Electricity consumption per meter increased in 2023 due to warmer weather conditions in our service areas compared to 2022. The average rate per kilowatt hour sold decreased by 1.9% in 2023 compared to 2022. The decrease in the average rate per kilowatt hour sold is due to a decrease in the average wholesale price of electricity in 2023 compared to 2022.

GRE’s natural gas revenues decreased in 2023 compared to 2022. The decrease in natural gas revenues in 2023 compared to 2022 was a result of decreases in natural gas consumption and the average revenue per therm sold. Natural gas consumption of GRE’s REPs customers decreased by 0.4% in 2023 compared to 2022. Average consumption per meter decreased by 6.6% in 2023 compared to 2022 while the average meters served increased by 6.6% in 2023 compared to 2022. The average rate per therm sold decreased by 9.5% in 2023 compared to 2022. The decrease in the average revenue per therm sold is due to the decrease in the average wholesale price of natural gas in 2023 compared to 2022.

Other revenues in 2023 included revenues from the sale of petroleum products in Israel.

The customer base for GRE’s REPs as measured by meters serviced consisted of the following:

(in thousands)	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023	December 31, 2022
RCEs at end of quarter:					
Electricity customers . . .	279	304	301	271	196
Natural gas customers . . .	82	81	80	78	79
Total RCEs . . . . .	361	385	381	349	275

Gross meter acquisitions in 2023 were 316,000 compared to 159,000 in 2022. The number of meters served on December 31, 2023 increased by 86,000 meters or 31.3% from December 31, 2022. The increase in the gross meter acquisitions for the year ended December 31, 2023 compared to 2022 was due to a “strategic pause” on certain customer acquisition channels that started in the fourth quarter of 2021 and continued through 2022. In the first quarter of 2023, we resumed customer acquisition activities using a variety of new and existing channels.

In 2023, average monthly churn slightly increased to 4.9% compared to 4.8% in 2022.

The average rates of annualized energy consumption, as measured by residential customer equivalents, or RCEs, are presented in the chart below. An RCE represents a natural gas customer with annual consumption of 100 mmbtu or an electricity customer with annual consumption of 10 MWh. Because different customers have different rates of energy consumption, RCEs are an industry standard metric for evaluating the consumption profile of a given retail customer base.

<b>(in thousands)</b>	<b>December 31, 2023</b>	<b>September 30, 2023</b>	<b>June 30, 2023</b>	<b>March 31, 2023</b>	<b>December 31, 2022</b>
RCEs at end of quarter:					
Electricity customers . . . . .	272	298	304	276	181
Natural gas customers . . . . .	78	77	76	77	81
Total RCEs . . . . .	<u>350</u>	<u>375</u>	<u>380</u>	<u>353</u>	<u>262</u>

RCEs increased by 33.6% at December 31, 2023 compared to December 31, 2022. The increase is due to the resumption of customer acquisition activities in 2023 as discussed above.

*Cost of Revenues and Gross Margin Percentage.* GRE's cost of revenues and gross margin percentage were as follows:

<b>(amounts in thousands)</b>	<b>Year ended December 31,</b>		<b>Change</b>	
	<b>2023</b>	<b>2022</b>	<b>\$</b>	<b>%</b>
Cost of revenues:				
Electricity . . . . .	\$ 218,631	\$ 106,382	\$ 112,249	105.5%
Natural gas . . . . .	45,205	44,608	597	1.3
Others . . . . .	2,683	—	2,683	nm
Total cost of revenues . . . . .	<u>\$ 266,519</u>	<u>\$ 150,990</u>	<u>\$ 115,529</u>	<u>76.5%</u>

nm — not meaningful

	<b>Year ended December 31,</b>		<b>Change</b>
	<b>2023</b>	<b>2022</b>	
Gross margin percentage:			
Electricity . . . . .	37.7%	56.0%	(18.3)
Natural gas . . . . .	19.3%	28.2%	(9.0)
Others . . . . .	13.8%	—	13.8%
Total gross margin percentage . . . . .	<u>35.0%</u>	<u>50.3%</u>	<u>(15.4)</u>

Cost of revenues for electricity increased in 2023 compared to 2022 primarily because of increases in electricity consumption and the average unit cost of electricity. The average unit cost of electricity increased by 39.0% in 2023 compared to 2022 due to loss recognized from derivatives in 2023 from the fluctuation of the wholesale price of electricity, while we recognized a significant gain from derivatives in 2022. Electricity consumption by GRE's REPs' customers increased by 47.8% in 2023 compared to 2022. The gross margin on electricity decreased in 2023 compared to 2022, because the average cost of electricity increased while the rate charged to customers decreased. While the average unit cost of electricity decreased in 2023 compared to 2022, the cost of revenue in 2022 was reduced by the favorable results of hedges.

Cost of revenues for natural gas increased in 2023 compared to 2022 primarily because of an increase in the average unit cost of natural gas partially offset by a decrease in total natural gas consumption. The average unit cost of natural gas increased 1.3% in 2023 compared to 2022. Natural gas consumption by GRE's REPs' customers decreased by 0.4% in 2023 compared to 2022. Gross margin on natural gas sales decreased in 2023 compared to 2022 because the average unit cost of natural gas increased while the average rate charged to customers decreased.

The cost of other revenues in 2023 included the cost of petroleum products sold in Israel.

*Selling, General and Administrative.* The increase in selling, general and administrative expenses in 2023 compared to 2022 was primarily due to increases in marketing and customer acquisition costs and employee-related costs partially offset by a decrease in legal settlement costs. Marketing and customer acquisition expenses increased by \$6.1 million in 2023 compared to 2022 as a result of an increase in the number of meters

acquired. Employee-related expenses increased by \$2.2 million in 2023 compared to 2022 primarily due to an increase in the number of employees, commissions earned by employees from commercial sales and share based compensation expenses. Processing and regulatory fees increased by \$1.9 million in 2023 compared to 2022 as a result of a higher level of activities from an increase in the number of meters. We also paid \$0.5 million in legal fees and settlements in Connecticut in 2023. No legal settlements were paid in 2022. As a percentage of GRE's total revenues, selling, general and administrative expenses decreased to 17.4% in 2023 from 19.9% in 2022.

### **Genie Renewables**

On November 3, 2023, the Company acquired ten special-purpose entities that own and operate solar system facilities in Ohio and Michigan for an aggregate purchase price of \$7.5 million. The acquisition is accounted for as an asset acquisition and recognized \$7.7 million, including \$0.2 million of direct transaction cost to solar arrays assets included in the property and equipment account in the consolidated balance sheet.

The Company recorded revenue from the solar array acquisitions of approximately \$0.1 million in its consolidated statements of operations and comprehensive income for the year ended December 31, 2023.

(amounts in thousands)	Year Ended December 31,		Change	
	2023	2022	\$	%
Revenue . . . . .	\$ 18,829	\$ 11,567	\$ 7,262	62.8%
Cost of revenue . . . . .	15,983	9,767	6,216	63.6
Gross profit . . . . .	2,846	1,800	1,046	58.1
Selling, general and administrative expenses . . . . .	8,635	5,328	3,307	62.1
Loss from operations . . . . .	\$ (5,789)	\$ (3,528)	\$ (2,261)	64.1%

*Revenue.* GREW's revenues increased in 2023 compared to 2022. The increases in revenues were the result of increases in revenues from commissions from selling third-party products to customers by CityCom Solar and revenues from Diversegy that includes commissions, entry fees and other fees from our energy procurement and marketing services businesses.

*Cost of Revenue.* The variations in the cost of revenues in 2023 compared to 2022 are consistent with the variations in revenues of CityCom Solar and Diversegy. In 2023, we recorded a \$1.1 million charge to the cost of revenues of Genie Solar to write down the carrying value of solar panel inventories to the estimated net realizable value.

*Selling, General and Administrative.* Selling, general and administrative expenses increased in 2023 compared to 2022 primarily due to increases in headcount in Genie Solar and Diversegy and consulting fees and warehousing costs at Genie Solar.

### **Corporate**

As discussed above, the remaining accounts of GRE International were transferred to corporate starting in the third quarter of 2022. Entities under corporate do not generate any revenues, nor does it incur any cost of revenues. Corporate costs include unallocated compensation, consulting fees, legal fees, business development expense and other corporate-related general and administrative expenses.

(amounts in thousands)	Year Ended December 31,		Change	
	2023	2022	\$	%
General and administrative expenses . . . . .	\$ 11,025	\$ 9,209	\$ 1,816	19.7%
Provision for captive insurance liability . . . . .	45,088	—	45,088	100.0
Impairment of assets . . . . .	—	2,066	(2,066)	(100.0)
Loss from operations . . . . .	\$ (56,113)	\$ (11,275)	\$ (44,838)	397.7

The increase in Corporate general and administrative expenses in 2023 compared to 2022 was primarily due increases in employee related cost and stock-based compensation expenses. As a percentage of our consolidated revenues, corporate general and administrative expenses slightly decreased from 2.9% in 2022 to 2.6% in 2023.

In December 2023, we established a wholly-owned captive insurance subsidiary (the “Captive”) with the primary purpose of enhancing our risk financing strategies. In December 2023, we paid \$51.2 million premiums to Captive, which amount is included in restricted cash in our consolidated balance sheet as of December 31, 2023. The Captive must maintain a sufficient level of cash to fund future reserve payment and secure the insurer’s liabilities, particularly those related to the insured risks. We also recognized a \$45.1 million provision for captive insurance liability for the year ended December 31, 2023 related to Captive’s exposure for the insured risks.

In December 2022, the Company suspended the development of business operations of Petrocycle, Ltd. (“Petrocycle”), a pre-operating entity engaged in the development of a process to recycle used engine oil into usable gasoline, after it was determined that the current operations will not meet the expected results. Petrocycle provided full impairment of its property and equipment and notes and other receivables from its minority interest partner for an aggregate amount of \$2.1 million.

*Consolidated*

*Selling, General and Administrative.* Stock-based compensation expense included in consolidated selling, general and administrative expenses were \$2.8 million and \$3.0 million in 2023 and 2022, respectively. At December 31, 2023, aggregate unrecognized compensation cost related to non-vested stock-based compensation was \$1.2 million. The unrecognized compensation cost expected to be recognized over the average service period of 0.9 years.

As a percentage of our consolidated revenues, selling, general and administrative expenses decreased from 23.8% in 2022 to 21.3% in 2023.

The following is a discussion of our consolidated income and expense line items below loss from operations.

(amounts in thousands)	Year Ended December 31,		Change	
	2023	2022	\$	%
Income from operations . . . . .	\$ 10,009	\$ 77,754	\$ (67,745)	(87.1)%
Interest income . . . . .	5,076	835	4,241	507.9
Interest expense . . . . .	(99)	(129)	30	(23.3)
Gain (loss) on marketable equity securities and investments . . . . .	478	(417)	895	(214.6)
Other income, net . . . . .	2,644	(520)	3,164	(608.5)
Provision for income taxes . . . . .	(4,239)	(21,037)	16,798	(79.8)
Net income from continuing operations . . . . .	13,869	56,486	(42,617)	(75.4)
Income from discontinued operations, net of tax . . . . .	6,409	30,445	(24,036)	(78.9)
Net income . . . . .	20,278	86,931	(66,653)	(76.7)
Net (income) loss attributable to noncontrolling interests . . . . .	(740)	874	(1,614)	(184.7)
Net income attributable to Genie Energy Ltd. . . . .	\$ 19,538	\$ 87,805	\$ (68,267)	(77.7)%

nm — not meaningful

*Interest income.* Interest income increased in year ended December 31, 2023, compared to the same period in 2022 primarily due to increases in average cash, cash equivalents and restricted cash during the period and significant increases in average effective interest rates on those balances.

*Gain (loss) on Marketable Equity Securities and Investments.* The gain on marketable equity securities and investment for the year ended December 31, 2023 pertains to the change in fair value of the Company’s investments various entities including investments in common stock of Rafael Holdings, Inc. (“Rafael”) which the Company acquired in December 2020.

*Other income (loss), net.* Other income (loss), net in the year ended December 31, 2023 consisted primarily of on-time tax credit related to payroll taxes incurred in prior years.

*Provision for Income Taxes.* The decrease in provision for income tax in 2023 compared to 2022 is primarily due to decreases in the amount of taxable income in the various taxing jurisdictions. Income before income taxes decreased to \$18.1 million in 2023 compared to \$77.5 million in 2022.

*Net (Income) Loss Attributable to Noncontrolling Interests.* Net income attributable to noncontrolling interests for the year ended December 31, 2023 is primarily consist of net income from Citizens Choice (“CCE”) partially offset by losses incurred in various businesses in Renewables segments. Net loss attributable to noncontrolling interests for the year ended December 31, 2022 primarily consists of net losses from CCE and various businesses in Renewables segments.

*Income from discontinued operations, net of tax.* Income from discontinued operations, net of tax in year ended December 31, 2023 is mainly from an increase in the estimated value of our investments in Orbit and foreign exchange differences in Lumo Sweden. Income from discontinued operations, net of tax in the year ended December 31, 2022 is mainly due to result of operations of Lumo Finland and Lumo Sweden.

## LIQUIDITY AND CAPITAL RESOURCES

### General

We currently expect that our cash flows from operations in the next twelve months and the \$104.5 million balance of unrestricted cash and cash equivalents that we held at December 31, 2024 will be sufficient to meet our currently anticipated cash requirements for at least the period ending March 14, 2026.

At December 31, 2024, we had working capital (current assets less current liabilities) of \$117.6 million.

(amounts in thousands)	Year ended December 31,		
	2024	2023	2022
<b>Cash flows provided by (used in):</b>			
Operating activities . . . . .	\$ 60,261	\$ 50,938	\$ 66,004
Investing activities . . . . .	(16,037)	(10,005)	(5,234)
Financing activities . . . . .	(15,750)	(15,157)	(25,523)
Effect of exchange rate changes on cash, cash equivalents and cash equivalents . . . . .	7	(60)	17
Increase in cash, cash equivalents and restricted cash from continuing operations . . . . .	28,481	25,716	35,264
Cash flows provided by (used in) discontinued operations . . . . .	10,481	35,185	(29,408)
<b>Increase in cash, cash equivalents and restricted cash . . . . .</b>	<b>\$ 38,962</b>	<b>\$ 60,901</b>	<b>\$ 5,856</b>

### Operating Activities

Cash, cash equivalents and restricted cash provided by continuing operating activities were \$60.3 million, \$50.9 million and \$66.0 million in the years ended December 31, 2024, 2023 and 2022, respectively. Net income from continuing operations after non-cash adjustments increased to \$52.4 million in 2024 compared to \$67.3 million in 2023 and 64.3 in 2022.

Our cash flow from operations varies significantly from quarter to quarter and from year to year, depending on our operating results and the timing of operating cash receipts and payments, specifically trade accounts receivable and trade accounts payable. Changes in working capital increased cash flows by \$23.1 million for 2024, compared to 2023 and decreased by \$19.8 million for 2023, compared to 2022. Changes in other assets increased cash flows by \$1.2 million for 2024 compared to \$1.7 million increase in 2023 compared to 2022.

Certain of GRE’s REPs are party to an Amended and Restated Preferred Supplier Agreement with BP, which is to be in effect through November 30, 2023. Under the agreement, the REPs purchase electricity and natural gas at market rate plus a fee. The obligations to BP are secured by a first security interest in deposits or receivables from utilities in connection with their purchase of the REP’s customer’s receivables, and in any cash deposits or letters of credit posted in connection with any collateral accounts with BP. The ability to purchase electricity and natural gas under this agreement is subject to satisfaction of certain conditions including the maintenance of certain

covenants. At December 31, 2024, we were in compliance with such covenants. At December 31, 2024, restricted cash — short-term of \$1.1 million and trade accounts receivable of \$68.8 million were pledged to BP as collateral for the payment of trade accounts payable to BP of \$24.2 million at December 31, 2024.

We had purchase commitments of \$134.7 million at December 31, 2024, of which \$123.0 million was for purchases of electricity.

As discussed above, in December 2023, we established the Captive insurance company and, in 2024, expanded provided by the Captive. At December 31, 2024, the balance of short-term and long-term restricted of the Captive are \$18.8 million and \$69.6 million, respectively. We also recognized \$33.6 million and \$45.1 million provision for captive insurance liability for the years ended December 31, 2024 and 2023, related to the Captive's exposure for the insured risks. At December 31, 2024, the current and noncurrent captive insurance liabilities were \$9.1 million and \$69.6 million, respectively. The amount of the expected loss liability for each risk is based on an analysis performed by a third-party actuary which assumed historical patterns. The key assumptions used in developing these estimates are subject to variability.

We are a lessee under operating lease agreements primarily for office space in locations where we operate and for our solar development projects with lease periods expiring between 2024 and 2052. Our future lease payments under the operating leases as of December 31, 2024 were 3.6 million.

GRE has performance bonds issued through a third party for the benefit of certain utility companies and for various states in order to comply with the states' financial requirements for retail energy providers. At December 31, 2024, we had outstanding aggregate performance bonds of \$27.5 million and a minimal amount of unused letters of credit.

From time to time, we receive inquiries or requests for information or materials from public utility commissions or other governmental regulatory or law enforcement agencies related to investigations under statutory or regulatory schemes, and we respond to those inquiries or requests. We cannot predict whether any of those matters will lead to claims or enforcement actions.

#### *Investing Activities*

Our capital expenditures were \$6.7 million, \$1.4 million and \$1.0 million in 2024, 2023 and 2022, respectively. The increase in capital expenditures in 2024 compared to 2023 is due to construction in progress in Genie Solar. In the year ended December 31, 2024, we transferred solar panels with carrying value of \$1.0 million that are intended to be used in Genie Solar projects from inventories to construction in progress. We currently anticipate that our total capital expenditures in the year ending December 31, 2025 will be between \$10.0 million and \$20.0 million mostly related to the solar projects at GREW.

On November 3, 2023, we acquired ten special-purpose entities that own and operate solar system facilities in Ohio and Michigan for an aggregate purchase price of \$7.5 million. The acquisition has been accounted for as an asset acquisition with a total purchase price of \$7.7 million, including \$0.2 million of direct transaction cost allocated to solar arrays assets included in the property and equipment account in our consolidated balance sheets.

On November 3, 2023, we also signed an agreement to purchase from the sellers of the Ohio and Michigan facilities another special purpose entity that owns and operates a solar system facility in Indiana, for \$1.3 million, subject to the satisfaction of certain closing conditions. In February 2024, the purchase of the solar system facility in Indiana was completed after the closing conditions were met. The acquisition has been accounted for as asset acquisitions and we recorded \$1.3 million to solar arrays assets included in the property and equipment account in the consolidated balance sheet.

In February 2024, we purchased from a certain investor 0.5% interest in Genie Energy International Corporation ("GEIC"), which holds our interest in our operating subsidiaries for \$1.2 million. Following this transaction, GEIC is a wholly owned subsidiary of the Company.

In July 2024, the Company acquired an investment property with an aggregate cost of \$3.6 million. The investment property was acquired through a subsidiary in which the Company holds a 51.0% interest with the remaining 49.0% held by Howard Jonas, the Chairman of our Board of Directors. The Company paid \$1.8 million to the seller and made a note payable to the seller for \$1.8 million, payable in full on February 1, 2026. The note payable carries a 5.0% interest rate payable in full on February 1, 2026. In the third quarter of 2024, Howard Jonas, reimbursed

the Company \$0.9 million, representing the purchase price for his 49.0% share in the investment property and is included in the noncontrolling interest in our consolidated balance sheets. At December 31, 2024, \$3.6 million was outstanding under the note payable with an effective interest rate of 5.0%.

In 2024, 2023 and 2022, we acquired minimal interests in various ventures for an aggregate amount of investments of \$6.1 million, \$11.0 million and \$2.7 million, respectively.

In 2020 and 2021, we invested an aggregate of \$6.0 million for 261,984 shares of Class B common stock of Rafael. Rafael, a publicly-traded company and a related party. In the year ended December 31, 2024, we sold 195,501 shares of Class B common stock of Rafael for \$0.3 million. In the year ended December 31, 2023, we acquired 150,001 shares of Class B common stock of Rafael for \$0.3 million. We do not exercise significant influence over the operating or financial policies of Rafael. At December 31, 2024, the carrying value of the remaining investments in the Class B common stock of Rafael was \$0.4 million.

In the first quarter of 2023, we invested \$4.6 million to purchase the common stock of a publicly-traded company which we sold for \$3.9 million during the third quarter of 2023.

In 2023, we invested \$4.4 million to purchase investments in total return swap which we sold for \$5.5 million during the same period.

On February 21, 2022, we entered into a Loan and Security Agreement to extend up to 5.5 million New Israel Shekel, or NIS (equivalent to \$1.5 million as at December 31, 2022) with Natan Ohayon (the "Ohayon Loan"). Natan Ohayon holds a minority interest in (Petrocycle Ltd ("Petrocycle"), a subsidiary of the Company. Petrocycle is a pre-operating entity engaged in the development of a process to recycle used engine oil into usable gasoline. The Ohayon Loan, which is secured by all assets that Mr. Ohayon acquired using the proceeds of the loan bears a minimum interest as set by the Income Tax Regulations of Israel (3.23% in 2022) and is due, together with the principal amount on or before December 31, 2024. In December 2022, the Company suspended the development of business operations of Petrocycle after it was determined that the current operations will not meet the expected results. Petrocycle fully impaired its property and equipment and notes and other receivables from its minority interest partner for an aggregate amount of \$2.1 million.

#### *Financing Activities*

In each of the years ended December 31, 2024, 2023 and 2022, we paid dividends of \$0.30 per share to holders of our Class A common stock and Class B common stock. We paid common stock dividends in an aggregate amount of \$8.2 million, \$8.0 million and \$7.7 million in the years ended December 31, 2024, 2023 and 2022, respectively.

In the year ended December 31, 2023, we paid Base Dividends of \$0.1594 per share on our Series 2012-A Preferred Stock or Preferred Stock. In the year ended December 31, 2022, we paid Base Dividends of \$0.1594 per share on our Series 2012-A Preferred Stock or Preferred Stock. In the year ended December 31, 2022 we accrued Additional Dividends on our Preferred Stock of \$0.5301 per share in respect of GRE's results of operations through December 31, 2022, which Additional Dividends we paid on May 15, 2023 to stockholders of record as of May 5, 2023. In the year ended December 31, 2022, we paid Base Dividends of \$0.3188 per share of our 2012-A Preferred Stock or Preferred Stock. We paid \$1.4 million and \$0.9 million in dividends on our Preferred Stock in the years ended December 31, 2023 and 2022, respectively.

On February 26, 2025, we paid a dividend of \$0.075 per share to holders of our Class A common Stock and Class B common stock to stockholders of record as of the close of business on February 18, 2025.

On March 11, 2013, our Board of Directors approved a program for the repurchase of up to an aggregate of 7.0 million shares of our Class B common stock. In the year ended December 31, 2024, we acquired 660,794 shares of Class B common stock under the stock purchase program for an aggregate amount of \$10.4 million. In the year ended December 31, 2023, we acquired 3,778 Class B common stock under the repurchase program for an aggregate amount of \$0.1 million. In the year ended December 31, 2022, we acquired 639,393 Class B common stock under the repurchase program for an aggregate amount of \$4.4 million. At December 31, 2024, 4.0 million shares remained available for repurchase under the stock repurchase program.

On February 7, 2022, the Board of Directors of the Company authorized a program to redeem, beginning, in the second quarter of 2022, up to \$1.0 million per quarter of our Preferred Stock at the liquidation preference of \$8.50 per share. In 2023 and 2022, we redeemed 983,385 and 1,339,341 shares of Preferred Stock at the liquidation preference of \$8.50 for an aggregate amount of \$11.4 million and \$ 8.4 million, respectively, and all outstanding shares of Preferred Stock were redeemed by the end of 2023. Following the redemption, there are no shares of Preferred Stock outstanding, all rights of Preferred Stockholders have terminated, and the Preferred Stock's ticker symbol, "GNEPRA", has been retired.

In the year ended December 31, 2024, 2023 and 2022 we paid \$3.6 million, \$2.9 million and \$0.6 million to repurchase shares, respectively, of our Class B common stock tendered by our employees to satisfy tax withholding obligations in connection with the lapsing of restrictions on awards of restricted stock. Such shares were repurchased by us based on their fair market value on the trading day immediately prior to the vesting date.

On November 18, 2024, our subsidiary, SUT Holdings, LLC entered into a Term Loan Agreement with National Cooperative Bank, N.A. ("NCB") for \$7.4 million (the "Term Loan"). The principal amount is payable in installments every January 1, July 1 and October 1 of each year starting on July 1, 2025. up to October 2031. Accrued interest on the unpaid balance is payable on each January 1, April 1, July 1 and October 1, calculated using the 3-Month Term Secured Overnight Financing Rate ("SOFR") published by CME Group Benchmark Administration plus a margin of 2.0% computed on the basis of actual number of days over 360 days. We paid NCB a nonrefundable commitment fee equal to 1.0% of the total principal amount equivalent to \$0.1 million. We have the right to prepay the Term Loan in whole or in part at any time as permitted under specific terms in the Term Loan Agreement. The Term Loan is secured by our operating solar systems located in Ohio, Indiana and Michigan. The Term Loan is subject to various financial and negative covenants and at December 31, 2024, we were in compliance with all such covenants. At December 31, 2024, there was \$7.4 million outstanding under the Term Loan at a weighted average interest rate of 6.5%. We also entered into a Cash Management Agreement with NCB to manage the cash flows of the operations of collateralized solar projects. The Cash Management Agreement also provided certain restriction on certain cash accounts specified in the agreements. At December 31, 2024, an aggregate of \$0.4 million are deposited in NCB and are subject to certain restrictions.

On November 2, 2023, we made a charitable donation to the Genie Energy Charitable Foundation (the "Genie Foundation") by issuing 50,000 shares of Class B common stock from its treasury with value of on the date of the donation of approximately \$1.0 million. On April 17, 2024, we repurchased 50,000 shares of Class B common stock from the Genie Foundation for \$0.8 million. The Company is the sole member of the Genie Foundation and the Company's Chief Executive Officer and Chief Financial Officer serve as members of the board of directors of the Genie Foundation.

In June 2023, several holders of warrants exercised those warrants to purchase 1,048,218 shares of Class B common stock warrants for \$5.0 million.

On December 13, 2018, we entered into a Credit Agreement with JPMorgan Chase Bank ("Credit Agreement"). On February 14, 2024, the Company entered into the third amendment of its existing Credit Agreement to extend the maturity date of December 31, 2024. The aggregate principal amount was retained at \$3.0 million credit line facility ("Credit Line"). The Company pays a commitment fee of 0.1% per annum on the unused portion of the Credit Line as specified in the Credit Agreement. The borrowed amounts will be in the form of letters of credit which will bear interest of 1.0% per annum. The Company will also pay a fee for each letter of credit that is issued equal to the greater of \$500 or 1.0% of the original maximum available amount of the letter of credit. We agreed to deposit cash in a money market account at JPMorgan Chase Bank as collateral for the line of credit equal to \$3.1 million. As of December 31, 2024, there are \$0.7 million in letters of credit from the Credit Line. At December 31, 2024, the cash collateral of \$4.2 million was included in restricted cash — short-term in the consolidated balance sheet.

#### *Cash flows from discontinued operations*

Cash provided by operating activities of discontinued operations was \$10.5 million, \$11.5 million and \$14.7 million in 2024, 2023 and 2022 respectively. The cash provided by operating activities of discontinued operations in the years ended December 31, 2024, 2023 and 2022 includes proceeds from the settlement of hedges of Lumo Sweden and favorable results of operations of Lumo Finland and Lumo Sweden in 2022. Net cash provided by investing activities of discontinued operations was \$23.6 million in the year ended December 31, 2023 from

the return of cash transferred to the Orbit Administrator in the prior year. The investing activities of discontinued operations in year ended December 31, 2022 is due to the transfer of cash proceeds from unwinding of the contract of Orbit with Shell to the Orbit Administrator in the first quarter of 2022 to settle its liabilities, net of cash received from the Orbit Administrator during the second half of 2022.

## **ENVIRONMENTAL MATTERS**

For information concerning climate change, see “Climate Change” in Item I.

### **Item 7A. Quantitative and Qualitative Disclosures about Market Risks.**

Our primary market risk exposure is the price applicable to our natural gas and electricity purchases and sales. The sales price of our natural gas and electricity is primarily driven by the prevailing market price. Hypothetically, for our GRE segment, if our gross profit per unit in 2024 had remained the same as in 2023, due to changes in the price of natural gas and electricity, our gross profit from electricity sales would have decreased by \$7.3 million in 2024 and our gross profit from natural gas sales would have decreased by \$8.3 million in 2024.

The energy markets have historically been very volatile, and we can reasonably expect that electricity and natural gas prices will be subject to fluctuations in the future. In an effort to reduce the effects of the volatility of the cost of electricity and natural gas on our operations, we have adopted a policy of hedging electricity and natural gas prices from time to time, at relatively lower volumes, primarily through the use of put and call options and swaps. While the use of these hedging arrangements limits the downside risk of adverse price movements, it also limits future gains from favorable movements. We do not apply hedge accounting to these swaps or options, therefore the mark-to-market change in fair value is recognized in cost of revenue in our consolidated statements of operations. See Note 4 — *Derivative Instruments*, for details of the hedging activities.

### **Item 8. Financial Statements and Supplementary Data.**

Our Consolidated Financial Statements and supplementary data and the report of the independent registered public accounting firm thereon set forth starting on page F-1 herein are incorporated herein by reference.

### **Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.**

None.

### **Item 9A. Controls and Procedures.**

#### **Evaluation of Disclosure Controls and Procedures**

The Company, under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, conducted an evaluation of the effectiveness of the design and operation of the Company’s “disclosure controls and procedures” (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)), as of December 31, 2024. Based on our evaluation, our principal executive officer and principal financial officer concluded that the Company’s disclosure controls and procedures were effective as of December 31, 2024.

## Management’s Annual Report on Internal Control Over Financial Reporting

We, the management of Genie Energy Ltd. and subsidiaries (the “Company”), are responsible for establishing and maintaining adequate internal control over financial reporting of the Company.

The Company’s internal control over financial reporting is defined in Rule 13a-15(f) and 15d-15(f) promulgated under the Exchange Act as a process designed by, or under the supervision of, the Company’s principal executive and principal financial officers and effected by the Company’s board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Company’s financial statements for external purposes in accordance with generally accepted accounting principles in the United States and includes those policies and procedures that:

1. Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of assets of the Company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company’s assets that could have a material effect on the financial statements.

Management has assessed the effectiveness of the Company’s internal control over financial reporting as of December 31, 2024. In making this assessment, the Company’s management used the criteria established in *Internal Control — Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”).

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of our internal control over financial reporting, as prescribed above, as of December 31, 2024. Based on our evaluation, our principal executive officer and principal financial officer concluded that the disclosure controls and procedures were effective as such date.

The effectiveness of the Company’s internal control over financial reporting as of December 31, 2024 has been audited by Zwick CPA, PLLC, an independent registered public accounting firm, as stated in their report which appears herein.

### Changes in Internal Control over Financial Reporting

Except for the changes in connection with our implementation of the remediation discussed above, there have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) or 15d-15(f) of the Exchange Act) that occurred during the fourth quarter period that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

### Item 9B. Other Information.

None.

### Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.

Not applicable.

## **Part III**

### **Item 10. Directors, Executive Officers and Corporate Governance.**

The following is a list of our directors and executive officers along with the specific information required by Rule 14a-3 of the Securities Exchange Act of 1934:

#### **Executive Officers**

Michael Stein — Chief Executive Officer

Avi Goldin — Chief Financial Officer

#### **Directors**

Howard S. Jonas — Chairman of the Board of the Company

Joyce Mason — Corporate Secretary of the Company

W. Wesley Perry — Owner and operator of S.E.S. Investments, Ltd., an oil and gas investment company

Alan B. Rosenthal — Founder and managing partner of ABR Capital Financial Group LLC, an investment fund

Allan Sass — Former President and Chief Executive Officer of Occidental Oil Shale Corporation, a subsidiary of Occidental Petroleum

#### **Ex-Officio Director**

James A. Courter

The remaining information required by this Item will be contained in our Proxy Statement for our Annual Stockholders Meeting, which will be filed with the Securities and Exchange Commission within 120 days after December 31, 2024, and which is incorporated by reference herein.

#### *Insider Trading Policies and Procedures*

We have insider trading policies and procedures that govern the purchase, sale, and other dispositions of its securities by directors, officers, employees, and consultants, as well as our own. We believe these policies and procedures are reasonably designed to promote compliance with insider trading laws, rules and regulations and applicable listing standards. See “Index of Exhibits” within this Annual Report on Form 10-K for our Insider Trading Policy.

#### **Corporate Governance**

We have included as exhibits to this Annual Report on Form 10-K certificates of our Chief Executive Officer and Chief Financial Officer certifying the quality of our public disclosure.

We make available free of charge through the investor relations page of our web site ([www.idt.net/ir](http://www.idt.net/ir)) our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and all amendments to those reports, and all beneficial ownership reports on Forms 3, 4 and 5 filed by directors, officers and beneficial owners of more than 10% of our equity, as soon as reasonably practicable after such reports are electronically filed with the Securities and Exchange Commission. We have adopted codes of business conduct and ethics for all of our employees, including our principal executive officer, principal financial officer and principal accounting officer. Copies of the codes of business conduct and ethics are available on our web site.

Our web site and the information contained therein or incorporated therein are not intended to be incorporated into this Annual Report on Form 10-K or our other filings with the SEC.

**Item 11. Executive Compensation.**

The information required by this Item will be contained in our Proxy Statement for our Annual Stockholders Meeting, which will be filed with the Securities and Exchange Commission within 120 days after December 31, 2024, and which is incorporated by reference herein.

**Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.**

The information required by this Item will be contained in our Proxy Statement for our Annual Stockholders Meeting, which will be filed with the Securities and Exchange Commission within 120 days after December 31, 2024, and which is incorporated by reference herein.

**Item 13. Certain Relationships and Related Transactions, and Director Independence.**

The information required by this Item will be contained in our Proxy Statement for our Annual Stockholders Meeting, which will be filed with the Securities and Exchange Commission within 120 days after December 31, 2024, and which is incorporated by reference herein.

**Item 14. Principal Accounting Fees and Services.**

The information required by this Item will be contained in our Proxy Statement for our Annual Stockholders Meeting, which will be filed with the Securities and Exchange Commission within 120 days after December 31, 2024, and which is incorporated by reference herein.

## Part IV

### Item 15. Exhibits, Financial Statement Schedules.

(a) The following documents are filed as part of this Report:

1. Reports of Independent Registered Public Accounting Firm on Internal Control Over Financial Reporting  
Reports of Independent Registered Public Accounting Firms on Consolidated Financial Statements

2. Financial Statement Schedules.

All schedules have been omitted since they are either included in the Notes to Consolidated Financial Statements or not required or not applicable.

3. The exhibits listed in paragraph (b) of this item. Exhibit Numbers 10.01, 10.02 and 10.03 are management contracts or compensatory plans or arrangements.

(b) Exhibits.

<b>Exhibit Number</b>	<b>Description of Exhibits</b>
3.01 <sup>(1)</sup>	Amended and Restated Certificate of Incorporation of the Registrant.
3.02 <sup>(2)</sup>	Fourth Amended and Restated By-Laws of the Registrant.
4.02*	Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934
10.01 <sup>(3)</sup>	Fourth Amended and Restated Employment Agreement, effective as of January 1, 2024, between the Registrant and Avi Goldin.
10.02 <sup>(4)</sup>	2021 Stock Option and Incentive Plan of Genie Energy Ltd., as Amended and Restated
10.03 <sup>(1)</sup>	Preferred Supplier Agreement between IDT Energy, Inc. and BP Energy Company, dated June 29, 2009, as amended.
19*	Insider Trading Policy
21.01*	Subsidiaries of the Registrant.
23.01*	Consent of Zwick, PLLC (Formerly known as Zwick & Banyai, PLLC)
31.01*	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.02*	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.01*	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.02*	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97*	Compensation Clawback Policy
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

\* filed herewith.

- (1) Incorporated by reference to Form 10-12G/A, filed October 7, 2011.
- (2) Incorporated by reference to Form 8-K filed March 19, 2021.
- (3) Incorporated by reference to Form 8-K, filed February 8, 2024.
- (4) Incorporated by reference to the Schedule 14A, filed April 3, 2023.

### Item 16. Form 10-K Summary

None.

## Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Annual Report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized.

GENIE ENERGY LTD.

By: /s/ Michael Stein  
Chief Executive Officer

Date: March 14, 2025

Pursuant to the requirements of the Securities Exchange Act of 1934, this Annual Report on Form 10-K has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Titles</u>	<u>Date</u>
<u>/s/ Howard S. Jonas</u> Howard S. Jonas	Chairman of the Board	March 14, 2025
<u>/s/ Michael Stein</u> Michael Stein	Chief Executive Officer (Principal Executive Officer)	March 14, 2025
<u>/s/ Avi Goldin</u> Avi Goldin	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)	March 14, 2025
<u>/s/ Joyce Mason</u> Joyce Mason	Director	March 14, 2025
<u>/s/ W. Wesley Perry</u> W. Wesley Perry	Director	March 14, 2025
<u>/s/ Alan B. Rosenthal</u> Alan B. Rosenthal	Director	March 14, 2025
<u>/s/ Allan Sass</u> Allan Sass	Director	March 14, 2025

## **REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

To the Board of Directors and Stockholders of  
Genie Energy Ltd.  
Newark, New Jersey

### **Opinion on Internal Control over Financial Reporting**

We have audited Genie Energy Ltd.'s (the "Company's") internal control over financial reporting as of December 31, 2024, based on criteria established in 2013 Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in 2013 Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated balances sheets of the Company as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income, equity, and cash flows for the years then ended, and the related notes and our report dated March 14, 2025, expressed an unqualified opinion thereon.

### **Basis for Opinion**

The Company's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying "Item 9A, Controls and Procedures". Our responsibility is to express an opinion on the entity's internal control over financial reporting based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

### **Definition and Limitations of Internal Control over Financial Reporting**

An entity's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America. An entity's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the entity; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with accounting principles generally accepted in the United States of America, and that receipts and expenditures of the entity are being made only in accordance with authorizations of management and directors of the entity; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the entity's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Zwick CPA, PLLC

Zwick CPA, PLLC

We have served as the Company's auditors since 2022

Southfield, Michigan

March 14, 2025

**GENIE ENERGY LTD.**  
**Index to Consolidated Financial Statements**

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of  
Genie Energy Ltd.  
Newark, New Jersey

### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Genie Energy, Ltd. as of December 31, 2024 and 2023, and the related consolidated statements of operations, comprehensive income, equity, and cash flows for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position Genie Energy Ltd. as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024 in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), Genie Energy Ltd’s internal control over financial reporting as of December 31, 2024, based on criteria established in 2013 Internal Control — Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and our report dated March 14, 2025 expressed an unqualified opinion.

### Basis for Opinion

These financial statements are the responsibility of the entity’s management. Our responsibility is to express an opinion on these financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to Genie Energy, Ltd. in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

### Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

## Unbilled Revenue

As described in Note 1 to the consolidated financial statements, the Company recognizes revenue from units of electricity and natural gas delivered, but not invoiced (“unbilled revenue”) based on estimated amounts customers will be billed for services rendered from the time meters were last read to the end of the reporting period.

We identified unbilled revenue as a critical audit matter. Our principal considerations included management’s significant estimates and inputs, including available per day usage data, the number of unbilled days in the period adjusted for seasonality-based cooling and heating degree-days and historical trends. Because changes in those estimates could have a material effect on the amount of unbilled revenue, auditing these significant estimates and inputs involved a high degree of auditor judgment and effort in performing audit procedures.

The primary procedures we performed to address this critical audit matter included:

- Testing the design and operating effectiveness of certain controls related to management’s process to estimate and record unbilled revenue.
- Assessing management’s inputs in the estimate such as per day, year over year usage data, the number of unbilled days in the period and seasonality adjustments for reasonableness by comparing to historical and third-party information.
- Evaluating the reasonableness of the unbilled revenue during the year by comparing the estimated unbilled revenue from sale of units of electricity and natural gas to revenue billed in the subsequent period. In cases where estimated revenue by product was significantly higher or lower than expected, we obtained further explanations and corroborating supporting documentation to evaluate the impact to the unbilled revenue.

/s/ Zwick CPA, PLLC

Zwick CPA, PLLC

We have served as the Company’s auditor since 2022.

Southfield, Michigan

March 14, 2025

**GENIE ENERGY LTD.  
CONSOLIDATED BALANCE SHEETS**

(in thousands, except per share amounts)	December 31,	
	2024	2023
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents (including amounts related to variable interest entity of \$263 and \$245 at December 31, 2024 and 2023, respectively) . . . . .	\$ 104,456	\$ 107,609
Restricted cash – short-term . . . . .	26,608	10,442
Marketable equity securities . . . . .	357	396
Trade accounts receivable, net of allowance for doubtful accounts of \$8,086 and \$6,574 at December 31, 2024 and 2023, respectively (including accounts receivable related to variable interest entity of \$250 and \$275 at December 31, 2024 and 2023, respectively) . . . . .	61,858	61,909
Inventory . . . . .	12,188	14,598
Prepaid expenses (including amounts related to variable interest entity of \$307 and \$313 at December 31, 2024 and 2023, respectively) . . . . .	9,893	16,222
Other current assets . . . . .	8,493	5,475
Other current assets of discontinued operations . . . . .	3,594	13,182
<b>TOTAL CURRENT ASSETS</b> . . . . .	<b>227,447</b>	<b>229,833</b>
Restricted cash – long-term . . . . .	69,580	44,945
Property and equipment, net . . . . .	25,246	15,192
Goodwill . . . . .	12,749	9,998
Other intangibles, net . . . . .	2,367	2,735
Deferred income tax assets, net . . . . .	7,055	5,200
Other assets (including amounts related to variable interest entity of \$363 and \$360 at December 31, 2024 and 2023, respectively) . . . . .	22,365	15,247
Noncurrent assets of discontinued operations . . . . .	4,466	7,405
<b>TOTAL ASSETS</b> . . . . .	<b>\$ 371,275</b>	<b>\$ 330,555</b>
<b>LIABILITIES AND EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Trade accounts payable . . . . .	\$ 31,233	\$ 27,881
Accrued expenses (including amounts related to variable interest entity of \$502 and \$533 at December 31, 2024 and 2023, respectively) . . . . .	48,793	49,389
Income taxes payable . . . . .	9,196	6,699
Current captive insurance liability . . . . .	9,120	143
Due to IDT Corporation, net . . . . .	135	145
Other current liabilities . . . . .	6,750	9,137
Current liabilities of discontinued operations . . . . .	4,585	4,858
<b>TOTAL CURRENT LIABILITIES</b> . . . . .	<b>109,812</b>	<b>98,252</b>
Noncurrent captive insurance liability . . . . .	69,580	44,945
Noncurrent debt, net . . . . .	8,668	—
Other liabilities . . . . .	2,959	2,212
Noncurrent liabilities of discontinued operations . . . . .	705	638
<b>TOTAL LIABILITIES</b> . . . . .	<b>191,724</b>	<b>146,047</b>
Commitments and contingencies (Note 16 and Note 17)		
<b>EQUITY:</b>		
Genie Energy Ltd. stockholders' equity:		
Preferred stock, \$0.01 par value; authorized shares – 10,000:		
Series 2012-A, designated shares – 8,750; at liquidation preference, consisting of 0 shares issued and outstanding at December 31, 2024 and 2023 . . . . .	—	—

**GENIE ENERGY LTD.**  
**CONSOLIDATED BALANCE SHEETS — (Continued)**

<b>(in thousands, except per share amounts)</b>	<b>December 31,</b>	
	<b>2024</b>	<b>2023</b>
Class A common stock, \$0.01 par value; authorized shares – 35,000; 1,574 shares issued and outstanding at December 31, 2024 and 2023 .....	<b>16</b>	16
Class B common stock, \$0.01 par value; authorized shares – 200,000; 29,310 and 28,765 shares issued and 25,482 and 25,841 shares outstanding at December 31, 2024 and 2023, respectively .....	<b>293</b>	288
Additional paid-in capital .....	<b>159,192</b>	156,101
Treasury stock, at cost, consisting of 3,828 and 2,924 shares of Class B common at December 31, 2024 and 2023, respectively .....	<b>(37,486)</b>	(22,661)
Accumulated other comprehensive income .....	<b>3,919</b>	3,299
Retained earnings .....	<b>64,574</b>	60,196
Total Genie Energy Ltd. stockholders' equity .....	<b>190,508</b>	197,239
Noncontrolling interests:		
Noncontrolling interest .....	<b>(10,174)</b>	(12,731)
Receivable from issuance of equity .....	<b>(783)</b>	—
Total noncontrolling interests .....	<b>(10,957)</b>	(12,731)
<b>TOTAL EQUITY</b> .....	<b>179,551</b>	184,508
<b>TOTAL LIABILITIES AND EQUITY</b> .....	<b>\$ 371,275</b>	<b>\$ 330,555</b>

See accompanying notes to consolidated financial statements.

**GENIE ENERGY LTD.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**

(in thousands, except per share data)	Year ended December 31,		
	2024	2023	2022
<b>REVENUES:</b>			
Electricity . . . . .	\$ 350,514	\$ 350,779	\$ 241,828
Natural gas . . . . .	52,101	55,988	62,144
Other . . . . .	22,587	21,941	11,567
Total revenues . . . . .	<u>425,202</u>	<u>428,708</u>	<u>315,539</u>
Cost of revenues . . . . .	<u>286,719</u>	<u>282,502</u>	<u>160,757</u>
<b>GROSS PROFIT</b> . . . . .	<b>138,483</b>	<b>146,206</b>	<b>154,782</b>
<b>OPERATING EXPENSES AND LOSSES:</b>			
Selling, general and administrative <sup>(i)</sup> . . . . .	93,396	91,109	74,962
Provision for captive insurance liability . . . . .	33,612	45,088	—
Impairment of assets . . . . .	185	—	2,066
Income from operations . . . . .	<u>11,290</u>	<u>10,009</u>	<u>77,754</u>
Interest income . . . . .	7,072	5,076	835
Interest expense . . . . .	(464)	(99)	(129)
Gain (loss) on marketable equity securities and other investments . . . . .	351	478	(417)
Other income (loss), net . . . . .	1,620	2,644	(520)
Income before income taxes . . . . .	<u>19,869</u>	<u>18,108</u>	<u>77,523</u>
Provision for income taxes . . . . .	<u>(4,667)</u>	<u>(4,239)</u>	<u>(21,037)</u>
<b>NET INCOME FROM CONTINUING OPERATIONS</b> . . . . .	<b>15,202</b>	<b>13,869</b>	<b>56,486</b>
(Loss) income from discontinued operations, net of tax . . . . .	<u>(2,907)</u>	<u>6,409</u>	<u>30,445</u>
<b>NET INCOME</b> . . . . .	<b>12,295</b>	<b>20,278</b>	<b>86,931</b>
Net loss (income) attributable to noncontrolling interests, net . . . . .	<u>293</u>	<u>(740)</u>	<u>874</u>
<b>NET INCOME ATTRIBUTABLE TO GENIE ENERGY LTD.</b> . . . . .	<b>12,588</b>	<b>19,538</b>	<b>87,805</b>
Dividends on preferred stock . . . . .	—	(333)	(1,939)
<b>NET INCOME ATTRIBUTABLE TO GENIE ENERGY LTD. COMMON STOCKHOLDERS</b> . . . . .	<b>\$ 12,588</b>	<b>\$ 19,205</b>	<b>\$ 85,866</b>
Amounts attributable to Genie Energy Ltd. common stockholders			
Income from continuing operations . . . . .	\$ 15,495	\$ 12,795	\$ 59,956
(Loss) income from discontinued operations . . . . .	<u>(2,907)</u>	<u>6,410</u>	<u>25,910</u>
Net income attributable to Genie Energy Ltd. common stockholders . . . . .	<u>\$ 12,588</u>	<u>\$ 19,205</u>	<u>\$ 85,866</u>
Earnings per share attributed to Genie Energy Ltd. common stockholders			
Basic			
Income from continuing operations . . . . .	\$ 0.58	\$ 0.50	\$ 2.34
(Loss) income from discontinued operations . . . . .	<u>(0.11)</u>	<u>0.25</u>	<u>1.01</u>
Net income attributable to Genie Energy Ltd. common stockholders . . . . .	<u>\$ 0.47</u>	<u>\$ 0.75</u>	<u>\$ 3.35</u>
Diluted			
Income from continuing operations . . . . .	\$ 0.57	\$ 0.49	\$ 2.28
(Loss) income from discontinued operations . . . . .	<u>(0.11)</u>	<u>0.25</u>	<u>0.98</u>
Net income attributable to Genie Energy Ltd. common stockholders . . . . .	<u>\$ 0.46</u>	<u>\$ 0.74</u>	<u>\$ 3.26</u>
Weighted-average number of shares used in the calculation of earnings per share			
Basic . . . . .	<u>26,763</u>	<u>25,553</u>	<u>25,629</u>
Diluted . . . . .	<u>27,163</u>	<u>26,062</u>	<u>26,366</u>
Dividends declared per common share . . . . .	<u>\$ 0.30</u>	<u>\$ 0.30</u>	<u>\$ 0.30</u>
(i) Stock-based compensation included in selling, general and administrative expenses . . . . .	<u>\$ 2,346</u>	<u>\$ 2,783</u>	<u>\$ 2,968</u>

See accompanying notes to consolidated financial statements.

**GENIE ENERGY LTD.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

(in thousands)	Year ended December 31,		
	2024	2023	2022
<b>NET INCOME</b> .....	\$ 12,295	\$ 20,278	\$ 86,931
<b>Other comprehensive (loss) income:</b>			
Foreign currency translation adjustments .....	1,289	1,376	(2,697)
<b>COMPREHENSIVE INCOME</b> .....	<b>13,584</b>	21,654	84,234
Comprehensive income (loss) attributable to noncontrolling interests .....	(364)	(743)	104
<b>COMPREHENSIVE INCOME ATTRIBUTABLE TO</b>			
<b>GENIE ENERGY LTD.</b> .....	<b>\$ 13,220</b>	\$ 20,911	\$ 84,338

See accompanying notes to consolidated financial statements.

**GENIE ENERGY LTD.**  
**CONSOLIDATED STATEMENTS OF EQUITY (in thousands)**

	Genie Energy Ltd. Stockholders										
	Preferred Stock	Class A		Class B		Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Income	(Accumulated Deficit) Retained Earnings	Noncontrolling Interests	Total Equity
	Shares	Amount	Shares	Amount	Shares	Amount					
<b>BALANCE AT DECEMBER 31, 2021</b>	2,322	19,743	1,574	16	26,633	266	143,249	3,160	(29,115)	(12,496)	110,789
Dividends on preferred stock (\$0.6375 per share Based Dividends and \$0.5301 per share Additional Dividends)	—	—	—	—	—	—	—	—	(1,761)	—	(1,761)
Dividends on common stock (\$0.3000 per share)	—	—	—	—	73	1	(1)	—	(7,919)	—	(7,919)
Exercise of Class B common stock warrants	—	—	—	—	297	3	3,051	—	—	—	3,054
Stock-based compensation	—	—	—	—	—	—	—	—	—	—	—
Restricted Class B common stock purchased from employees	—	—	—	—	—	—	(567)	—	—	—	(567)
Repurchase of Class B common stock from stock repurchase program	—	—	—	—	—	—	(4,409)	—	—	—	(4,409)
Redemption of preferred stock	(1,339)	(11,384)	—	—	—	—	—	—	—	—	(11,384)
Deconsolidation of subsidiary	—	—	—	—	—	—	—	1,607	—	—	1,607
Purchase of equity of subsidiaries	—	—	—	—	123	1	247	—	—	(248)	—
Other comprehensive loss	—	—	—	—	—	—	—	(2,841)	—	144	(2,697)
Net income for the year ended December 31, 2022	983	\$ 8,359	1,574	\$ 16	27,126	\$ 271	\$ 146,546	\$ 1,926	\$ 87,805	\$ (874)	\$ 86,931
<b>BALANCE AT DECEMBER 31, 2022</b>											

See accompanying notes to consolidated financial statements.

**GENIE ENERGY LTD.**  
**CONSOLIDATED STATEMENTS OF EQUITY (in thousands) — (Continued)**

	Genie Energy Ltd. Stockholders											
	Preferred Stock		Class A		Class B		Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Income	Retained Earnings	Noncontrolling Interests	Total Equity
			Shares	Amount	Shares	Amount						
<b>BALANCE AT DECEMBER 31, 2022</b>	983	8,359	1,574	16	27,126	271	146,546	(19,010)	1,926	49,010	(13,474)	173,644
Dividends on preferred stock (\$0.3188 per share dividends)	—	—	—	—	—	—	—	—	—	(333)	—	(333)
Dividends on common stock (\$0.3000 per share)	—	—	—	—	—	—	—	—	—	(8,019)	—	(8,019)
Exercise of Class B common stock warrants	—	—	—	—	1,048	11	4,990	—	—	—	—	5,001
Stock-based compensation	—	—	—	—	334	3	2,829	—	—	—	—	2,832
Restricted Class B common stock purchased from employees	—	—	—	—	—	—	—	(3,996)	—	—	—	(3,996)
Repurchase of Class B common stock from stock repurchase program	—	—	—	—	—	—	—	(37)	—	—	—	(37)
Redemption of preferred stock	(983)	(8,359)	—	—	—	—	—	—	—	—	—	(8,359)
Charitable contribution of treasury stock	—	—	—	—	—	—	624	382	—	—	—	1,006
Exercise of stock options	—	—	—	—	257	3	1,112	—	—	—	—	1,115
Other comprehensive loss	—	—	—	—	—	—	—	—	1,373	—	3	1,376
Net income for the year ended December 31, 2023	—	—	1,574	16	28,765	288	156,101	(22,661)	3,299	19,538	740	20,278
<b>BALANCE AT DECEMBER 31, 2023</b>	—	—	1,574	16	28,765	288	156,101	(22,661)	3,299	60,196	(12,731)	184,508

See accompanying notes to consolidated financial statements.

**GENIE ENERGY LTD.**  
**CONSOLIDATED STATEMENTS OF EQUITY (in thousands) — (Continued)**

	Genie Energy Ltd. Stockholders												
	Preferred Stock		Class A		Class B		Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Income	Retained Earnings	Noncontrolling Interests	Receivable for Issuance of Equity	Total Equity
			Shares	Amount	Shares	Amount							
<b>BALANCE AT DECEMBER 31, 2023</b> .....	—	—	1,574	\$ 16	28,765	288	156,101	(22,661)	3,299	60,196	(12,731)	—	184,508
Dividends on common stock (\$0.30 per share) .....	—	—	—	—	—	—	—	—	—	(8,210)	—	—	(8,210)
Exercise of stock options .....	—	—	—	—	126	1	1,015	—	—	—	—	—	1,016
Stock-based compensation .....	—	—	—	—	419	4	2,392	—	—	—	—	—	2,396
Restricted Class B common stock purchased from employees .....	—	—	—	—	—	—	—	(3,614)	—	—	—	—	(3,614)
Repurchase of Class B common stock from stock repurchase program .....	—	—	—	—	—	—	—	(10,443)	—	—	—	—	(10,443)
Purchase of equity of subsidiary .....	—	—	—	—	—	—	(316)	—	—	—	(884)	—	(1,200)
Class B common stock purchased from Genie Energy Charitable Foundation .....	—	—	—	—	—	—	—	(768)	—	—	—	—	(768)
Deconsolidation of a subsidiary .....	—	—	—	—	—	—	—	—	(12)	—	—	—	(12)
Consolidation of subsidiary .....	—	—	—	—	—	—	—	—	—	—	1,286	—	1,286
Noncontrolling investment to a subsidiary by Howard Jonas .....	—	—	—	—	—	—	—	—	—	—	1,791	(783)	1,008
Other comprehensive loss .....	—	—	—	—	—	—	—	—	632	—	657	—	1,289
Net income for the year ended December 31, 2024 .....	—	—	1,574	\$ 16	29,310	\$ 293	\$ 159,192	\$ (37,486)	\$ 3,919	\$ 12,588	\$ (293)	—	\$ 12,295
<b>BALANCE AT DECEMBER 31, 2024</b> .....	—	—	—	—	—	—	—	—	—	\$ 64,574	\$ (10,174)	\$ (783)	\$ 179,551

See accompanying notes to consolidated financial statements.

**GENIE ENERGY LTD.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**

(in thousands)	Year ended December 31,		
	2024	2023	2022
<b>OPERATING ACTIVITIES</b>			
Net income . . . . .	\$ 12,295	\$ 20,278	\$ 86,931
Net (loss) income from discontinued operations, net of tax . . . . .	(2,907)	6,409	30,445
Net income from continuing operations . . . . .	15,202	13,869	56,486
Adjustments to reconcile net income to net cash provided by operating activities:			
Provision for captive insurance liability . . . . .	33,612	45,088	—
Depreciation and amortization . . . . .	884	463	385
Deferred income taxes . . . . .	(1,855)	599	(595)
Provision for doubtful accounts receivable . . . . .	2,359	2,362	2,515
Stock-based compensation . . . . .	2,346	2,783	2,968
Inventory valuation allowance . . . . .	417	1,148	—
Charitable donation of Class B common stock . . . . .	—	1,006	—
Unrealized (gain) loss on marketable equity securities and investments and others . . . . .	(766)	(23)	434
Impairment of assets . . . . .	185	—	2,066
Change in assets and liabilities, net of effect of acquisition:			
Trade accounts receivable . . . . .	(2,214)	(9,137)	(16,339)
Inventory . . . . .	917	(8,714)	2,005
Prepaid expenses . . . . .	5,326	(6,089)	(2,658)
Other current assets and other assets . . . . .	(1,738)	494	(5,595)
Trade accounts payable, accrued expenses and other current liabilities . . . . .	3,100	22,986	11,635
Due to IDT Corporation . . . . .	(10)	(20)	(367)
Income taxes payable . . . . .	2,496	(15,877)	13,064
Net cash provided by operating activities of continuing operations . . . . .	60,261	50,938	66,004
Net cash provided by operating activities of discontinued operations . . . . .	10,481	11,540	14,680
Net cash provided by operating activities . . . . .	70,742	62,478	80,684
<b>INVESTING ACTIVITIES</b>			
Capital expenditures . . . . .	(6,696)	(1,363)	(1,019)
Purchase of solar system facilities . . . . .	(1,344)	(7,665)	—
Proceeds from sale of marketable equity securities and other investments . . . . .	582	10,023	—
Purchase of marketable equity securities and other investments . . . . .	(6,142)	(11,019)	(2,729)
Purchase of equity of subsidiary . . . . .	(1,200)	—	—
Purchase of investment property, net of noncontrolling interest portion paid by Howard Jonas . . . . .	(1,237)	—	—
Investment in notes receivable with related party . . . . .	—	—	(1,505)
Repayment of notes receivables with related party . . . . .	—	19	19
Net cash used in investing activities of continuing operations . . . . .	(16,037)	(10,005)	(5,234)
Net cash provided by (used in) investing activities of discontinued operations . . . . .	—	23,645	(44,088)
Net cash (used in) provided by investing activities . . . . .	(16,037)	13,640	(49,322)

**GENIE ENERGY LTD.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS — (Continued)**

(in thousands)	Year ended December 31,		
	2024	2023	2022
<b>FINANCING ACTIVITIES</b>			
Dividends paid . . . . .	(8,210)	(8,873)	(9,158)
Repurchases of Class B common stock . . . . .	(10,443)	(37)	(4,414)
Repurchases of Class B common stock from employees . . . . .	(3,614)	(2,888)	(567)
Repurchase of Class B common stock from Genie Foundation . .	(768)	—	—
Proceeds from term loan, net . . . . .	7,285	—	—
Proceeds from exercise of warrants . . . . .	—	5,000	—
Redemption of preferred stock . . . . .	—	(8,359)	(11,384)
Net cash used in financing activities of continuing operations . . . .	(15,750)	(15,157)	(25,523)
Effect of exchange rate changes on cash, cash equivalents and restricted cash . . . . .	7	(60)	17
Net increase in cash, cash equivalents and restricted cash . . . . .	38,962	60,901	5,856
Cash, cash equivalents and restricted cash (excluding discontinued operations) at beginning of year . . . . .	162,996	104,578	100,225
<b>Cash, cash equivalents and restricted cash (including discontinued operations) at end of year . . . . .</b>	<b>201,958</b>	<b>165,479</b>	<b>106,081</b>
Less: Cash of discontinued operations at end of year . . . . .	(1,314)	(2,483)	(1,503)
<b>Cash and cash equivalents and restricted cash (excluding discontinued operations) at end of year . . . . .</b>	<b>\$ 200,644</b>	<b>\$ 162,996</b>	<b>\$ 104,578</b>
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>			
Cash payments made for interest . . . . .	\$ 98	\$ 93	\$ 123
Cash payments made for income taxes . . . . .	\$ 3,630	\$ 20,715	\$ 8,570

See accompanying notes to consolidated financial statements.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1 — Description of Business and Summary of Significant Accounting Policies**

***Description of Business***

Genie Energy Ltd. (“Genie”), a Delaware corporation, was incorporated in January 2011. Genie owns 100% of Genie Retail Energy (“GRE”), and varied interests in entities within the Genie Renewables (“GREW”) segment.

GRE, owns and operates retail energy providers (“REPs”), including IDT Energy, Inc. (“IDT Energy”), Residents Energy, LLC (“Residents Energy”), Town Square Energy, LLC and Town Square Energy East, LLC (collectivity, “TSE”), Southern Federal Power LLC (“Southern Power”), Mirabito Natural Gas (“Mirabito”) and Evergreen Gas & Electric (“Evergreen”). GRE’s REPs’ businesses resell electricity and natural gas to residential and small business customers primarily in the Eastern and Midwestern United States and Texas.

GREW consists of a 95.5% interest in Genie Solar, an integrated solar energy company that develops, constructs and operates utility-scale solar energy projects, a 92.8% interest in CityCom Solar, a marketer of community solar and alternative products and services complementary of its energy offerings, and a 91.5% interest in Diversegy, an energy procurement advisor for industrial, commercial and municipal customers.

**One-Time Tax Credit**

In the first quarter of 2023, the Company received \$3.1 million in respect of a one-time tax credit related to payroll taxes incurred in prior years, which the Company recognized as a gain included in other income (expense), net in the accompanying consolidated statements of operations for 2023.

**Discontinued operations in Finland and Sweden**

Prior to the third quarter of 2022, the Company had a third segment, Genie Retail Energy International, or GRE International, which supplied electricity to residential and small business customers in Scandinavia. However, as a result of volatility in the energy market in Europe, in the third quarter of 2022, the Company decided to discontinue the operations of Lumo Energia Oyj (“Lumo Finland”) and Lumo Energi AB (“Lumo Sweden”).

The Company determined that the discontinuation of the operations of Lumo Finland and Lumo Sweden represented a strategic shift that would have a major effect on the Company’s operations and financial statements. The Company accounts for these businesses as discontinued operations, and accordingly, presents the results of operations and related cash flows as discontinued operations. The results of operations and related cash flows are presented as discontinued operations for all periods. Any remaining assets and liabilities of the discontinued operations are presented separately and reflected within assets and liabilities from discontinued operations in the accompanying consolidated balance sheets as of December 31, 2024 and 2023. Lumo Sweden are continuing to liquidate their remaining receivables and settle any remaining liabilities.

In November 2022, Lumo Finland declared bankruptcy and the administration of Lumo Finland was transferred to an administrator (the “Lumo Administrator”). All assets and liabilities of Lumo Finland remain with Lumo Finland, in which Genie retains its ownership interest, however, the management and control of Lumo Finland were transferred to the Lumo Administrator. Since the Company lost control of the management of Lumo Finland in favor of the Lumo Administrator, the accounts of Lumo Finland were deconsolidated effective November 9, 2022.

Following the discontinuance of operations of Lumo Finland and Lumo Sweden, GRE International ceased to be a separate segment and the remaining assets and liabilities and results of continuing operations of GRE International were combined with corporate.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1 — Description of Business and Summary of Significant Accounting Policies (cont.)**

**Discontinued Operations in United Kingdom**

In October 2021, as part of the orderly exit process from the U. K. market, Orbit Energy Limited (“Orbit”), a subsidiary of the Company that used to operate in United Kingdom and Shell U.K. Limited (“Shell”) agreed to terminate the exclusive supply contract between them. As part of the termination agreement, Orbit was required to unwind all physical forward hedges with Shell which resulted in net cash proceeds after settlement of all related liabilities with Shell.

Following the termination of the contract with Shell, Orbit filed a petition with the High Court of Justice Business and Property of England and Wales (the “Court”) to declare Orbit insolvent based on the Insolvency Act of 1986. On November 29, 2021, the Court declared Orbit insolvent, revoked Orbit’s license to supply electricity and natural gas in the United Kingdom, ordered the current customers to be transferred to “supplier of last resort” and transferred the administration of Orbit to an administrator (the “Orbit Administrator”) effective December 1, 2021.

The Company determined that the discontinued operations of Orbit represented a strategic shift that would have a major effect on the Company’s operations and financial statements. Since the appointment of the Orbit Administrator, the Company has accounted for these businesses as discontinued operations and accordingly, has presented the results of operations and related cash flows as discontinued operations. Since the Company lost control of the management of Orbit in favor of the Orbit Administrator, the accounts of Orbit were deconsolidated effective December 1, 2021.

On November 21, 2023, the Court issued an order to cease the administration and revert the control of Orbit from the Orbit Administrator to the Company effective November 28, 2023. Following the Company regaining control of the management of Orbit, the accounts of Orbit are consolidated effective November 28, 2023.

***Seasonality and Weather; Climate Change and Volatility in Pricing***

The weather and the seasons, among other things, affect GRE’s revenues. Weather conditions have a significant impact on the demand for natural gas used for heating and electricity used for heating and cooling. Typically, colder winters increase demand for natural gas and electricity, and hotter summers increase demand for electricity. Milder winters or summers have the opposite effect. Unseasonal temperatures in other periods may also impact demand levels. Natural gas revenues typically increase in the first quarter due to increased heating demands and electricity revenues typically increase in the third quarter due to increased air conditioning use. Approximately 43.0%, 48.1% and 39.7% of GRE’s natural gas revenues for the relevant years were generated in the first quarters of 2024, 2023 and 2022, respectively, when demand for heating was highest. Although the demand for electricity is not as seasonal as natural gas (due, in part, to usage of electricity for both heating and cooling), approximately 28.7, 32.5% and 30.5% of GRE’s electricity revenues were generated in the third quarters of 2024, 2023 and 2022, respectively. GRE’s REPs’ revenues and operating income are subject to material seasonal variations, and the interim financial results are not necessarily indicative of the estimated financial results for the full year. In addition, extraordinary weather has and can lead to extreme spikes in the prices of wholesale electricity and natural gas in markets where GRE and other retail providers purchase their supply, or in challenges to the grid or supply markets in affected areas. Such events could have material impacts on our margins and operations.

In addition to the direct physical impact that climate change may have on the Company’s business, financial condition and results of operations because of the effect on pricing, demand for our offerings and/or the energy supply markets, we may also be adversely impacted by other environmental factors, including: (i) technological advances designed to promote energy efficiency and limit environmental impact; (ii) increased competition from alternative energy sources; (iii) regulatory responses aimed at decreasing greenhouse gas emissions; and (iv) litigation or regulatory actions that address the environmental impact of our energy products and services.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1 — Description of Business and Summary of Significant Accounting Policies (cont.)**

***Basis of Consolidation***

The method of accounting applied to long-term investments, whether consolidated, equity or cost, involves an evaluation of the significant terms of each investment that explicitly grant or suggest evidence of control or influence over the operations of the investee and also includes the identification of any variable interests in which the Company is the primary beneficiary. The consolidated financial statements include the Company's controlled subsidiaries and the variable interest entity in which the Company is the primary beneficiary (see Note 14). All significant intercompany accounts and transactions between the consolidated entities are eliminated.

***Equity Method Investments***

Investments in businesses that the Company does not control, but in which the Company has the ability to exercise significant influence over operating and financial matters, are accounted for using the equity method. The Company periodically evaluates its equity method investments for impairment due to declines considered to be other than temporary. If the Company determines that a decline in fair value is other than temporary, then a charge to earnings is recorded, and a new basis in the investment is established.

***Use of Estimates***

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Significant estimates affecting amounts reported or disclosed in the consolidated financial statements include revenues, marketable equity securities and other investments, accounts receivables, allowances for doubtful accounts receivable, net realizable value of inventories, valuation of intangible assets, depreciation and amortization periods for long-lived assets, valuation allowances recorded against deferred tax assets, the valuation of stock-based compensation, valuation of derivative instruments, an estimate of captive insurance liability and loss contingencies. These estimates are based on historical experience and on various other assumptions that are believed to be reasonable under the current circumstances. Actual results may differ from those estimates.

***Revenue Recognition***

***Revenues from the Sale of Electricity and Natural Gas***

Revenue from the single performance obligation to deliver a unit of electricity and/or natural gas is recognized as the customer simultaneously receives and consumes the benefit. Variable quantities in requirements contracts are considered to be options for additional goods and services because the customer has a current contractual right to choose the amount of additional distinct goods to purchase. GRE records unbilled revenues for the estimated amount customers will be billed for services rendered from the time meters were last read to the end of the respective accounting period. The unbilled revenue is estimated each month based on available per day usage data, the number of unbilled days in the period and historical trends.

Incumbent utility companies in most of the service territories in which GRE's REPs operate offer purchase of receivables, or POR, and GRE's REPs participate in POR programs for a majority of their receivables. The Company estimates variable consideration related to its rebate programs using the expected value method and a portfolio approach. The Company's estimates related to rebate programs are based on the terms of the rebate program, the customer's historical electricity and natural gas consumption, the customer's rate plan, and a churn factor. Taxes that are imposed on the Company's sales and collected from customers are excluded from the transaction price.

The Company recognizes the incremental costs of obtaining a contract with a customer as an asset if it expects the benefit of those costs to be longer than one year. The Company determined that certain sales commissions to acquire customers meet the requirements to be capitalized. For GRE, the Company applies a practical expedient to expense costs as incurred for sales commissions to acquire customers as the period would have been one year or less.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1 — Description of Business and Summary of Significant Accounting Policies (cont.)**

*Revenues from Sales of Solar Panels*

Revenues from sales of solar panels are recognized at a point in time following the transfer of control of the solar panels to the customer, which typically occurs upon shipment or delivery depending on the terms of the underlying contracts. For sales contracts that contain multiple performance obligations, such as the shipment or delivery of solar modules, the Company allocates the transaction price to each performance obligation identified in the contract based on relative standalone selling prices, or estimates of such prices, and recognizes the related revenue as control of each individual product is transferred to the customer, in satisfaction of the corresponding performance obligations. Revenues from the sale of solar panels are included in other revenues in the consolidated statements of operations.

*Revenues from Solar Projects*

Genie Solar enters into contracts to identify, develop, and operate solar generation sites to provide solar electricity to customers. Obligations under solar project contracts consist of a series of tasks and components and accordingly are accounted for as multiple performance obligations. Because the Company's performance creates and enhances assets that are controlled by and specific to customers, the Company recognizes construction services revenue over time. Revenue for these performance obligations is recognized using the input method based on the cost incurred as a percentage of total estimated contract costs. Due to the significance of the costs associated with solar panels to the total project, our judgment on when such costs should be included in the measure of progress has a material impact on revenue recognition. Contract costs include all direct material and labor costs related to contract performance.

Energy generation revenue is earned from both the sale of electricity generated from operating solar projects and the sale of Solar Energy Credits ("SRECs") which are included in the Other Revenues in the consolidated statement of operations.

Revenue from energy generation is recognized when the Company satisfies the performance obligation, which occurs at the time of the delivery of electricity at the contractual rates.

The Company applies for and receives SRECs in certain jurisdictions for power generated by solar energy systems it owns. There are no direct costs allocated to SRECs upon generation. The Company typically sells SRECs to different customers from those purchasing the energy. The sale of each SREC is a distinct performance obligation satisfied at a point in time and that the performance obligation related to each SREC is satisfied when each SREC is delivered to the customer.

Revenues from sales of solar panels and solar panel projects are included under the Other Revenues in the consolidated statements of operations.

*Others*

Revenues from commissions from selling third-party products to customers, entry and other fees from the energy procurement advisory are recognized at the time the performance obligation is met. The Company's contracts with customers for commission revenue contain a single performance obligation and are satisfied at a point in time.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1 — Description of Business and Summary of Significant Accounting Policies (cont.)**

The following table shows the Company's revenues disaggregated by pricing plans offered to customers:

	Electricity	Natural Gas	Other	Total
	(in thousands)			
<b>For the year ended December 31, 2024</b>				
Fixed rate . . . . .	\$ 205,980	\$ 19,021	\$ —	\$ 225,001
Variable rate . . . . .	144,534	33,080	—	177,614
Other . . . . .	—	—	22,587	22,587
Total . . . . .	<u>\$ 350,514</u>	<u>\$ 52,101</u>	<u>\$ 22,587</u>	<u>\$ 425,202</u>
<b>For the year ended December 31, 2023</b>				
Fixed rate . . . . .	\$ 203,039	\$ 17,433	\$ —	\$ 220,472
Variable rate . . . . .	147,740	38,555	—	186,295
Other . . . . .	—	—	21,941	21,941
Total . . . . .	<u>\$ 350,779</u>	<u>\$ 55,988</u>	<u>\$ 21,941</u>	<u>\$ 428,708</u>
<b>For the year ended December 31, 2022</b>				
Fixed rate . . . . .	\$ 82,036	\$ 13,138	\$ —	\$ 95,174
Variable rate . . . . .	159,792	49,006	—	208,798
Other . . . . .	—	—	11,567	11,567
Total . . . . .	<u>\$ 241,828</u>	<u>\$ 62,144</u>	<u>\$ 11,567</u>	<u>\$ 315,539</u>

The following table shows the Company's revenues disaggregated by non-commercial and commercial channels:

	Electricity	Natural Gas	Other	Total
	(in thousands)			
<b>For the year ended December 31, 2024</b>				
Non-Commercial Channel . . . . .	\$ 318,541	\$ 36,452	\$ —	\$ 354,993
Commercial Channel . . . . .	31,973	15,649	—	47,622
Other . . . . .	—	—	22,587	22,587
Total . . . . .	<u>\$ 350,514</u>	<u>\$ 52,101</u>	<u>\$ 22,587</u>	<u>\$ 425,202</u>
<b>For the year ended December 31, 2023</b>				
Non-Commercial Channel . . . . .	\$ 289,774	\$ 37,942	\$ —	\$ 327,716
Commercial Channel . . . . .	61,005	18,046	—	79,051
Other . . . . .	—	—	21,941	21,941
Total . . . . .	<u>\$ 350,779</u>	<u>\$ 55,988</u>	<u>\$ 21,941</u>	<u>\$ 428,708</u>
<b>For the year ended December 31, 2022</b>				
Non-Commercial Channel . . . . .	\$ 201,423	\$ 44,198	\$ —	\$ 245,621
Commercial Channel . . . . .	40,405	17,946	—	58,351
Other . . . . .	—	—	11,567	11,567
Total . . . . .	<u>\$ 241,828</u>	<u>\$ 62,144</u>	<u>\$ 11,567</u>	<u>\$ 315,539</u>

*Contract Liabilities*

Certain revenue generating contracts at GREW include provisions that require advance payment from customers. These advance payments are recognized as revenue as the Company satisfies the performance obligations to the other party. A portion of the transaction price allocated to the performance obligations to be satisfied in future periods is recognized as a contract liability, which is expected to be satisfied in the next twelve months. Contract liabilities are included in other current liabilities account in the consolidated balance sheet.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1 — Description of Business and Summary of Significant Accounting Policies (cont.)**

The table below reconciles the change in the carrying amount of contract liabilities:

	Year Ended December 31,	
	2024	2023
	(in thousands)	
Contract liability, beginning . . . . .	\$ 5,582	\$ 1,759
Recognition of revenue included in the beginning of the year contract liability . . . . .	(4,804)	(1,336)
Additions during the period, net of revenue recognized during the period. . . . .	3,195	5,159
Contract liability, end . . . . .	<u>\$ 3,973</u>	<u>\$ 5,582</u>

***Cash, Cash Equivalents and Restricted Cash***

The Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported in the consolidated balance sheet that equals the total of the same amounts reported in the consolidated statement of cash flows:

	December 31,		
	2024	2023	2022
	(in thousands)		
Cash and cash equivalents. . . . .	\$ 104,456	\$ 107,609	\$ 98,571
Restricted cash – short-term . . . . .	26,608	10,442	6,007
Restricted cash – long-term . . . . .	69,580	44,945	—
Total cash, cash equivalents, and restricted cash . . . . .	<u>\$ 200,644</u>	<u>\$ 162,996</u>	<u>\$ 104,578</u>

Restricted cash — short-term includes amounts set aside in accordance with the Amended and Restated Preferred Supplier Agreement with BP Energy Company (“BP”) (see *Note 17*), Credit Agreement with JPMorgan Chase (see *Note 11*), Term Loan Agreement with National Cooperative Bank, N.A. (“NCB”) (see *Note 11*) and for the current portion of the insured liability program (see *Note 17*).

Restricted cash — long-term includes cash of a wholly-owned captive insurance subsidiary (the “Captive”), which is restricted for use to secure the noncurrent portion of the insured liability program (see *Note 17*). At December 31, 2024, the restricted \$69.6 million of cash of the Captive which is restricted for use in order to secure the current portion of the insured liability program.

Included in the cash and cash equivalents as of December 31, 2024 and 2023 is cash received from Lumo Sweden (see *Note 2*).

***Marketable Equity Securities and Other Investments***

Marketable equity securities that are traded in the public market are carried at fair value using the quoted price at the end of each reporting period. Changes in the fair value are recorded as unrealized gains or losses on investments in the consolidated statements of operations.

Investments in businesses that the Company does not control, but over which the Company has the ability to exercise significant influence regarding operating and financial matters, are accounted for using the equity method. The Company periodically evaluates its equity method investments for impairment due to declines considered to be other than temporary. If the Company determines that a decline in fair value is other than temporary, then a charge to earnings is recorded, and a new basis in the investment is established.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1 — Description of Business and Summary of Significant Accounting Policies (cont.)**

For equity securities without readily determinable fair values, the Company elected to measure the investments using net asset value, as a practical expedient. These investments are valued based on the most recent available information. In determining the value of the investment, the Company considers whether adjustments to the net asset values are necessary in certain circumstances in which management is aware of material events that affect the value of the investments during the intervening period. Changes in fair value are recognized in “gain (loss) on marketable equity securities and investments,” on the consolidated statements of operations.

For equity securities that do not have a readily determinable fair value and do not report net asset value. These investments are accounted for using a measurement alternative under which they are measured at cost and adjusted for observable price changes and impairments. Observable price changes result from, among other things, equity transactions for the same issuer executed during the reporting period, including subsequent equity offerings or other reported equity transactions related to the same issuer.

Investment property is recorded at cost and adjusted for any impairment. The investment property is included in noncurrent assets of the consolidated balance sheets.

***Trade Accounts Receivable, Net***

Trade accounts receivable, net is reported in the balance sheet as gross outstanding amounts adjusted for doubtful accounts.

***Inventories***

Inventory consists of natural gas, renewable energy credits and solar panels.

***Natural Gas***

Natural gas inventory is stored at various third parties' underground storage facilities and is stated at lower of cost or net realizable value. The Company's natural gas inventory was valued at weighted average cost, which was based on the purchase price of the natural gas and the cost to transport, plus or minus injections or withdrawals.

***Renewable Energy Credits***

GRE must obtain a certain percentage or amount of its power supply from renewable energy sources in order to meet the requirements of renewable portfolio standards in the states in which it operates. This requirement may be met by obtaining renewable energy credits that provide evidence that electricity has been generated by a qualifying renewable facility or resource. GRE holds renewable energy credits for both sale and use, and treats the credits as a government incentive to encourage the construction of renewable power plants. Renewable energy credits are valued at the lower of cost and net realizable value. Gains and losses from the sale of renewable energy credits are recognized in cost of revenues when the credits are transferred to the buyer.

***Solar Panels***

Inventories related to solar panels are stated at the lower of cost or net realizable value. The cost is determined using the first-in, first-out basis and includes both the costs of acquisition and the costs of manufacturing. These costs include direct material, direct labor, and indirect manufacturing costs.

The Company regularly reviews the cost of inventories against their estimated net realizable value and records write-downs if any inventories have costs in excess of their net realizable values. The Company also regularly evaluates the quantities and values of inventories, in light of current market conditions and trends, among other factors and records write-downs for any quantities in excess of demand or for any obsolescence. This evaluation considers the use of modules in the systems business, expected demand, anticipated sales prices, strategic raw

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1 — Description of Business and Summary of Significant Accounting Policies (cont.)**

material requirements, new product development schedules, the effect new products might have on the sale of existing products, product obsolescence, product merchantability, and other factors. Market conditions are subject to change, and actual consumption of our inventory could differ from forecasted demand.

Inventories consisted of the following:

	December 31,	
	2024	2023
	(in thousands)	
Natural gas . . . . .	\$ 1,333	\$ 1,309
Renewable credits . . . . .	10,800	12,105
Solar panels, net of valuation allowance of \$0 and \$0.8 million at December 31, 2024 and 2023, respectively . . . . .	55	1,184
Total inventories . . . . .	\$ 12,188	\$ 14,598

In the years ended December 31, 2024 and 2023, the Company recorded an inventory valuation allowance of \$0.4 million and \$1.1 million to the cost of revenues to write down the carrying value of solar panel inventories to the estimated net realizable value. There was no inventory valuation allowance related to the solar panel inventories recorded for the year ended December 31, 2022. Solar panel inventories are transferred to ongoing solar projects of Genie Solar net of the inventory valuation allowance in the prepaid assets and property and equipment accounts in the consolidated balance sheet.

***Long-lived Assets***

Property, plant and equipment — net is stated at historical cost less accumulated depreciation and any impairment. The Company provides for depreciation using a straight-line method over estimated useful life of the assets. Any leasehold improvements are amortized over the lesser of the lease term or the useful life. The cost of major additions and improvements are capitalized, while maintenance and repair costs that do not improve or extend the lives of the respective assets are charged to operations as incurred.

Asset retirement obligations consist of the Company’s contractual liability for the removal and disposal cost of its solar array systems. These liabilities are recorded at their fair values (which are the present values of the estimated future cash outflows) in the period in which they are incurred, with an accompanying addition to the recorded cost of the long-lived asset. The asset retirement obligation is accreted each year through a charge to expense. The amounts added to the carrying amounts of the solar array system will be depreciated over the useful lives of the assets.

The estimated useful life of property plant and equipment as follows:

	Years
Machinery and equipment	7 – 10
Solar array system	14 – 30
Computer software and development	2 – 5
Computers and computer hardware	2 – 5
Office equipment and other	4 – 27

The fair value of patents and trademarks, non-compete agreements and customer relationships acquired in a business combination accounted for under the purchase method are amortized over their estimated useful lives as follows: patents and trademarks are amortized on a straight-line basis over a 10 to 20-year period and licenses are amortized on a straight-line basis over a 10-year period.

The Company tests the recoverability of its long-lived assets with finite useful lives whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. The Company tests the recoverability based on the projected undiscounted cash flows to be derived from such asset. If the projected undiscounted future cash flows are less than the carrying value of the asset, the Company will record an impairment

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1 — Description of Business and Summary of Significant Accounting Policies (cont.)**

loss based on the excess of carrying value over fair value of the assets. The Company generally measures fair value by considering sale prices for similar assets or by discounting estimated future cash flows from such asset using an appropriate discount rate. Cash flow projections and fair value estimates require significant estimates and assumptions by management. Should the estimates and assumptions prove to be incorrect, the Company may be required to record impairments in future periods and such impairments could be material.

***Acquisitions***

Results of operations of acquired companies are included in the Company's results of operations as of the respective acquisition dates. The purchase price of each acquisition is allocated to the net assets acquired based on estimates of their fair values at the date of the acquisition. Any purchase price in excess of these net assets is recorded as goodwill. The allocation of purchase price in certain cases may be subject to revision based on the final determination of fair values during the measurement period, which may be up to one year from the acquisition date.

For each acquisition, the Company undertakes a detailed review to identify other intangible assets and a valuation is performed for all such identified assets. The Company uses several market participant measures to determine estimated value. This approach includes consideration of similar recent transactions, as well as utilizing discounted expected cash flow methodologies. A substantial portion of the intangible asset value that the Company acquired is the specialized know-how of the workforce, which is treated as part of goodwill and is not required to be valued separately. The majority of the value of the identifiable intangible assets acquired is derived from customer relationships, including the related customer contracts, non-compete agreements, trademarks, patents as well as licenses. If the actual results differ from the estimates, the amount recorded in the financial statements could result in a possible impairment of the intangible assets and goodwill, or require acceleration of the amortization expenses of finite-lived intangible assets.

***Goodwill and Indefinite Lived Intangible Assets***

Goodwill is the excess of the acquisition cost of businesses over the fair value of the identifiable net assets acquired. Goodwill and other indefinite-lived intangible assets are not amortized. These assets are reviewed annually (or more frequently under various conditions) for impairment using a fair value approach.

The Company has two reportable segments with three underlying reporting units: GRE and GREW, which is comprised of Genie Solar, CityCom and Diversegy.

The fair value of each reporting unit is estimated using discounted cash flow methodologies, as well as considering third party market value indicators. Calculating the fair value of the reporting units requires significant estimates and assumptions by management. Should the estimates and assumptions regarding the fair value of the reporting units prove to be incorrect, the Company may be required to record impairments to its goodwill in future periods and such impairments could be material.

The Company performs its annual goodwill impairment test as of October 1. In reviewing goodwill for impairment, the Company has the option, for any or all of its reporting units that carry goodwill — to first assess qualitative factors to determine whether the existence of events or circumstances leads to a determination that it is more likely than not that the estimated fair value of a reporting unit is less than its carrying amount. If the Company elects to perform a qualitative assessment and determines that an impairment is more likely than not, the Company is then required to perform the quantitative impairment test, otherwise no further analysis is required. The Company also may elect not to perform the qualitative assessment and, instead, proceed directly to quantitative impairment test. The ultimate outcome of the goodwill impairment review for a reporting unit should be the same whether the Company chooses to perform the qualitative assessment or proceeds directly to the quantitative impairment test.

The determination of the fair value of our reporting units is based on an income approach that utilizes discounted cash flows for each reporting unit and other Level 3 inputs as specified in the fair value hierarchy in ASC Topic 820, *Fair Value Measurements and Disclosure*. Under the income approach, we determine fair value based on the present

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1 — Description of Business and Summary of Significant Accounting Policies (cont.)**

value of the most recent cash flow projections for the reporting unit as of the date of the analysis and calculate a terminal value utilizing a terminal growth rate. The significant assumptions under this approach include, among others: income projections, which are dependent on future sales, new customers, customer behavior, competitor pricing, operating expenses, the discount rate, and the terminal growth rate. The cash flows used to determine fair value are dependent on a number of significant management assumptions such as the expectations of future performance and the expected future economic environment, which are partly based upon our historical experience. The estimates are subject to change given the inherent uncertainty in predicting future results. Additionally, the discount rate and the terminal growth rate are based on judgment of the rates that would be utilized by a hypothetical market participant.

***Derivative Instruments and Hedging Activities***

The Company records its derivatives instruments at their respective fair values. The accounting for changes in the fair value (that is, gains or losses) of a derivative instrument is dependent upon whether the derivative has been designated and qualifies as part of a hedging relationship and on the type of hedging relationship.

Due to the volatility of electricity and natural gas prices, GRE enters into futures contracts, swaps and put and call options as hedges against unfavorable fluctuations in market prices of electricity and natural gas and to reduce exposure from price fluctuations. The Company does not designate its derivative instruments to qualify for hedge accounting, accordingly the futures contracts, swaps and put and call options are recorded at fair value as current and noncurrent assets or liabilities and any changes in fair value are recorded in “Cost of revenues” in the consolidated statements of operations.

In addition to the above, GRE utilizes forward physical delivery contracts for a portion of its purchases of electricity and natural gas, which are defined as commodity derivative contracts. Using the exemption available for qualifying contracts, GRE applies the normal purchase and normal sale accounting treatment to its forward physical delivery contracts, therefore these contracts are not adjusted to fair value. GRE also applies the normal purchase and normal sale accounting treatment to forward contracts for the physical delivery of electricity in nodal energy markets that result in locational marginal pricing charges or credits, since this does not constitute a net settlement, even when legal title to the electricity is conveyed to the Independent System Operator during transmission. Accordingly, GRE recognizes revenue from customer sales, and the related cost of revenues, at the contracted price, as electricity and natural gas are delivered to retail customers.

***Shipping and Handling Fees and Costs***

Amounts billed to customers for shipping and handling are included in revenues. Shipping, handling and freight charges were nominal, \$0.1 million and a nominal amount were included in cost of goods sold for the years ended December 31, 2024, 2023 and 2022, respectively. Distribution and handling costs of \$0.1 million were recorded in selling, general and administrative expenses for each of the years ended December 31, 2024, 2023 and 2022.

***Foreign Currency***

Assets and liabilities of foreign subsidiaries denominated in foreign currencies are translated to U.S. Dollars at end-of-period rates of exchange, and their monthly results of operations are translated to U.S. Dollars at the average rates of exchange for that month. Gains or losses resulting from such foreign currency translations are recorded in “Accumulated other comprehensive income” in the consolidated balance sheets. Foreign currency transaction gains and losses are reported in “Other (expense) income, net” in the consolidated statements of operations.

***Advertising Expense***

Cost of advertising for customer acquisitions is charged to selling, general and administrative expenses in the period in which it is incurred. In the years ended December 31, 2024, 2023 and 2022, advertising expenses included in selling, general and administrative expenses were \$5.9 million, \$6.2 million and \$7.0 million, respectively.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1 — Description of Business and Summary of Significant Accounting Policies (cont.)**

***Income Taxes***

The Company recognizes deferred tax assets and liabilities for the future tax consequences attributable to temporary differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. A valuation allowance is provided when it is more likely than not that some portion or all of a deferred tax asset will not be realized. The ultimate realization of deferred tax assets depends on the generation of future taxable income during the period in which related temporary differences become deductible. The Company considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in its assessment of a valuation allowance. Deferred tax assets and liabilities are measured using the enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date of such change.

The Company uses a two-step approach for recognizing and measuring tax benefits taken or expected to be taken in a tax return. The Company determines whether it is more-likely-than-not that a tax position will be sustained upon examination, including resolution of any related appeals or litigation processes, based on the technical merits of the position. In evaluating whether a tax position has met the more-likely-than-not recognition threshold, the Company presumes that the position will be examined by the appropriate taxing authority that has full knowledge of all relevant information. Tax positions that meet the more-likely-than-not recognition threshold are measured to determine the amount of tax benefit to recognize in the financial statements. The tax position is measured at the largest amount of benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. Differences between tax positions taken in a tax return and amounts recognized in the financial statements will generally result in one or more of the following: an increase in a liability for income taxes payable, a reduction of an income tax refund receivable, a reduction in a deferred tax asset, or an increase in a deferred tax liability.

The Company classifies interest and penalties on income taxes as a component of income tax expense.

***Contingencies***

The Company accrues for loss contingencies when both (a) information available prior to issuance of the financial statements indicates that it is probable that a liability had been incurred at the date of the financial statements and (b) the amount of loss can reasonably be estimated. When the Company accrues for loss contingencies and the reasonable estimate of the loss is within a range, the Company records its best estimate within the range. When no amount within the range is a better estimate than any other amount, the Company accrues the minimum amount in the range. The Company discloses an estimated possible loss or a range of loss when it is at least reasonably possible that a loss may have been incurred.

***Earnings Per Share***

Basic earnings per share is computed by dividing net income or loss attributable to all classes of common stockholders of the Company by the weighted average number of shares of all classes of common stock issued and outstanding during the applicable period. Diluted earnings per share is determined in the same manner as basic earnings per share, except that the number of shares is increased to include restricted stock still subject to risk of forfeiture and to assume exercise of potentially dilutive stock options and warrants using the treasury stock method, unless the effect of such increase is anti-dilutive.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1 — Description of Business and Summary of Significant Accounting Policies (cont.)**

The weighted-average number of shares used in the calculation of basic and diluted earnings per share attributable to the Company's common stockholders consists of the following:

	Year ended December 31,		
	2024	2023	2022
	(in thousands)		
Basic weighted-average number of shares . . . . .	\$ 26,763	\$ 25,553	\$ 25,629
Effect of dilutive securities			
Shares underlying stock options and warrants . . . . .	—	63	561
Non-vested restricted Class B common stock . . . . .	400	446	176
Diluted weighted-average number of shares . . . . .	<u>\$ 27,163</u>	<u>\$ 26,062</u>	<u>\$ 26,366</u>

The following shares were excluded from the diluted earnings per share computations:

(in thousands)	Year ended December 31,		
	2024	2023	2022
Non-vested deferred stock units . . . . .	—	—	210

Non-vested deferred stock units were excluded from the basic and diluted weighted average shares outstanding calculation because the market condition for vesting of those deferred stock units was not met as of December 31, 2022.

***Stock-Based Compensation***

The Company recognizes compensation expense for grants of stock-based awards to its employees based on the estimated fair value on the grant date. Compensation cost for awards is recognized using the straight-line method over the requisite service period, which approximates the vesting period. Stock-based compensation is included in selling, general and administrative expenses. Forfeitures of equity grants are recognized as incurred.

***Vulnerability Due to Certain Concentrations***

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash, cash equivalents, restricted cash, certificates of deposit and trade accounts receivable. The Company holds cash, cash equivalents and restricted cash at several major financial institutions, much of which exceeds FDIC insured limits. Historically, the Company has not experienced any losses due to such concentration of credit risk. The Company's temporary cash investments policy is to limit the dollar amount of investments with any one financial institution and monitor the credit ratings of those institutions. While the Company may be exposed to credit losses due to the nonperformance of the holders of its deposits, the Company does not expect the settlement of these transactions to have a material effect on its results of operations, cash flows or financial condition.

GRE's REPs reduce their customer credit risk by participating in purchase of receivables, or POR programs for a majority of their receivables. In addition to providing billing and collection services, certain utility companies purchase those REPs' receivables and assume all credit risk without recourse to those REPs for those purchased receivables. GRE's REPs' primary credit risk in these jurisdictions is with respect to those purchased receivables is therefore nonpayment by the utility companies. Certain of the utility companies represent significant portions of the Company's consolidated revenues and consolidated gross trade accounts receivable balance during certain period, and such concentrations increase the Company's risk associated with nonpayment by those utility companies.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1 — Description of Business and Summary of Significant Accounting Policies** (cont.)

The following table summarizes the percentage of consolidated trade receivable by the customer that equaled or exceeded 10.0% of consolidated net trade receivables at December 31, 2024 and 2023 (no other single customer accounted for 10.0% or greater of our consolidated net trade receivable as of December 31, 2024 and 2023).

	December 31,	
	2024	2023
Customer A . . . . .	13.2%	21.4%

The following table summarizes the percentage of consolidated revenues from customers that equal or exceed 10.0% or greater of the Company's consolidated revenues in the period (no other single customer accounted for more than 10.0% of consolidated revenues in these periods):

	Year ended December 31,		
	2024	2023	2022
Customer A . . . . .	20.0%	19.5%	na
Customer B . . . . .	na	na	10.1%

na — less than 10.0% of consolidated revenue in the period

***Allowance for Doubtful Accounts***

The allowance for doubtful accounts reflects the Company's best estimate of probable losses inherent in the accounts receivable balance. The allowance is determined based on known troubled accounts, historical experience and other currently available evidence. Doubtful accounts are written-off upon final determination that the trade accounts will not be collected. The change in the allowance for doubtful accounts was as follows:

(in thousands)	Balance at beginning of period	Additions charged (reversals credited) to expense	Additions (deductions)	Balance at end of period
<b>Year ended December 31, 2024</b>				
Reserves deducted from accounts receivable:				
Allowance for doubtful accounts . . . . .	\$ 6,574	\$ 2,359	\$ (847)	\$ 8,086
<b>Year ended December 31, 2023</b>				
Reserves deducted from accounts receivable:				
Allowance for doubtful accounts . . . . .	\$ 4,826	\$ 2,362	\$ (614)	\$ 6,574

***Fair Value Measurements***

Fair value of financial and non-financial assets and liabilities is defined as an exit price, which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The three-tier hierarchy for inputs used to measure fair value, which prioritizes the inputs to valuation techniques used to measure fair value, is as follows:

- Level 1 — quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument.
- Level 3 — unobservable inputs based on the Company's assumptions used to measure assets and liabilities at fair value.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 1 — Description of Business and Summary of Significant Accounting Policies (cont.)**

A financial asset's or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement. The assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the valuation of the assets and liabilities being measured and their placement within the fair value hierarchy.

***Accounting Standards Updates***

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* ("ASU 2023-09"). ASU 2023-09 will require public entities to disclose on an annual basis a tabular reconciliation using both percentages and amounts, broken out into specific categories with certain reconciling items at or above 5% of the statutory (i.e. expected) tax further broken out by nature and/or jurisdiction. The new provisions require all entities to disclose on an annual basis the amount of income taxes paid (net of refunds received), disaggregated between federal (national), state/local and foreign, and amounts paid to an individual jurisdiction when 5% or more of the total income taxes paid. The new provisions are required to be applied on a prospective basis; retrospective application is permitted. The guidance is effective for annual periods beginning after December 15, 2024. Early adoption is permitted. Although the new standard only requires additional disclosures, the Company is in the process of determining the impact of this guidance to its income tax 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 amends Accounting Standards Codification 280, *Segment Reporting* ("ASC 280") to require public entities to disclose significant segment expenses and other segment items that are regularly provided to the chief operating decision maker ("CODM") and included in each reported measure of a reportable segment's profit or loss, on an annual and interim basis, and provide in interim periods all disclosures about a reportable segment's profit or loss and assets that are currently required annually. The new provisions permit entities to report multiple measures of a reportable segment's profit or loss if the CODM uses those measures to allocate resources and assess performance. The new standard is required to be applied retrospectively to all periods presented in the financial statements, unless impracticable. The new standard is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. The Company adopted the amendment in the fourth quarter of 2024 and the enhanced disclosures are included in the consolidated financial statements. The adoption did not have a material impact on our consolidated financial statements and disclosures.

**Note 2 — Acquisition and Discontinued Operations**

In December 2022, the Company, entered into an investment agreement with Roded Recycling Industries Ltd. ("Roded") and it then owners to acquire a 45.0% noncontrolling interest in Roded for New Israel Shekel ("NIS") 5.0 million (equivalent to \$1.5 million at the date of the transaction). Roded is engaged in the business of recycling used plastic materials into usable industrial products. The Company accounts for its ownership interest in Roded using the equity method.

From December 2022 to April 2024, the Company contributed an aggregate of \$0.4 million to Roded gradually increasing its interest to a 51.2% controlling interest on April 12, 2024. Prior to April 12, 2024, the net book value of the Company's investment in Roded was \$1.3 million. After April 12, 2024, the Company has control over the activities of Roded.

The Company recorded minimal revenue for Roded in its consolidated statements of operations and comprehensive income for year ended December 31, 2024. The net income or loss attributable to this acquisition cannot be identified on a stand-alone basis because it is in the process of being integrated into the Company's operations.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 2 — Acquisition and Discontinued Operations** (cont.)

The Company conducted a preliminary assessment of assets and liabilities related to the acquisition of Roded. The impact of the acquisition's purchase price allocations on the Company's consolidated balance sheets and the acquisition date fair value of the total consideration transferred were as follows (amounts in thousands):

Cash and other current liabilities	\$	200
Property, plant and equipment (1 to 10-year useful life)		573
Goodwill		2,660
Liabilities		(850)
Noncontrolling interest		(1,243)
Net assets	\$	<u>1,340</u>

Goodwill was allocated to the GREW segment. Goodwill is the excess of the consideration transferred over the net assets recognized and represents the expected revenue and cost synergies of the combined company and assembled workforce. Goodwill recognized as a result of the acquisition is not deductible for income tax purposes.

**Acquisition of Solar System Facilities**

On November 3, 2023, the Company acquired ten special-purpose entities that own and operate solar system facilities in Ohio and Michigan. The Company paid a total of \$ 7.5 million, including \$1.0 million held in escrow which was released in June 2024.

The acquisition is accounted for as asset acquisition and the Company recorded \$7.7 million in total purchase price, including \$0.2 million of direct transaction cost allocated to solar arrays assets included in the property and equipment account in the consolidated balance sheet with estimated useful lives of 14 to 30 years.

On November 3, 2023, the Company also signed an agreement to purchase from the sellers of the Ohio and Michigan facilities another special purpose entity that owns and operates a solar system facility in Indiana, for \$1.3 million, subject to the satisfaction of certain closing conditions. In February 2024, the purchase of the solar system facility in Indiana was completed. The acquisition has been accounted for as an asset acquisition and the Company recorded \$1.3 million to solar array assets included in the property and equipment account in the consolidated balance sheets with estimated useful lives of 30 years.

The Company recorded revenue from the solar array acquisitions of approximately \$1.2 million and \$0.1 million in its consolidated statements of operations and comprehensive income for the years ended December 31, 2024 and 2023, respectively. The net income or loss attributable to this acquisition cannot be identified on a stand-alone basis because it is in the process of being integrated into the Company's operations.

The acquired assets are allocated to the GREW segment.

**Lumo Finland and Lumo Sweden Operations**

As a result of the sustained volatility in the energy markets in Europe, in the third quarter 2022, the Company decided to discontinue the operations of Lumo Finland and Lumo Sweden. From July 13, 2022 to July 19, 2022, the Company entered into a series of transactions to sell most of the electricity swap instruments held by Lumo Sweden. The sale price has been fixed and is expected to continue to be settled monthly based on the monthly commodity volume specified in the instruments from September 2022 to March 2025.

The Company determined that the discontinued operations of Lumo Finland and Lumo Sweden represented a strategic shift that will have a major effect on the Company's operations and financial statements and accordingly, the results of operations and related cash flows are presented as discontinued operations for all periods presented. The assets and liabilities of the discontinued operations have been presented separately and reflected within assets and liabilities from discontinued operations in the accompanying consolidated balance sheets as of December 31, 2024 and 2023. Lumo Finland and Lumo Sweden are continuing to liquidate their remaining receivables and settle any remaining liabilities.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 2 — Acquisition and Discontinued Operations** (cont.)

On November 7, 2022, Lumo Finland declared bankruptcy and the administration of Lumo Finland was transferred to the Lumo Administrator. All assets and liabilities of Lumo Finland remain with Lumo Finland, in which Genie retains its equity ownership interest, however, the management and control of Lumo Finland were transferred to the Lumo Administrator. Since the Company lost control of the management of Lumo Finland in favor of the Lumo Administrator, the accounts of Lumo Finland were deconsolidated effect November 9, 2022.

The following table represents summarized balance sheet information of assets and liabilities of the discontinued operations of Lumo Sweden:

	December 31, 2024	December 31, 2023
	(in thousands)	
<b>Assets</b>		
Cash . . . . .	\$ 1,314	\$ 2,483
Receivables from the settlement of the derivative contract – current . . . . .	2,280	10,699
Current assets of discontinued operations . . . . .	<u>\$ 3,594</u>	<u>\$ 13,182</u>
Receivables from the settlement of the derivative contract – noncurrent . . . . .	\$ —	\$ 2,362
Other noncurrent assets . . . . .	3,240	5,078
Noncurrent assets of discontinued operations . . . . .	<u>\$ 3,240</u>	<u>\$ 7,440</u>
<b>Liabilities</b>		
Income taxes payable . . . . .	734	1,399
Accounts payable and other current liabilities . . . . .	2,644	91
Current liabilities of discontinued operations . . . . .	<u>\$ 3,378</u>	<u>\$ 1,490</u>
Deferred tax liabilities . . . . .	665	698
Noncurrent liabilities of discontinued operations . . . . .	<u>\$ 665</u>	<u>\$ 698</u>

The summary of the results of operations of the discontinued operations were as follows:

	Year Ended December 31,		
	2024	2023	2022
	(in thousands)		
Total revenues . . . . .	\$ —	\$ —	\$ 25,247
Cost of revenues . . . . .	—	—	(8,357)
Gross profit . . . . .	—	—	33,604
Selling, general and administrative expenses . . . . .	2,619	—	5,190
Loss from operations . . . . .	(2,619)	—	28,414
Gain from the settlement of assets . . . . .	—	—	7,482
Loss from deconsolidation of subsidiary . . . . .	—	—	(314)
Foreign exchange gains . . . . .	510	—	2,241
Other income . . . . .	(86)	442	383
Net income before taxes . . . . .	(2,195)	442	38,206
Income taxes . . . . .	325	28	7,761
Income from discontinued operations, net of taxes . . . . .	<u>\$ (2,520)</u>	<u>\$ 414</u>	<u>\$ 30,445</u>

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 2 — Acquisition and Discontinued Operations** (cont.)

The following table presents a summary of cash flows of the discontinued operations:

	Year Ended December 31,		
	2024	2023	2022
	(in thousands)		
<b>Operating Activities</b>			
Net income . . . . .	\$ (2,520)	\$ 414	\$ 30,445
Non-cash items . . . . .	2,753	(1,743)	(8,370)
Changes in assets and liabilities . . . . .	10,248	12,869	(7,395)
Cash flows used in operating activities of discontinued operation . . . . .	<u>\$ 10,481</u>	<u>\$ 11,540</u>	<u>\$ 14,680</u>

Prior to being treated as discontinued operations or being deconsolidated, the assets and liabilities of Lumo Finland and Lumo Sweden were included in the (former) GRE International segment.

On November 8, 2023, the Lumo Administrator, acting on behalf of the Bankruptcy Estate, filed a claim in the District Court of Helsinki against Genie Nordic, a wholly owned subsidiary of the Company and the parent company of Lumo Finland, its directors, officers and affiliates, in which it alleges that the gain from the sale of swap instruments owned by Lumo Sweden amounting to €35.2 million (equivalent to \$36.6 million as of December 31, 2024) belongs to the Bankruptcy Estate. The Bankruptcy Estate filed an additional claim with the District Court on May 27, 2024 against Lumo Sweden for €4.8 million (equivalent to \$5.0 million as of December 31, 2024), also alleging that the gain from the sale of the swap instruments belongs to the Bankruptcy Estate, bringing the aggregate sum of claims related to the gain from sale of swap instruments to €40.0 million (equivalent to \$41.6 million as of December 31, 2024). The Company believes that the Lumo Administrator’s position is without merit, and is vigorously defending its position.

Genie was also notified that the Lumo Administrator filed a claim against one of Lumo Finland’s suppliers, seeking to recover payments made by Lumo Finland amounting to €4.2 million (equivalent to \$4.4 million as of December 31, 2024) prior to the bankruptcy. The Lumo Administrator has also filed a recovery claim jointly against the Company and the supplier amounting to €1.6 million (equivalent to \$1.7 million as of December 31, 2024) alleging that a portion of the payment by Lumo Finland effectively reduced the Company’s liability under the terms of a previously supplied parental guarantee (this €1.6 million is included within and not additive to the €4.2 million). The Lumo Administrator alleges that the payments represented preferential payments and therefore belong to the bankruptcy estate which are recoverable under the laws of Finland. The Company is challenging the Lumo Administrator’s claims.

The Company believes that the maximum exposure for these cases would likely be limited by the potential amount of the customers’ claims in the bankruptcy case. Based on the progress made in assessing those claims, the Company expects those claims to be in the range of €2.0 million and €4.0 million. Although the Company does not believe that it is legally obligated to pay anything, given the likelihood of negotiating a settlement to minimize further costs of challenging the claims, the Company recognized an estimated loss of €2.5 million (equivalent to \$2.6 million at the date of the transaction) recorded in the fourth quarter of 2024. The estimated loss is included in the loss from discontinued operations, net account in the consolidated statement of operations for the year ended December 31, 2024.

**Discontinuance of U.K. Operations**

In the third quarter of 2021, the natural gas and energy market in the United Kingdom deteriorated which prompted the Company to start the process of orderly withdrawal from the U.K. market. In October 2021, as part of the orderly exit process, Orbit and Shell agreed to terminate the exclusive supply contract between them. As part of the termination agreement, Orbit was required to unwind all physical forward hedges with Shell which resulted in net cash proceeds after settlement of all related liabilities with Shell.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 2 — Acquisition and Discontinued Operations** (cont.)

Following the termination of the contract with Shell, Orbit filed a petition with the High Court of Justice Business and Property of England and Wales (the “Court”) to declare Orbit insolvent based on the Insolvency Act of 1986. On November 29, 2021, the Court declared Orbit insolvent, revoked Orbit’s license to supply electricity and natural gas in the United Kingdom, ordered the current customers to be transferred to “supplier of last resort” and transfer the administration of Orbit to the Orbit Administrator effective December 1, 2021, which transfer was effective December 1, 2021. All assets and liabilities of Orbit, including cash and receivables remain with Orbit and the management and control of which was transferred to the Orbit Administrator. As a result of loss of control, the Company deconsolidated Orbit effective December 1, 2021 and estimated the remaining liability related to its ownership of Orbit.

The Company determined that the discontinued operations of Orbit represented a strategic shift that would have a major effect on the Company’s operations and financial statements and accordingly, the results of operations and related cash flows are presented as discontinued operations effective December 1, 2021.

On November 21, 2023, the Court issued an order to cease the administration and revert the control of Orbit from the Orbit Administrator to the Company effective November 28, 2023. Following the Company regaining control of the management of Orbit, the accounts of Orbit are consolidated effective November 28, 2023. In 2023 and 2022, the Orbit Administrator paid the Company a return of its interest in Orbit of £18.8 million (equivalent to \$23.7 million on the dates of transfer) and £4.6 million (equivalent to \$5.4 million on the dates of transfer), respectively.

For the year ended December 31, 2024, the Company recognized loss from discontinued operations amounting to \$0.4 million related to deferred income taxes. For the year ended December 31, 2023, the Company recognized income from discontinued operation, net of taxes amounting to \$5.4 million, mainly from the increase in the estimated value of our interest in Orbit due to a change in estimated net assets of Orbit after the Orbit Administrator settled the remaining liabilities. There was no income or loss from discontinued operations recognized in the year ended December 31, 2022.

The assets and liabilities of Orbit were included in GRE International segment.

**Note 3 — Fair Value Measurements**

The following table presents the balance of assets and liabilities measured at fair value on a recurring basis:

<b>(in thousands)</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>December 31, 2024</b>				
<b>Assets:</b>				
Marketable equity securities . . . . .	\$ 357	\$ —	\$ —	\$ 357
Derivative contracts . . . . .	\$ 868	\$ —	\$ —	\$ 868
<b>Liabilities:</b>				
Derivative contracts . . . . .	\$ 473	\$ —	\$ —	\$ 473
<b>December 31, 2023</b>				
<b>Assets:</b>				
Marketable equity securities . . . . .	\$ 396	\$ —	\$ —	\$ 396
Derivative contracts . . . . .	\$ 673	\$ —	\$ —	\$ 673
<b>Liabilities:</b>				
Derivative contracts . . . . .	\$ 1,724	\$ —	\$ —	\$ 1,724

The Company’s derivative contracts consist of natural gas and electricity put and call options and swaps. The underlying asset in the Company’s put and call options is a forward contract. The Company’s swaps are agreements whereby a floating (or market or spot) price is exchanged for a fixed price over a specified period.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 3 — Fair Value Measurements (cont.)**

*Fair Value of Other Financial Instruments*

The estimated fair value of the Company’s other financial instruments was determined using available market information or other appropriate valuation methodologies. However, considerable judgment is required in interpreting this data to develop estimates of fair value. Consequently, the estimates are not necessarily indicative of the amounts that could be realized or would be paid in a current market exchange.

*Restricted cash — short-term, trade receivables, due to IDT Corporation, other current assets and other current liabilities.* At December 31, 2024 and 2023, the carrying amount of these assets and liabilities approximated fair value. The fair value estimate for restricted cash — short-term was classified as Level 1. The carrying value of other current assets, due to IDT Corporation, and other current liabilities approximated fair value.

*Other assets.* At December 31, 2024 and 2023, other assets included notes receivable. The carrying amounts of the note receivable approximated fair value. The fair values were estimated based on the Company’s assumptions, and were classified as Level 3 of the fair value hierarchy.

The Company did not have any transfers of assets or liabilities between Level 1, Level 2 or Level 3 of the fair value measurement hierarchy during the years ended December 31, 2024 and 2023.

The primary non-recurring fair value estimates typically involve goodwill impairment testing (see Note 7), which involves Level 3 inputs, and asset impairments (see Note 7) which utilize Level 3 inputs.

**Note 4 — Derivative Instruments**

The primary risk managed by the Company using derivative instruments is commodity price risk, which is accounted for in accordance with Accounting Standards Codification 815 — Derivatives and Hedging. Natural gas and electricity put and call options and swaps are entered into as hedges against unfavorable fluctuations in market prices of natural gas and electricity. The Company does not apply hedge accounting to these options or swaps, therefore the changes in fair value are recorded in earnings. By using derivative instruments to mitigate exposures to changes in commodity prices, the Company exposes itself to credit risk and market risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contract. When the fair value of a derivative contract is positive, the counterparty owes the Company, which creates credit risk. The Company minimizes the credit or repayment risk in derivative instruments by entering into transactions with high-quality counterparties. At December 31, 2024 and 2023, all of GRE’s swaps and options were traded on the New York Mercantile Exchange.

The summarized volume of GRE’s outstanding contracts and options at December 31, 2024 was as follows (MWh — Megawatt hour and Dth — Decatherm):

<b>Settlement Dates</b>	<b>Commodity</b>	
	<b>Electricity (In MWh)</b>	<b>Natural Gas (In Dth)</b>
First quarter 2025 . . . . .	43,720	295,000
Second quarter 2025 . . . . .	—	227,500
Third quarter 2025 . . . . .	5,120	230,000
Fourth quarter 2025 . . . . .	—	230,000
First quarter 2026 . . . . .	—	—
Second quarter 2026 . . . . .	—	—
Third quarter 2026 . . . . .	9,152	—
Fourth quarter 2026 . . . . .	—	152,500
First quarter 2027 . . . . .	—	225,000
Second quarter 2027 . . . . .	—	—
Third quarter 2027 . . . . .	3,440	—
Fourth quarter 2027 . . . . .	—	—

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 4 — Derivative Instruments** (cont.)

The fair value of outstanding derivative instruments recorded in the accompanying consolidated balance sheets were as follows:

<u>Asset Derivatives</u>	<u>Balance Sheet Location</u>	<u>December 31,</u>	
		<u>2024</u>	<u>2023</u>
		(in thousands)	
<b>Derivatives not designated or not qualifying as hedging instruments:</b>			
Energy contracts and options <sup>(1)</sup> . . . . .	Other current assets	\$ 583	\$ 321
Energy contracts and options . . . . .	Other assets	<u>285</u>	<u>352</u>
<b>Total derivatives not designated or not qualifying as a hedging instruments – Assets . . . . .</b>		<u>\$ 868</u>	<u>\$ 673</u>
<b>Liability Derivatives</b>			
<b>Derivatives not designated or not qualifying as hedging instruments:</b>			
Energy contracts and options <sup>(1)</sup> . . . . .	Other current liabilities	\$ 428	\$ 1,716
Energy Contracts and options . . . . .	Other liabilities	<u>45</u>	<u>8</u>
<b>Total derivatives not designated or not qualifying as a hedging instruments – Liabilities . . . . .</b>		<u>\$ 473</u>	<u>\$ 1,724</u>

(1) The Company classifies derivative assets and liabilities as current based on the cash flows expected to be incurred within the following 12 months.

The effects of derivative instruments on the consolidated statements of operations were as follows:

<u>(in thousands)</u>	<u>Location of (Loss) Gain Recognized on Derivatives</u>	<u>Amount of (Loss) Gain Recognized on Derivatives Year ended December 31,</u>		
		<u>2024</u>	<u>2023</u>	<u>2022</u>
Derivatives not designated or not qualifying as hedging instruments . . . . .	Cost of revenues	<u>\$ (22,304)</u>	<u>\$ (28,887)</u>	<u>\$ 117,607</u>

**Note 5 — Leases**

The Company is the lessee under operating lease agreements primarily for office space in domestic and foreign locations where it has operations and for solar development projects with lease periods expiring between 2025 and 2052. The Company has no finance leases.

The Company determines if a contract is a lease at inception. Right-of-Use (“ROU”) assets are included under other assets in the consolidated balance sheet. The current portion of the operating lease liabilities are included in other current liabilities and the noncurrent portion is included in other liabilities in the consolidated balance sheet.

ROU assets and operating lease liabilities are recognized at the present value of the future lease payments at the lease commencement date. The interest rate used to determine the present value of the future lease payments is the incremental borrowing rate, because the interest rate implicit in most of our leases is not readily determinable. The incremental borrowing rate is estimated to approximate the interest rate on a collateralized borrowing rate based on information available at the lease commencement date. ROU assets also include any prepaid lease payments and lease incentives. The lease terms include periods under options to extend or terminate the lease when it is reasonably certain that we will exercise that option. The Company uses the base, non-cancelable, lease term when determining the lease assets and liabilities. Operating lease expense is recognized on a straight-line basis over the lease term.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 5 — Leases (cont.)**

	December 31,	
	2024	2023
	(in thousands)	
ROU assets .....	\$ 1,819	\$ 2,138
Current portion of operating lease liabilities .....	\$ 223	\$ 309
Noncurrent portion of operating lease liabilities .....	1,732	1,952
Total .....	\$ 1,955	\$ 2,261

At December 31, 2024, the weighted average remaining lease term is 14.1 years and the weighted average discount rate is 8.0%.

Supplemental cash flow information for ROU assets and operating lease liabilities for the years ended December 31, 2024, 2023 and 2022 are as follows:

	For the Year Ended December 31,		
	2024	2023	2022
	(in thousands)		
Cash paid for amounts included in the measurement of lease liabilities:			
Operating cash flows from operating activities .....	\$ 562	\$ 638	\$ 563
ROU assets obtained in the exchange for lease liabilities			
Operating leases .....	\$ 111	\$ 237	\$ 501

Future lease payments under operating leases as of December 31, 2024 were as follows:

(in thousands)	
2025.....	366
2026.....	344
2027.....	306
2028.....	312
2029.....	318
Thereafter .....	1,922
Total future lease payments.....	3,568
Less imputed interest .....	1,613
Total operating lease liabilities .....	\$ 1,955

Rental expenses under operating leases were \$0.6 million for each of the years ended December 31, 2024, 2023 and 2022, respectively.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 6 — Property and Equipment**

	December 31,	
	2024	2023
	(in thousands)	
Solar system facilities . . . . .	\$ 9,052	\$ 7,732
Computer software . . . . .	2,398	2,329
Machinery and equipment . . . . .	703	—
Computers and computer hardware . . . . .	220	219
Office equipment and other . . . . .	284	198
Construction in progress . . . . .	15,789	7,362
	<u>28,446</u>	<u>17,840</u>
Less: accumulated depreciation . . . . .	(3,200)	(2,648)
Property and equipment, net . . . . .	<u>\$ 25,246</u>	<u>\$ 15,192</u>

Property and equipment depreciation expenses were \$0.6 million, \$0.1 million and a nominal amount in the years ended December 31, 2024, 2023 and 2022, respectively.

In 2024 and 2023, the Company transferred \$1.1 million and \$5.4 million, respectively, worth of solar panels that are intended to be used in Genie Solar projects from inventories to construction in progress related to solar panels expected to be used in the solar project by Genie Solar.

In 2024, the Company discontinued several projects of Genie Solar as a result of lack of viability. The Company recognized an impairment of assets of \$0.2 million related to costs previously capitalized in the property and equipment accounts in the consolidated balance sheets.

**Note 7 — Goodwill and Other Intangibles**

The table below reconciles the change in the carrying amount of goodwill for the period from January 1, 2023 to December 31, 2024:

	GRE	GREW	Total
		(in thousands)	
Balance at January 1, 2023 . . . . .	\$ 9,998	—	9,998
Additions/deductions during the period . . . . .	—	—	—
Balance at December 31, 2023 . . . . .	<u>9,998</u>	<u>\$ —</u>	<u>\$ 9,998</u>
Consolidation of Roded . . . . .	—	2,660	2,660
Cumulative translation adjustment . . . . .	—	91	91
Balance at December 31, 2024 . . . . .	<u>\$ 9,998</u>	<u>\$ 2,751</u>	<u>\$ 12,749</u>

The Company performed its annual goodwill impairment test as of October 1, 2024. The Company elected to perform a qualitative analysis. The Company determined, after performing a qualitative analysis, that there was no evidence that it is more likely than not that the fair value of any identified reporting unit was less than the carrying amounts, therefore, it was not necessary to perform a quantitative impairment test.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 7 — Goodwill and Other Intangibles (cont.)**

The table below presents information on the Company's other intangible assets:

	Weighted Average Amortization Period	Gross Carrying Amount	Accumulated Amortization	Net Balance
(in thousands)				
December 31, 2024				
Patents and trademarks . . . . .	18.1 years	\$ 3,510	\$ (1,580)	\$ 1,930
Customer relationships . . . . .	9.0 years	1,100	(896)	204
Licenses . . . . .	10.0 years	479	(246)	233
<b>TOTAL . . . . .</b>		<b>\$ 5,089</b>	<b>\$ (2,722)</b>	<b>\$ 2,367</b>
December 31, 2023				
Trademark . . . . .	18.1 years	\$ 3,510	\$ (1,382)	\$ 2,128
Customer relationships . . . . .	9.0 years	1,100	(774)	326
Licenses . . . . .	10.0 years	479	(198)	281
<b>TOTAL . . . . .</b>		<b>\$ 5,089</b>	<b>\$ (2,354)</b>	<b>\$ 2,735</b>

Amortization expense of intangible assets were \$0.3 million, \$0.4 million and \$0.4 in the years ended December 31, 2024, 2023 and 2022, respectively. The Company estimates that the amortization expense of intangible assets will be \$0.4 million, \$0.3 million, \$0.3 million, \$0.2 million, \$0.2 million and \$1.0 million in the years ending December 31, 2025, 2026, 2027, 2028, 2029 and thereafter, respectively.

**Note 8 — Other Assets**

	December 31,	
	2024	2023
(in thousands)		
Security deposits . . . . .	8,562	7,950
Investments in equity securities . . . . .	5,673	2,605
Investment property . . . . .	3,957	—
Right-of-use assets, net of amortization . . . . .	1,819	2,138
Fair value of derivative contracts – noncurrent . . . . .	285	352
Other assets . . . . .	2,069	2,202
Total other assets . . . . .	<b>\$ 22,365</b>	<b>\$ 15,247</b>

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 9 — Investments**

Investments in equity securities consist of the following:

	Location in Balance Sheet	Measurement	December 31,	
			2024	2023
			(in thousands)	
Rafael Holdings, Inc. . . . .	Marketable equity securities	Quoted market price	\$ 357	\$ 396
Alternative investments – restricted (see Note 17). . . . .	Other current assets	Net asset value	\$ 5,057	\$ —
Alternative investments – restricted (see Note 17). . . . .	Other current assets	Cost	600	—
Alternative investments – unrestricted . . . . .	Other current assets	Cost	—	3,801
Total included in other current assets . . . . .			<u>\$ 5,657</u>	<u>\$ 3,801</u>
PRI Fuel Supply Ltd. . . . .	Other noncurrent assets	Equity method	\$ 454	\$ —
CPP Genie Community Solar . . . . .	Other noncurrent assets	Equity method	242	303
Roded (see Note 4) . . . . .	Other noncurrent assets	Equity method	—	1,268
Alternative investments – restricted (see Note 17). . . . .	Other noncurrent assets	Net asset value	2,877	—
Alternative investments – restricted (see Note 17). . . . .	Other noncurrent assets	Cost	1,000	—
Alternative investments – unrestricted . . . . .	Other noncurrent assets	Cost	1,100	1,034
Total equity investments included in other noncurrent assets. . . . .			<u>\$ 5,673</u>	<u>\$ 2,605</u>

Restricted investments are investments in equity securities owned and managed by the Captive (see Note 17).

The changes in the carrying values of the Company's equity investments without readily determinable fair values for which the Company elected the measurement alternative were as follows:

	For the Years Ended	
	December 31,	
	2024	2023
	(in thousands)	
Balance, beginning of period . . . . .	\$ 4,835	\$ 3,178
Purchases. . . . .	6,000	1,300
Gain recognized during the period, net . . . . .	481	357
Distribution . . . . .	(682)	—
Balance, end of period . . . . .	<u>\$ 10,634</u>	<u>\$ 4,835</u>

In July 2024, the Company acquired an investment property with an aggregate cost of \$3.6 million. The investment property was acquired through a subsidiary in which the Company holds a 51.0% interest with the remaining 49.0% held by Howard Jonas, a related party (see Note 17). The Company paid \$1.8 million to the seller and signed a note payable to the seller for \$1.8 million, payable in full on February 1, 2026. The note payable carries a 5.0% interest rate payable in full on February 1, 2026. In the third quarter 2024, Howard Jonas, reimbursed the Company \$0.9 million, representing the purchase price for his 49.0% share in the investment property and is included in the noncontrolling interest in the consolidated balance sheets. The Company recognized a receivable of \$0.9 million related to Howard Jonas' 49.0% share in the notes payable and is included in the noncontrolling interests section of the consolidated balance sheets. At December 31, 2024, \$3.6 million was outstanding under the note payable with an effective interest rate of 5.0%.

In the fourth quarter of 2024, Howard Jonas' share in the investment property was diluted to 44.1% resulting from additional investments by the Company in the investment property.

The investment property is recorded at cost and adjusted for any impairment. The investment property is included in noncurrent assets of the consolidated balance sheets.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 10 — Accrued Expenses and Other Current Liabilities**

Accrued expenses consisted of the following:

	December 31,	
	2024	2023
	(in thousands)	
Renewable energy . . . . .	\$ 30,441	\$ 31,662
Liability to customers related to promotional and retention incentives . . . . .	9,474	9,493
Payroll and employee benefits . . . . .	4,866	5,095
Other accrued expenses . . . . .	4,012	3,139
Total accrued expenses . . . . .	\$ 48,793	\$ 49,389

Other current liabilities consisted of the following:

	December 31,	
	2024	2023
	(in thousands)	
Contract liabilities . . . . .	\$ 3,973	\$ 5,582
Current hedge liabilities . . . . .	428	1,716
Current portion of debt, net . . . . .	357	—
Current lease liabilities . . . . .	223	309
Others . . . . .	1,769	1,530
Total other current liabilities . . . . .	\$ 6,750	\$ 9,137

**Note 11 — Debt**

*Term Loan*

On November 18, 2024, the Company, through its subsidiary, SUT Holdings, LLC entered into a Term Loan Agreement with NCB for \$7.4 million (the “Term Loan”). The principal amount is payable in installments every January 1, July 1 and October 1 of each year starting on July 1, 2025. Below is the summary of the principal payments per year (in thousands):

2025 . . . . .	\$ 333
2026 . . . . .	399
2027 . . . . .	418
2028 . . . . .	435
2029 . . . . .	391
2030 . . . . .	388
2031 . . . . .	5,061
Total term loan . . . . .	7,425
Less: Current portion . . . . .	333
Noncurrent portion of term loan . . . . .	\$ 7,092

Interest is accrued on the unpaid balance is payable on each January 1, April 1, July 1 and October 1 calculated using the 3-Month Term Secured Overnight Financing Rate (“SOFR”) published by CME Group Benchmark Administration plus a margin of 2.0% computed on the basis of actual number of days over 360 days. The Company paid NCB a nonrefundable commitment fee equal to 1.0% of the total principal amount equivalent to \$0.1 million. The Company shall have the right to prepay the Term Loan in whole or in part at any time as permitted under specific terms in the Term Loan Agreement. The Term Loan is secured by the Company’s operating solar systems located in Ohio, Indiana and Michigan. The Term Loan is subject to various financial and negative covenants and at December 31, 2024 the Company was in compliance with all such covenants.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 11 — Debt** (cont.)

The Company capitalized \$0.1 million in 2024 in connection with the Term Loan. At December 31, 2024, there was \$7.4 million outstanding under the Term Loan at a weighted average interest rate of 6.5%.

The Company also entered into a Cash Management Agreement with NCB to manage the cash flows of the operations of collateralized solar projects. The Cash Management Agreement also provided certain restriction on certain cash accounts specified in the agreements. At December 31, 2024, an aggregate of \$0.4 million are deposited in NCB and are subject to certain restrictions.

*Credit Agreement with JPMorgan Chase Bank*

On December 13, 2018, the Company entered into a Credit Agreement with JPMorgan Chase Bank (“Credit Agreement”). On October 25, 2024, the Company entered into an amendment of its existing Credit Agreement to extend the maturity date of December 31, 2025. The aggregate principal amount was retained at \$3.0 million credit line facility (“Credit Line”). The Company pays a commitment fee of 0.1% per annum on the unused portion of the Credit Line as specified in the Credit Agreement. The borrowed amounts will be in the form of letters of credit which will bear interest of 1.0% per annum. The Company will also pay a fee for each letter of credit that is issued equal to the greater of \$500 or 1.0% of the original maximum available amount of the letter of credit. The Company agreed to deposit cash in a money market account at JPMorgan Chase Bank as collateral for the line of credit equal to \$3.1 million. At December 31, 2024, there are \$0.7 million letters of credit issued by JP Morgan Chase Bank. At December 31, 2024, the cash collateral of \$3.3 million was included in restricted cash — short-term in the consolidated balance sheet.

**Note 12 — Income Taxes**

The components of income before income taxes are as follows:

	Year ended December 31,		
	2024	2023	2022
	(in thousands)		
Domestic . . . . .	\$ 20,359	\$ 18,088	\$ 77,248
Foreign . . . . .	(490)	20	275
<b>INCOME BEFORE INCOME TAXES</b> . . . . .	<b>\$ 19,869</b>	<b>\$ 18,108</b>	<b>\$ 77,523</b>

Significant components of the Company’s deferred income tax assets consist of the following:

	December 31,	
	2024	2023
	(in thousands)	
Deferred income tax assets (liabilities):		
Net operating loss . . . . .	\$ 10,532	\$ 10,378
Accrued expenses . . . . .	1,713	1,899
Bad debt reserve . . . . .	2,183	1,773
Provision for captive insurance liability . . . . .	1,471	778
Lease liability . . . . .	528	610
Stock options and restricted stock . . . . .	1,607	321
Unrealized gain . . . . .	239	228
State taxes . . . . .	23	38
Amortization . . . . .	(403)	(183)
ROU assets . . . . .	(491)	(573)
Total deferred income tax assets . . . . .	17,402	15,269
Valuation allowance . . . . .	(10,347)	(10,069)
<b>DEFERRED INCOME TAX ASSETS, NET</b> . . . . .	<b>\$ 7,055</b>	<b>\$ 5,200</b>

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 12 — Income Taxes** (cont.)

The Company recognizes a valuation allowance against deferred tax assets to the extent that it believes that the deferred tax assets are not more likely than not to be realized. In making such a determination, the Company considers all available positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations. If the Company determines that it would be able to realize its deferred tax assets in the future in excess of their net recorded amount, the Company would make an adjustment to the deferred tax asset valuation allowance, which would reduce the provision for income taxes.

The provision for (benefit from) income taxes consists of the following:

	Year ended December 31,		
	2024	2023	2022
	(in thousands)		
Current:			
Federal . . . . .	\$ 4,710	\$ 3,571	\$ 15,376
State and local . . . . .	1,417	1,267	6,258
	<u>6,127</u>	<u>4,838</u>	<u>21,634</u>
Deferred:			
Federal . . . . .	(1,112)	(279)	(393)
State and local . . . . .	(348)	(320)	(204)
	<u>(1,460)</u>	<u>(599)</u>	<u>(597)</u>
<b>PROVISION FOR INCOME TAXES</b> . . . . .	<u>\$ 4,667</u>	<u>\$ 4,239</u>	<u>\$ 21,037</u>

The differences between provision for income taxes expected at the U.S. federal statutory income tax rate and income taxes provided are as follows:

	Year ended December 31,		
	2024	2023	2022
	(in thousands)		
U.S. federal income tax benefit at statutory rate . . . . .	\$ 4,173	\$ 3,803	\$ 16,280
State and local income tax, net of federal benefit . . . . .	746	1,242	4,760
Valuation allowance . . . . .	278	(159)	(32)
Stock-based compensation . . . . .	(197)	(812)	—
Others . . . . .	(333)	165	29
<b>PROVISION FOR INCOME TAXES</b> . . . . .	<u>\$ 4,667</u>	<u>\$ 4,239</u>	<u>\$ 21,037</u>

The Company includes certain entities that are not included in the Company's consolidated tax return. The entities have separate U.S. federal and state net operating loss carry-forwards of \$37.9 million that begin to expire in 2025. Net operating loss carry-forwards in the amount of \$34.0 million related to Prism may be subject to Internal Revenue Code Section 382 limitation at the time of utilization.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 12 — Income Taxes** (cont.)

The change in the valuation allowance for deferred income taxes was as follows:

	<b>Balance at beginning of period</b>	<b>Additions charged to costs and expenses</b>	<b>Deductions</b>	<b>Balance at end of period</b>
	<b>(in thousands)</b>			
<b>Year ended December 31, 2024</b>				
Reserves for valuation allowances deducted from deferred income taxes, net . . . . .	\$ 10,069	\$ 36	\$ 242	\$ 10,347
<b>Year ended December 31, 2023</b>				
Reserves for valuation allowances deducted from deferred income taxes, net . . . . .	\$ 10,228	\$ —	\$ (159)	\$ 10,069
<b>Year ended December 31, 2022</b>				
Reserves for valuation allowances deducted from deferred income taxes, net . . . . .	\$ 10,260	\$ —	\$ (32)	\$ 10,228

As of December 31, 2024 and 2023, the Company maintained a valuation allowance on the deferred tax assets of net operating losses relating to consolidated U.S. entities and its Israel entity.

The table below summarizes the change in the balance of unrecognized income tax benefits:

	<b>Year ended December 31,</b>	
	<b>2024</b>	<b>2023</b>
	<b>(in thousands)</b>	
Balance at beginning of period . . . . .	\$ 183	\$ 260
Additions based on tax positions related to the current period. . . . .	18	13
Additions based on tax positions related to prior periods. . . . .	—	—
Lapses of statutes of limitations . . . . .	(90)	(90)
<b>Balance at end of period . . . . .</b>	<b>\$ 111</b>	<b>\$ 183</b>

All of the unrecognized income tax benefits at December 31, 2024, 2023 and 2022 would have affected the Company's effective income tax rate if recognized. The Company expects the total amount of unrecognized income tax benefits to significantly decrease within the next twelve months.

In the years ended December 31, 2024, 2023 and 2022, the Company recorded a minimal amount of interest expenses on income taxes. At December 31, 2024 and 2023, accrued interest included in current income taxes payable was minimal.

The Company currently remains subject to examinations of its tax returns as follows: U.S. federal tax returns for 2020 to 2023, state and local tax returns generally for 2019 to 2023 and foreign tax returns generally for 2019 to 2023.

**Note 13 — Equity**

*Class A Common Stock and Class B Common Stock*

The rights of holders of Class A common stock and Class B common stock are identical except for certain voting and conversion rights and restrictions on transferability. The holders of Class A common stock and Class B common stock receive identical dividends per share when and if declared by the Company's Board of Directors. In addition, the holders of Class A common stock and Class B common stock have identical and equal priority rights per share in liquidation. The Class A common stock and Class B common stock do not have any other contractual participation rights. The holders of Class A common stock are entitled to three votes per share and the holders of Class B common stock are entitled to one-tenth of a vote per share. Except as required by law or under the terms of the Series 2012-A

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 13 — Equity (cont.)**

Preferred Stock (the “Preferred Stock”), the holders of Class A and Class B common stock and the Preferred Stock vote together as a single class on all matters submitted to a vote of the Company’s stockholders. Each share of Class A common stock may be converted into one share of Class B common stock, at any time, at the option of the holder. Shares of Class A common stock are subject to certain limitations on transferability that do not apply to shares of Class B common stock.

*Series 2012-A Preferred Stock*

Each share of Series 2012-A Preferred Stock had a liquidation preference of \$8.50 (the “Liquidation Preference”), and was entitled to receive an annual dividend per share equal to the sum of (i) \$0.6375 (the “Base Dividend”) plus (ii) seven and one-half percent (7.5%) of the quotient obtained by dividing (A) the amount by which the EBITDA for a fiscal year of the Company’s retail energy provider business exceeds \$32 million by (B) 8,750,000 (the “Additional Dividend”), payable in cash. EBITDA consists of income (loss) from operations exclusive of depreciation and amortization and other operating gains (losses). During any period when the Company has failed to pay a dividend on the Preferred Stock and until all unpaid dividends have been paid in full, the Company is prohibited from paying dividends or distributions on the Company’s Class B or Class A common stock.

The Series 2012-A Preferred Stock was redeemable, in whole or in part, at the option of the Company 100% of the Liquidation Preference plus accrued and unpaid dividends.

The Base Dividend was payable (if declared by the Company’s Board of Directors, and accrued, if not declared) quarterly on each February 15, May 15, August 15 and November 15, and to the extent that there is any Additional Dividend payable with respect to a fiscal year, it was to be paid to holders of Preferred Stock with the May dividend. With respect to the payment of dividends and amounts upon liquidation, dissolution or winding up, the Preferred Stock was equal in rank to all other equity securities of the Company, the terms of which specifically provided that such equity securities rank on a parity with the Preferred Stock with respect to dividend rights or rights upon the Company’s liquidation, dissolution or winding up; senior to the Company’s common stock; and junior to all of the Company’s existing and future indebtedness.

Each share of Preferred Stock had the same voting rights as a share of Class B common stock, except on certain matters that only impacted the Company’s common stock, as well as additional voting rights on specific matters or upon the occurrence of certain events.

*Dividend Payments*

In each of the years ended December 31, 2024, 2023 and 2022, the Company paid aggregate cash dividends of \$0.30 per share on its Class A common stock and Class B common stock, equal to \$8.2 million, \$8.0 million and \$7.9 million total dividends paid, respectively.

On February 26, 2025, the Company paid a dividend of \$0.075 per share of its Class A common Stock and Class B common stock to stockholders of record as of the close of business on February 18, 2025.

In the year ended December 31, 2023, the Company paid aggregate cash Base Dividends of \$0.3188 per share on its Preferred Stock, equal to \$0.3 million in Base Dividends paid. In May 2023, the Company also paid Additional Dividends of \$0.5301 per share of its Preferred Stock, equal to \$0.5 million in respect of the GRE results of operations through December 31, 2022. In the year ended December 31, 2022, the Company paid aggregate cash base dividends of \$0.6376 per share on its Preferred Stock, equal to \$1.4 million in Base Dividends paid. In May 2022, the Company paid Additional Dividends of \$0.0848 per share on its Preferred Stock, equal to \$0.2 million, in respect of the GRE results of operations through December 31, 2021.

The Delaware Corporation Law allows companies to declare dividends out of its “Surplus,” which is calculated by deducting the par value of the company’s stock from the difference between total assets less total liabilities. The Company elected to record dividends declared against accumulated deficit.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 13 — Equity (cont.)**

*Stock Repurchases and Redemption*

On March 11, 2013, the Board of Directors of the Company approved a program for the repurchase of up to an aggregate of 7.0 million shares of the Company's Class B common stock. In 2024, the Company acquired 660,794 shares of Class B common stock under the stock repurchase program for an aggregate amount of \$10.5 million. In 2023, the Company acquired 3,778 shares of Class B common stock under the stock repurchase program for an aggregate amount of \$0.1 million. In 2022, the Company acquired 639,393 shares of Class B common stock under the stock repurchase program for an aggregate amount of \$4.4 million. At December 31, 2024, 4.0 million shares remained available for repurchase under the stock repurchase program.

In addition, in the years ended December 31, 2024, 2023 and 2022, the Company acquired shares of its Class B common stock that were tendered by the Company's employees to satisfy tax withholding obligations in connection with the lapsing of restrictions on awards of restricted stock. In the year ended December 31, 2024, the Company paid \$2.2 million to repurchase 116,825 shares of its Class B common stock. In the year ended December 31, 2023, the Company paid \$1.6 million to repurchase 111,319 shares of its Class B common stock. In the year ended December 31, 2022, the Company paid \$0.6 million to repurchase 60,342 shares of its Class B common stock. Such shares were repurchased by the Company based on their fair market value on the trading day immediately prior to the vesting date.

As of December 31, 2024 and 2023, the Company held 3.8 million and 2.9 million shares of Class B common stock, respectively, in treasury, with respective costs of \$37.5 million and \$22.7 million, and a weighted average cost of \$9.79 and \$7.75 per share.

On February 7, 2022, the Board of Directors of the Company authorized a program to redeem, beginning in the second quarter of 2022, up to \$1.0 million per quarter of the Company's Preferred Stock at the liquidation preference of \$8.50 per share. In 2023 and 2022, the Company redeemed 2,332,726 shares of Preferred Stock at the liquidation preference of \$8.50 for an aggregate amount of \$19.8 million. Following the redemption, there are no shares of Preferred Stock outstanding, all rights of Preferred Stockholders have terminated, and the Preferred Stock's ticker symbol, "GNEPRA", has been retired.

*Exercise of Stock Options*

In February 2024, Howard S. Jonas exercised options to purchase 126,176 shares of Class B common stock through a cashless exercise and the Company issued 49,632 Class B common stock to Howard S. Jonas with the remaining 76,544 Class B common stock used for payment of the exercise price or retained by the Company to satisfy withholding tax obligations in connection to the exercise of the options.

In May 2023, Howard S. Jonas exercised options to purchase 256,818 shares of Class B common stock through a cashless exercise and the Company issued 98,709 Class B common stock to Howard S. Jonas with the remaining 158,109 Class B common stock used for payment of the exercise price or retained by the Company to satisfy withholding tax obligations in connection to the exercise of the options.

At December 31, 2024, There were no outstanding options to purchase the Company's common stock.

*Warrant to Purchase Class B Common Stock*

On June 8, 2018, the Company sold to Howard S. Jonas, the Chairman of the Company's Board of Directors and the stockholders of the Company, shares of the Company's Class B common stock and warrants to purchase an additional 1,048,218 shares of the Company's Class B common stock at an exercise price of \$4.77 per share for an aggregate exercise price of \$5.0 million. In June 2023, the holder of these warrants exercised the warrants to purchase 1,048,218 shares of Class B common stock warrants for \$5.0 million.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 13 — Equity (cont.)**

In addition, on June 12, 2018, the Company sold to a third-party investor treasury shares of the Company's Class B common stock for an aggregate sales price of \$1.0 million and warrants to purchase an additional 209,644 shares of the Company's Class B common stock at an exercise price of \$4.77 per share for an aggregate exercise price of \$1.0 million. In May 2022, the holder of these warrants exercised the warrants in full through a cashless exercise and the Company issued 72,657 common shares with the remaining warrants purchase 136,987 shares being cancelled to settle the exercise price.

As of December 31, 2024, there were no outstanding warrants to purchase the Company's Class B common stock.

*Purchase of Equity of Subsidiaries*

In February 2024, the Company purchased from a certain investor a 0.5% equity interest in GEIC, which holds the Company's interest in its operating subsidiaries for \$1.2 million. Following this transaction, GEIC is a wholly owned subsidiary of the Company.

In November 2022, the Company purchased from a certain employee 5.1% and 2.3% interests in Lumo Finland and Lumo Sweden, respectively, by issuing 123,302 shares of the Company's Class B restricted common stock, which will ratably vest on a bi-annual basis between May 2023 and up to May 2025.

**Note 14 — Stock-Based Compensation**

*Stock-Based Compensation Plan*

The Company's 2011 Stock Option and Incentive Plan (as amended, the "2011 Plan") is intended to provide incentives to executives, employees, directors and consultants of the Company. Incentives available under the Plan include stock options, stock appreciation rights, limited rights, deferred stock units, and restricted stock. The 2011 Plan expired in 2021 and no new grants are to be issued thereunder, however, outstanding grants are not impacted by the expiration of the plan.

On March 8, 2021, the Board of Directors adopted the Company's 2021 Stock Option and Incentive Plan (the "2021 Plan"), subject to the approval of the Company's stockholders. In May 2021, the 2021 Plan became effective and replaced the 2011 Plan. The 2021 Plan provides incentives to executives, employees, directors and consultants of the Company. Incentives available under the 2021 Plan provide for grants of stock options, stock appreciation rights, limited stock appreciation rights, deferred stock units, and restricted stock. The Plan is administered by the Compensation Committee of the Company's Board of Directors. The maximum number of shares initially reserved for the grant of awards under the 2021 Plan is 1.0 million shares of Class B Common Stock. On May 10, 2023, the Company's stockholders approved an amendment to the 2021 Plan that, among other things, increased the number of shares of the Company's Class B common stock available for the grant of awards thereunder by 0.5 million shares of Class B Common Stock. At December 31, 2024, the Company had 16,438 shares of Class B common stock available for future grants.

*Restricted Stock*

The fair value of restricted shares of the Company's Class B common stock is determined based on the closing price of the Company's Class B common stock on the grant date. Share awards generally vest on a graded basis over three years of service following the grant.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 14 — Stock-Based Compensation** (cont.)

A summary of the status of the Company's grants of restricted shares of Class B common stock is presented below:

	<b>Number of Non-vested Shares</b>	<b>Weighted- Average Grant Date Fair Value</b>
	<b>(in thousands)</b>	
Non-vested restricted shares at December 31, 2023 . . . . .	261	\$ 8.45
Granted . . . . .	419	14.85
Vested . . . . .	(144)	8.81
Forfeited . . . . .	—	—
<b>NON-VESTED RESTRICTED SHARES AT DECEMBER 31, 2024 . . . . .</b>	<b>536</b>	<b>\$ 15.23</b>

At December 31, 2024, there was \$5.8 million of total unrecognized compensation cost related to non-vested restricted stock. The total unrecognized compensation cost is expected to be recognized over a weighted-average period of 2.5 years. The total grant date fair value of shares vested was \$1.3 million, \$1.5 million and \$1.3 million in the years ended December 31, 2024, 2023 and 2022, respectively. The Company recognized compensation cost related to the vesting of the restricted stock of \$1.8 million, \$1.5 million and \$1.3 million in the years ended December 31, 2024, 2023 and 2022, respectively.

*Stock Options*

Option awards are generally granted with an exercise price equal to the fair market value of the Company's stock on the date of grant (which is determined by reference to the closing price for the Class B common stock on the New York Stock Exchange trading date immediately preceding the grant. Option awards generally vest on a graded basis over three years of service and have five-year contractual terms. Expected volatility is based on historical volatility of the Company's Class B common stock and other factors. The Company uses historical data on exercise of stock options, post vesting forfeitures and other factors to estimate the expected term of the stock-based payments granted. The risk free rate is based on the U.S. Treasury yield curve in effect at the time of grant.

A summary of stock option activity for the Company is as follows:

	<b>Number of Options (in thousands)</b>	<b>Weighted- Average Exercise Price</b>	<b>Weighted- Average Remaining Contractual Term (in years)</b>	<b>Aggregate Intrinsic Value (in thousands)</b>
Outstanding at December 31, 2023 . . . . .	126	\$ 8.05	0.1	\$ 2,534
Granted . . . . .	—	—		
Exercised . . . . .	(126)	8.05		
Cancelled/Forfeited . . . . .	—	—		
<b>OUTSTANDING AT DECEMBER 31, 2024 . . . . .</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>\$ —</b>
<b>EXERCISABLE AT DECEMBER 31, 2024 . . . . .</b>	<b>—</b>	<b>\$ —</b>	<b>—</b>	<b>\$ —</b>

The total intrinsic value of options exercised during the year ended December 31, 2024 was \$1.4 million. At December 31, 2024, there was no unrecognized compensation cost related to non-vested stock options. There was no compensation cost related to vesting of the options in the years ended December 31, 2024, 2023 and 2022.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 14 — Stock-Based Compensation (cont.)**

*Market Condition Awards*

In February 2020 and February 2021, the Company granted certain employees and members of its Board of Directors an aggregate of 305,000 deferred stock units, which are subject to vesting in two tranches upon the achievement of a specified thirty-day average closing price of the Company’s Class B common stock within specified periods of time ( the “market conditions”) and the satisfaction of service-based vesting conditions. Each deferred stock unit entitles the grantee to receive, upon vesting, up to two shares of Class B common stock of the Company upon achievement of market conditions which will be subject to restrictions that will lapse annually over three years from grant. The grant-date fair value of the deferred stock units is amortized over approximately 3.5 years after the date of grant irrespective of whether the market conditions were met. The market conditions were not achieved and the deferred stock units expired in February 2021 and February 2022.

In February 2022, the Company granted certain employees and members of its Board of Directors an aggregate of 290,000 deferred stock units which were eligible to vest in two tranches contingent upon the achievement of a specified thirty-day average closing price of the Company’s Class B common stock within a specified period of time (the “2022 market conditions”) and the satisfaction of service-based vesting conditions. Each deferred stock unit entitled the recipient to receive, upon vesting, up to two restricted shares of Class B common stock of the Company depending on market conditions which restricted shares will be subject to restrictions that will lapse annually over three years from grant. The grant-date fair value of the deferred stock units is being amortized over approximately 3.5 years after the date of grant irrespective of whether the 2022 market conditions were met. In the second quarter of 2022, the 2022 market conditions were partially achieved and the Company issued 290,000 shares of its restricted Class B common stock. In February 2023, the remaining portion of the 2022 market condition was achieved and the Company issued an additional 290,000 restricted shares of its Class B common stock. The restricted shares to be issued will be subject to service-based vesting conditions as described above.

The Company used a Monte Carlo simulation model to estimate the grant-date fair value of the awards. Assumptions and estimates utilized in the model include the risk-free interest rate, dividend yield, expected stock volatility based on a combination of the Company’s historical stock volatility. The Company recognized compensation costs related to the deferred stock units award of \$0.6 million, \$1.3 million and \$1.6 million for the years ended December 31, 2024, 2023 and 2022, respectively.

As of December 31, 2024, there were approximately \$0.1 million of total unrecognized stock-based compensation costs related to outstanding and unvested equity-based grants. These costs are expected to be recognized over a weighted-average period of approximately 0.6 years.

**Note 15 — Variable Interest Entity**

Citizens Choice Energy, LLC (“CCE”) is a REP that resells electricity and natural gas to residential and small business customers in the State of New York. The Company does not own any interest in CCE. Since 2011, the Company has provided CCE with substantially all of the cash required to fund its operations. The Company determined that it has the power to direct the activities of CCE that most significantly impact its economic performance and it has the obligation to absorb losses of CCE that could potentially be significant to CCE on a stand-alone basis. The Company therefore determined that it is the primary beneficiary of CCE, and as a result, the Company consolidates CCE within its GRE segment. The net income or loss incurred by CCE was attributed to noncontrolling interests in the accompanying consolidated statements of operations.

Net loss related to CCE and aggregate net funding repaid to (provided by) the Company were as follows:

	Year ended December 31,		
	2024	2023	2022
	(in thousands)		
Net loss . . . . .	<b>\$ 276</b>	<b>\$ 850</b>	<b>\$ 747</b>
Aggregate funding paid to (provided by) the Company, net. . .	<b>\$ 271</b>	<b>\$ (1,104)</b>	<b>\$ (329)</b>

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 15 — Variable Interest Entity (cont.)**

Summarized consolidated balance sheet amounts related to CCE are as follows:

	December 31,	
	2024	2023
	(in thousands)	
<b>ASSETS</b>		
Cash, cash equivalents and restricted cash . . . . .	\$ 313	\$ 265
Trade accounts receivable . . . . .	250	275
Prepaid expenses and other current assets . . . . .	318	323
Other assets . . . . .	363	360
<b>TOTAL ASSETS</b> . . . . .	<b>\$ 1,244</b>	<b>\$ 1,223</b>
<b>LIABILITIES AND NONCONTROLLING INTERESTS</b>		
Current liabilities . . . . .	\$ 645	\$ 611
Due to IDT Energy . . . . .	4,622	4,893
Noncontrolling interests from CCE . . . . .	(4,023)	(4,281)
<b>TOTAL LIABILITIES AND NONCONTROLLING INTERESTS</b> . . . . .	<b>\$ 1,244</b>	<b>\$ 1,223</b>

The assets of CCE may only be used to settle obligations of CCE, and may not be used for other consolidated entities. The liabilities of CCE are non-recourse to the general credit of the Company's other consolidated entities.

**Note 16 — Legal and Regulatory Proceedings**

***Legal Proceedings***

On September 29, 2023, the Attorney General of the State of Illinois filed a complaint against Residents Energy in the Circuit Court of Cook County, Illinois, Chancery Division. The Complaint alleges several counts of violations of the Illinois Consumer Fraud and Deceptive Business Practices Act, 815 ILCS 505/1 et seq., and the Illinois Telephone Solicitations Act, 815 ILCS 413/1 et seq., in connection with Residents Energy's marketing practices, and seeks monetary damages to redress any resulting losses alleged to have been incurred by customers, civil penalties for certain alleged violations in the amount of \$50.0 thousand per violation, and other forms of injunctive and equitable relief to prevent future violations. The Company denies these allegations and intends to vigorously defend itself against any and all claims. As of December 31, 2024, there is insufficient basis to deem any loss probable or to assess the amount of any possible loss. For the years ended December 31, 2024, 2023 and 2022, Resident Energy's gross revenues from sales in Illinois were \$36.6 million and \$48.3 million and \$32.7 million, respectively.

In addition to the matter disclosed above, the Company may from time to time be subject to legal proceedings that arise in the ordinary course of business. Although there can be no assurance in this regard, the Company does not expect any of those legal proceedings to have a material adverse effect on the Company's results of operations, cash flows or financial condition.

Refer to *Note 2 — Acquisitions and Discontinued Operations*, for discussion related to the administration of Lumo Finland.

***Agency and Regulatory Proceedings***

From time to time, the Company receives inquiries or requests for information or materials from public utility commissions or other governmental regulatory or law enforcement agencies related to investigations under statutory or regulatory schemes, and the Company responds to those inquiries or requests. The Company cannot predict whether any of those matters will lead to claims or enforcement actions or whether the Company and the regulatory parties will enter into settlements before a formal claim is made.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 17 — Commitments and Contingencies**

*Purchase Commitments*

The Company had purchase commitments of \$134.7 million at December 31, 2024, of which \$123.0 million was for future purchases of electricity. The purchase commitments outstanding at December 31, 2024 are expected to be paid as follows (in thousands):

2025.....	105,664
2026.....	25,573
2027.....	3,441
Thereafter .....	—
Total payments .....	<u>\$ 134,678</u>

For the year ended December 31, 2024, the Company purchased \$69.8 million and \$12.1 million of electricity and renewable energy credits, respectively, under these purchase commitments. For the year ended December 31, 2023, the Company purchased \$39.4 million and \$16.8 million of electricity and renewable energy credits, respectively, under these purchase commitments. For the year ended December 31, 2022 the Company purchased \$39.0 million and \$19.5 million of electricity and renewable energy credits, respectively, under these purchase commitments.

*Renewable Energy Credits*

GRE’s REPs must obtain a certain percentage or amount of their electricity from renewable energy sources in order to meet the requirements of renewable portfolio standards in the states in which they operate. This requirement may be met by obtaining renewable energy credits that provide evidence that electricity has been generated by a qualifying renewable facility or resource. At December 31, 2024, GRE had commitments to purchase renewable energy credits of \$11.7 million.

*Captive Insurance*

In December 2023, the Company established the Captive insurance company with the primary purpose of enhancing the Company’s risk financing strategies. The Captive insures against certain risks unique to the operations of the Company and its subsidiaries for which insurance may not be currently available or economically feasible in today’s insurance marketplace. The covered risks are both current and related to historical business activities.

The Company, with input from external experts, estimated the expected ultimate cost of: 1) claims defense cost, settlements and penalties resulting from insured risk, and 2) stranded risk which includes economic losses due to regulatory restrictions or unanticipated reduction of demand, as well as the level cost associated with contesting such restrictions.

In the fourth quarter of 2024, the Company expanded its self-insurance risk management strategy to cover additional risk related to its current and historical business operations. The coverage is being provided on an occurrence basis, with an initial policy that reflects 1) exposure, for occurrences in the year prior to implementation, to claims made subsequent to program inception, to the extent recoveries were still possible under relevant statutes of limitation, and 2) exposure for annual periods commencing with implementation of the program.

In assessing the loss contingency, the Company estimated the magnitude and frequency of expected loss based on the Company’s activities. A range of margins was selected so that the cumulative expenses plus risk of losses over a given number of years equal the expected magnitude. This produced a range of annual premium options for the protective period. The contribution of a priori expected plus risk margin losses from each of these periods is multiplied by a current remaining probability factor, which recognizes the relative likelihood that a claim will still be brought subsequent to program inception. These are added together to obtain estimated required reserves and required premiums (net of expenses) at program inception-related exposure prior to program inception.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 17 — Commitments and Contingencies** (cont.)

The amount of the expected loss liability for each risk is based on an analysis performed by a third-party actuary which assumed historical patterns. The key assumptions used in developing these estimates are subject to variability.

In the years ended December 31, 2024 and 2023, the Company paid premiums of \$39.6 million and \$51.2 million, respectively, to the Captive recognized as restricted cash in the consolidated balance sheets. At December 31, 2024, the balance of short-term and long-term restricted cash of Captive are \$18.8 million and \$69.6 million, respectively. The Captive must maintain a sufficient level of cash to fund future reserve payments and secure the Captive's liabilities, particularly those related to insured risks. The Captive has restricted alternative investments included in other current assets and other assets in the consolidated balance sheets (*see Note 9*). The Company also recognized \$33.6 million and \$45.1 million provisions for captive insurance liability for the years ended December 31, 2024, and 2023, respectively, related to the Captive's exposure for the insured risks.

The table below reconciles the change in the current and noncurrent captive insurance liabilities:

	December 31,	
	2024	2023
	(in thousands)	
Current and noncurrent captive insurance liabilities, beginning . . . . .	\$ 45,088	\$ —
Captive insurance liabilities from newly insured risks . . . . .	30,725	45,088
Changes for provision of prior claims. . . . .	5,175	—
Claims for the provision for current year claims . . . . .	(2,288)	—
Payment of claims. . . . .	—	—
Current and noncurrent captive insurance liabilities, end. . . . .	\$ 78,700	\$ 45,088

The captive insurance liability outstanding at December 31, 2024 is expected to be paid as follows (in thousands):

2025. . . . .	\$ 9,120
2026. . . . .	11,225
2027. . . . .	7,554
2028. . . . .	6,384
2029. . . . .	5,731
Thereafter . . . . .	38,686
Total payments . . . . .	\$ 78,700

*Performance Bonds and Unused Letters of Credit*

GRE has performance bonds issued through a third party for certain utility companies and for the benefit of various states in order to comply with the states' financial requirements for REPs. At December 31, 2024, GRE had aggregate performance bonds of \$27.5 million outstanding and a \$0.7 million of unused letters of credit.

*BP Energy Company Preferred Supplier Agreement*

Certain of GREs REPs are party to an Amended and Restated Preferred Supplier Agreement with BP, which is to be in effect through November 30, 2026. Under the agreement, the REPs purchase electricity and natural gas at market rate plus a fee. The obligations to BP are secured by a first security interest in deposits or receivables from utilities in connection with their purchase of the REP's customer's receivables, and in any cash deposits or letters of credit posted in connection with any collateral accounts with BP. The ability to purchase electricity and natural gas under this agreement is subject to satisfaction of certain conditions including the maintenance of certain covenants. At December 31, 2024, the Company was in compliance with such covenants. At December 31, 2024, restricted cash — short-term of \$1.1 million and trade accounts receivable of \$68.8 million were pledged to BP as collateral for the payment of trade accounts payable to BP of \$24.2 million at December 31, 2024.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 18 — Related Party Transactions**

In the third quarter of 2024, Howard Jonas contributed \$0.9 million to a majority-owned subsidiary of a Company, related to an acquisition of an investment property (see *Note 9 — Investments*).

On November 2, 2023, the Company made a charitable donation to the Genie Energy Charitable Foundation (the “Genie Foundation”) by issuing 50,000 shares of Class B common stock from its treasury stock with an aggregate value on the date of the donation of approximately \$1.0 million. On April 17, 2024, the Company repurchased the 50,000 shares of Class B common stock from the Genie Foundation for \$0.8 million. The Company is the sole member of the Genie Foundation and the Company’s Chief Executive Officer and Chief Financial Officer serve as members of the board of directors of Genie Foundation.

On December 7, 2020, the Company invested \$5.0 million to purchase 218,245 shares of Class B common stock of Rafael Holdings, Inc. (“Rafael”). Rafael, a publicly-traded company, is also a related party. Rafael is a former subsidiary of IDT that was spun off from IDT in March 2018. Howard S. Jonas is the Executive Chairman and Chairman of the Board of Directors of Rafael. In connection with the purchase, Rafael issued to the Company warrants to purchase an additional 43,649 shares of Rafael’s Class B common stock with an exercise price of \$22.91 per share. The warrants had a term expiring on June 6, 2022. The Company exercised the warrants in full on March 31, 2021 for a total exercise price of \$1.0 million. In March 2023, the Company sold 195,501 shares of Class B common stock of Rafael for \$0.3 million. In the second quarter of 2023, the Company acquired 150,000 Class B common stock of Rafael for \$0.3 million. For each of the years ended December 31, 2024 and 2023, the Company recognized minimal amounts of loss in connection with the investment. For the year ended December 31, 2022, the Company recognized \$0.8 million of loss in connection with the investment. At December 31, 2024, the Company holds 216,393 Class B common stock of Rafael with a carrying value of \$0.4 million. The Company does not exercise significant influence over the operating or financial policies of Rafael.

In September 2018, the Company divested a majority interest in Atid Drilling Ltd. in exchange for a 37.5% interest in a contracting drilling company in Israel (“Atid 613”) which the Company accounted for using equity method of accounting. In March 2023, the Company received \$0.1 million from Atid 613 for the full settlement of its investments in Atid 613. The Company recognized a minimal gain from settlement of investment included in other income (loss), net in its consolidated statements of operations in the first quarter of 2023. The Company did not recognize any equity in net loss from Atid 613 for the years ended December 31, 2023 and December 31, 2022.

The Company was formerly a subsidiary of IDT Corporation (“IDT”). On October 28, 2011, the Company was spun-off by IDT. The Company entered into various agreements with IDT prior to the spin-off including an agreement for certain services to be performed by the Company and IDT. The Company also provides specified administrative services to certain of IDT’s foreign subsidiaries. Howard Jonas is the Chairman of the Board of IDT.

The Company leases office space and parking in New Jersey. Until August 2022, the space was leased from Rafael. On August 22, 2022, Rafael completed the sale of the leased office space and parking in New Jersey, including the lease of the Company, to a third-party buyer. The leases expire in April 2025.

The charges for services provided by IDT to the Company, and, during the relevant period, rent charged by Rafael, net of the charges for the services provided by the Company to IDT, are included in “Selling, general and administrative” expenses in the consolidated statements of operations.

	Year ended December 31,		
	2024	2023	2022
	(in thousands)		
Amount IDT charged the Company . . . . .	\$ 1,130	\$ 1,264	\$ 1,493
Amount the Company charged IDT . . . . .	\$ 133	\$ 132	\$ 130
Amount Rafael charged the Company . . . . .	\$ —	\$ —	\$ 154

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 18 — Related Party Transactions** (cont.)

The following table presents the balance of receivables and payables to IDT and Rafael:

	December 31,	
	2024	2023
	(in thousands)	
Due to IDT .....	\$ 155	\$ 165
Due from IDT .....	\$ 20	\$ 20
Due to Rafael .....	\$ —	\$ —

The Company obtains insurance policies from several insurance brokers, one of which is IGM Brokerage Corp. (“IGM”). IGM is owned by the mother of Howard S. Jonas and Joyce Mason, who is a Director and Corporate Secretary of the Company. Jonathan Mason, husband of Joyce Mason and brother-in-law of Howard S. Jonas, provides insurance brokerage services via IGM. Based on information the Company received from IGM, the Company believes that IGM received commissions and fees from payments made by the Company (including payments from third party brokers). The Company paid IGM a total of \$0.4 million each in 2024 and 2023, respectively and \$0.5 million in 2022, related to premium of various insurance policies that were brokered by IGM. There was no outstanding payable to IGM as of December 31, 2024. Neither Howard S. Jonas nor Joyce Mason has any ownership or other interest in IGM other than via the familial relationships with their mother and Jonathan Mason.

On February 21, 2022, the Company entered into a Loan and Security Agreement to extend up to 5.5 million New Israel Shekel, or NIS (equivalent to \$1.5 million) with Natan Ohayon (the “Ohayon Loan”). Natan Ohayon holds a minority interest in Petrocycle Ltd (“Petrocycle”), a subsidiary of the Company. Petrocycle is a pre-operating entity engaged in the development of a process to recycle used engine oil into usable gasoline. The Ohayon Loan, which is secured by all assets that Mr. Ohayon acquired using the proceeds of the loan bears a minimum interest as set by the Income Tax Regulations of Israel and is due, together with the principal amount on or before December 31, 2023. In 2022, the Company extended an additional NIS0.7 million (equivalent to \$0.2 million) to Mr. Ohayon related to his share of operations of Petrocycle. In December 2022, the Company suspended the development of business operations of Petrocycle after it was determined that it will not meet the expected results. Petrocycle provided full impairment of its property and equipment, the Ohayon Loan and advances to Mr. Ohayon for an aggregate amount of \$2.1 million.

**Note 19 — Business Segment and Geographic Information**

The Company has two reportable business segments: GRE and GREW. GRE owns and operates REPs, including IDT Energy, Residents Energy, TSE, Southern Federal and Mirabito. Its REP businesses resell electricity and natural gas to residential and small business customers in the Eastern and Midwestern United States and Texas. GREW develops, constructs and operates utility-scale solar energy projects, distributes solar panels, offers energy procurement and advisory services and also markets alternative products and services complementary to its energy offerings. Corporate costs include unallocated compensation, consulting fees, legal fees, business development expenses and other corporate-related general and administrative expenses. Corporate does not generate any revenues, nor does it incur any cost of revenues.

The Company’s reportable segments are distinguished by types of service, customers and methods used to provide their services. The operating results of these business segments are regularly reviewed by the Company’s chief operating decision-maker, the chief executive officer.

The accounting policies of the segments are the same as the accounting policies of the Company as a whole. The Company evaluates the performance of its business segments based primarily on income (loss) from operations. There are no significant asymmetrical allocations to segments.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 19 — Business Segment and Geographic Information (cont.)**

Operating results for the business segments of the Company were as follows:

	GRE	GREW	Corporate	Total
	(in thousands)			
<b>Year ended December 31, 2024</b>				
Revenues . . . . .	\$ 403,340	\$ 21,862	\$ —	\$ 425,202
Cost of revenues . . . . .	271,191	15,528	—	286,719
Gross profit . . . . .	132,149	6,334	—	138,483
Marketing and customer acquisition expenses . .	36,437	592	4,075	41,104
Employee-related expenses . . . . .	17,778	4,579	34	22,391
Provision for doubtful accounts receivable . . . .	2,359	—	—	2,359
Stock-based compensation . . . . .	1,054	58	1,234	2,346
Depreciation and amortization . . . . .	300	584	—	884
Impairment of assets . . . . .	—	185	—	185
Provision for captive insurance liabilities . . . . .	—	—	33,612	33,612
Other selling, general and administrative expenses . . . . .	17,676	3,311	3,325	24,312
Income (loss) from operations . . . . .	\$ 56,545	\$ (2,975)	\$ (42,280)	\$ 11,290
Provision for (benefit from) income taxes . . . . .	\$ 18,226	\$ (1,919)	\$ (11,640)	\$ 4,667
<b>Year ended December 31, 2023</b>				
Revenues . . . . .	\$ 409,879	\$ 18,829	\$ —	\$ 428,708
Cost of revenues . . . . .	266,519	15,983	—	282,502
Gross profit . . . . .	143,360	2,846	—	146,206
Marketing and customer acquisition expenses . .	35,143	656	—	35,799
Employee-related expenses . . . . .	17,325	4,547	4,729	26,601
Provision for doubtful accounts receivable . . . .	2,129	233	—	2,362
Stock-based compensation . . . . .	1,024	28	1,731	2,783
Depreciation and amortization . . . . .	350	113	—	463
Impairment of assets . . . . .	—	—	—	—
Provision for captive insurance liabilities . . . . .	—	—	45,088	45,088
Other selling, general and administrative expenses . . . . .	15,478	3,058	4,565	23,101
Income (loss) from operations . . . . .	\$ 71,911	\$ (5,789)	\$ (56,113)	\$ 10,009
Provision for (benefit from) income taxes . . . . .	\$ 21,119	\$ (1,024)	\$ (15,856)	\$ 4,239
<b>Year ended December 31, 2022</b>				
Revenues . . . . .	\$ 303,972	\$ 11,567	\$ —	\$ 315,539
Cost of revenues . . . . .	150,990	9,767	—	160,757
Gross profit . . . . .	152,982	1,800	—	154,782
Marketing and customer acquisition expenses . .	28,996	504	—	29,500
Employee-related expenses . . . . .	15,126	2,906	—	18,032
Provision for the doubtful accounts receivable . .	2,408	107	—	2,515
Stock-based compensation . . . . .	952	—	2,016	2,968
Depreciation and amortization . . . . .	336	49	—	385
Impairment of assets . . . . .	—	—	2,066	2,066
Provision for captive insurance liabilities . . . . .	—	—	—	—
Other selling, general and administrative expenses . . . . .	12,607	1,762	7,193	21,562
Income (loss) from operations . . . . .	\$ 92,557	\$ (3,528)	\$ (11,275)	\$ 77,754
Provision for (benefit from) income taxes . . . . .	\$ 24,805	\$ (684)	\$ (3,084)	\$ 21,037

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 19 — Business Segment and Geographic Information** (cont.)

Total assets for the business segments of the Company were as follows:

	December 31,	
	2024	2023
	(in thousands)	
GRE.....	\$ 204,470	\$ 214,121
GREW.....	38,302	28,912
Corporate .....	129,679	66,935
Total assets of continuing operations .....	372,451	309,968
Assets of discontinued operations.....	8,060	20,587
Total assets .....	<u>\$ 380,511</u>	<u>\$ 330,555</u>

*Geographic Information*

Revenues from customers located outside of the United States, which are located primarily in Israel were as follows:

	United States	Other Foreign Countries	Total
	(in thousands)		
Year ended December 31, 2024 .....	\$ 424,481	\$ 721	\$ 425,202
Year ended December 31, 2023 .....	425,596	3,112	428,708
Year ended December 31, 2022 .....	315,539	—	315,539

Net long-lived assets and total assets of continuing operations, net held outside of the United States, which are located primarily in Israel, were as follows:

	United States	Other Foreign Countries	Total
	(in thousands)		
<b>December 31, 2024</b>			
Long-lived assets of continuing operations, net .....	\$ 54,973	\$ 3,500	\$ 58,473
Total assets of continuing operations .....	368,333	4,118	372,451
<b>December 31, 2023</b>			
Long-lived assets of continuing operations, net .....	\$ 21,372	\$ 186	\$ 21,558
Total assets of continuing operations .....	307,440	2,528	309,968

Long-lived assets consist of property and equipment, net, right-of-use assets, intangibles and other long-term assets.

**GENIE ENERGY LTD.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

**Note 20 — Selected Quarterly Financial Data (Unaudited)**

The table below presents selected quarterly financial data of the Company for its fiscal quarters in 2024, 2023 and 2022.

Quarter Ended (in thousands, except per share data)	Revenues	Cost of Revenues	(Loss) income from operations	Net (loss) income	Net (loss) income attributable to Genie Energy Ltd.	(Loss) earnings per common share	
						Basic	Diluted
<b>2024:</b>							
December 31 . . . . .	\$ 102,902	\$ 69,447	\$ (20,797)	\$ (15,459)	\$ (15,345)	\$ (0.57)	\$ (0.58)
September 30 . . . . .	111,916	74,010	11,676	10,229	10,199	0.38	0.38
June 30 . . . . .	90,696	57,360	10,563	9,356	9,612	0.36	0.36
March 31 . . . . .	119,688	85,902	9,849	8,169	8,123	0.30	0.30
<b>TOTAL . . . . .</b>	<b>\$ 425,202</b>	<b>\$ 286,719</b>	<b>\$ 11,290</b>	<b>\$ 12,295</b>	<b>\$ 12,588</b>	<b>\$ 0.47</b>	<b>\$ 0.46</b>
<b>2023:</b>							
December 31 . . . . .	\$ 104,933	\$ 71,291	\$ (34,175)	\$ (23,651)	\$ (24,507)	\$ (0.93)	\$ (0.90)
September 30 . . . . .	125,048	83,967	17,886	14,198	14,459	0.54	0.53
June 30 . . . . .	93,463	55,255	15,035	15,339	14,980	0.58	0.57
March 31 . . . . .	105,264	71,989	11,264	14,392	14,274	0.56	0.54
<b>TOTAL . . . . .</b>	<b>\$ 428,708</b>	<b>\$ 282,502</b>	<b>\$ 10,009</b>	<b>\$ 20,278</b>	<b>\$ 19,205</b>	<b>\$ 0.75</b>	<b>\$ 0.74</b>
<b>2022:</b>							
December 31 . . . . .	\$ 81,388	\$ 46,676	\$ 15,482	\$ 16,852	\$ 16,178	\$ 0.61	\$ 0.59
September 30 . . . . .	81,285	38,142	23,538	15,971	18,314	0.73	0.70
June 30 . . . . .	66,940	37,120	11,772	37,373	33,855	1.33	1.30
March 31 . . . . .	85,926	38,819	26,962	16,735	17,519	0.68	0.67
<b>TOTAL . . . . .</b>	<b>\$ 315,539</b>	<b>\$ 160,757</b>	<b>\$ 77,754</b>	<b>\$ 86,931</b>	<b>\$ 85,866</b>	<b>\$ 3.35</b>	<b>\$ 3.26</b>

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