

## Risk Factors Comparison 2025-03-14 to 2024-03-14 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text Section**

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. ~~As we enter new international markets, we will face additional competitive environments.~~ **If GRE is not successful in convincing customers to switch both domestically and internationally,** 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 on April 16, 2021,** the New York Public Service Commission ("PSC") issued **an a number of order orders limiting the types of services implementing various directives, including, imposing (i) registration requirements for all energy retailer marketers may offer supply sales agents, consultants and brokers, and (ii) compensation disclosure requirements. Additionally, PSC Staff has proposed that new consent requirements customers or renewals, in terms of pricing for changes in non-renewable commodities and renewable 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 the these "2021-Orders").** Such **Nevertheless,** compliance could impact customer acquisition, and renewal revenue and profitability. ~~The Company is working to ensure that its products and services are fully compatible with the 2021-Orders.~~ As of December 31, ~~2023~~ **2024**, New York represented ~~16.12~~ **15** % of GRE's total meters served and ~~15.11~~ **11** % of the total residential customer equivalents ("RCEs") of GRE's customer base. For the years ended December 31, ~~2024 and 2023 and 2022,~~ **2024 and 2023** and ~~2022,~~ gross revenue from New York was \$ ~~66.59~~ **63** million and \$ 63.5 million, respectively. In Maryland, **recent legislation has called for the legislature 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 currently considering companion, 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 ~~(SB0001 and HB0267) calling for changes to be made to~~ **ensure that its products and services are fully compatible with the these retail energy marketplace Orders. Nevertheless,** compliance could impact ~~including among other things, restrictions and limitations on customer pricing acquisition, fees revenue and profitability contract renewals, licensing requirements for sales agents, and the modification of certain billing and collection arrangements between REPs and the utility.~~ As of December 31, ~~2023~~ **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 and 2022,~~ **2024 and 2023** and ~~2022,~~ gross revenue from Maryland was \$ ~~9.12~~ **12** million and \$ ~~10.9~~ **11** million, respectively. ~~In~~ **On February 25, 2025,** the Massachusetts ~~legislature is also considering~~ **Department of Public Utilities (DPU) issued a notice new bill (H. 3155) 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 to be made to the retail energy marketplace, including, among other things-- this point, significant bonding requirements and subject to review and discussion by the industry participants, additional training approval by the DPU Commissioners, and the rule and regulation of customer acquisition standards and practices, creation of an oversight agency and a publicly available complaint database to monitor REP complianee, restrictions on supplying low-making processes income customers, and prohibition on early termination fees.** As of December 31, ~~2023~~ **2024**, Massachusetts represented ~~10.9~~ **10** % of GRE's total meters served and ~~7.8~~ **9** % of the total residential customer equivalents ("RCE-RCEs") of GRE's customer base. For the years ended December 31, ~~2024 and 2023 and 2022,~~ **2024 and 2023** and ~~2022,~~ gross revenue from Massachusetts was \$ ~~47.3 million and \$ 60.4 million and \$ 54.6 million,~~ **47.3 million and \$ 60.4 million**, respectively. **14** 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. **Potential global Severe weather, natural disasters, and other related phenomena could become more prevalent and unpredictable as a result of climate change or may produce, among other possible factors, which could negatively affect our business and financial conditions- condition ; unusual variations to the extent such events occur in temperature and weather patterns, resulting in unusual 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- More intense, frequent and- extreme weather events- conditions and seasonal fluctuations also impact other-- the natural disasters 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. **15** 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 or private parties 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, ~~2023~~ **2024**, GRE' s meters enrolled in offerings with fixed rate characteristics constituted approximately ~~57-58~~ **9-8** % and ~~31-36~~ **1-5** % 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 ~~is~~ **may be** subject to **future** litigation that ~~may~~ **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 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 ~~both domestically and internationally~~ 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 a 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 Genie Renewables**—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 **both in securing new development projects at attractive lease rates. Additionally, for community solar projects, we will face competition** in attracting **retail** customers to our products as well as in the operating market where we are competing for access to land rights or attractive development projects. As the demand for solar energy grows, more companies and investors enter the market, increasing competition **for projects** and potentially **lowering prices and** 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 Our business, results of operation and..... that adversely impacts our credit ratings. 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. ~~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 **,in addition to exacerbating the impacts described above:**

- 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 \$ ~~38-36. 9-6~~ million as of December 31, ~~2023-2024~~) belongs to the Bankruptcy Estate. We believe that the Lumo Administrator' s position is without merit, and ~~it we intends-~~ **intend to vigorously defend its-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. 7-4~~ million as of December 31, ~~2023-2024~~) 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. 8-7~~ million as of December 31, ~~2023-2024~~) ~~related to our alleging that a portion of the~~ payment **to by Lumo Finland effectively reduced the supplier-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 ~~Administrators alleges-~~ **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 Administrator' s position is incorrect **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**, and we ~~expect~~ **intend to vigorously defend our position**. Nevertheless, should the ~~those claims to be between~~ Administrator succeed in clawing back the funds from the supplier, **range of € 2. 0 million and € 4. 0 million. Although we do not believe that it is legally obligated possible that following the conclusion of the bankruptcy proceedings, the supplier will seek to recover its- pay anything, given the likelihood of negotiating a settlement to minimize further costs, we recognized an estimated losses-- loss against us, under terms of € 2 the parental guarantee. At this time, 5 million (equivalent to \$ 2. 6 million at there-- the date of the transaction) recorded in the fourth quarter of 2024. The estimated loss is included in the insufficient basis to deem any-loss probable from discontinued operations, net account in the consolidated statement of operations or for to assess the amount of any possible loss-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. We also reported in our Annual Report on Form 10- K as of December 31, 2018, a material weakness in internal control related to an application, which the Company uses to process a wide variety of functions for GRE related to customer enrollment, customer programs and price plans, rebate programs, sales commissions, invoicing, and invoice payment information. During 2019, we completed the remediation measures related to the material weakness and concluded that our internal control over financial reporting was effective as of December 31, 2019. 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 13, 2024, Mr. Jonas has voting power over 1,377,574, 535,326 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 23,939,137, 730,764 shares of our Class B common stock, representing approximately 61.69, 0.3% 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. 21

**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. 22**