



MONTAUK
R E N E W A B L E S

Investor Presentation

FIRST QUARTER 2025 RESULTS

MAY 9, 2025

Cautionary Statement Regarding Forward-Looking and non-GAAP Financial Information

This presentation contains “forward-looking statements” within the meaning of U.S. federal securities laws. Such statements include those relating to estimated and projected financial condition, results of operations, costs and expenditures and objectives for future operations, growth, initiatives and strategies. They also include those related to the Montauk Ag project in North Carolina, the Second Apex RNG Facility, the Blue Granite RNG Facility, the Bowerman RNG Facility, the delivery of biogenic carbon dioxide volumes to European Energy, the Emvolon collaboration and pilot project, the Tulsa Facility project, the resolution of gas collection issues at the McCarty facility, the delays and cancellations of landfill host wellfield expansion projects, the mitigation of wellfield extraction environmental factors at the Rumpke and Apex facilities, how we may monetize RNG production, and weather-related anomalies.

All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially from those that we expect and, therefore, you should not unduly rely on such statements. The risks and uncertainties that could cause those actual results to differ materially from those expressed or implied by these forward-looking statements include but are not limited to: our ability to develop and operate new renewable energy projects, including with livestock farms, and related challenges associated with new projects, such as identifying suitable locations and potential delays in acquisition financing, construction, and development; reduction or elimination of government economic incentives to the renewable energy market, whether as a result of the new presidential administration or otherwise; the inability to complete strategic development opportunities; widespread manmade, natural and other disasters (including severe weather events), health emergencies, dislocations, geopolitical instabilities or events, terrorist activities, international hostilities, government shutdowns, political elections, security breaches, cyberattacks or other extraordinary events that impact general economic conditions, financial markets and/or our business and operating results; taxes, tariffs, duties or other assessments on equipment necessary to generate or deliver renewable energy or continued inflation could raise our operating costs or increase the construction costs of our existing or new projects; rising interest rates could increase the borrowing costs of future indebtedness; the failure to attract and retain qualified personnel or a possible increased reliance on third-party contractors as a result, and the potential unenforceability of non-compete clauses with our employees; the length of development and optimization cycles for new projects, including the design and construction processes for our renewable energy projects; dependence on third parties for the manufacture of products and services and our landfill operations; the quantity, quality and consistency of our feedstock volumes from both landfill and livestock farm operations; reliance on interconnections with and access to electric utility distribution and transmission facilities and gas transportation pipelines for our Renewable Natural Gas and Renewable Electricity Generation segments; our ability to renew pathway provider sharing arrangements at historical counterparty share percentages; our projects not producing expected levels of output; potential benefits associated with the combustion-based oxygen removal condensate neutralization technology; concentration of revenues from a small number of customers and projects; our outstanding indebtedness and restrictions under our credit facility; our ability to extend our fuel supply agreements prior to expiration; our ability to meet milestone requirements under our power purchase agreements; existing regulations and changes to regulations and policies that effect our operations, whether as a result of the new presidential administration or otherwise; expected impacts of the Production Tax Credit and other tax credit benefits under the Inflation Reduction Act of 2022; decline in public acceptance and support of renewable energy development and projects; our expectations regarding Environmental Attribute volume requirements and prices and commodity prices; our expectations regarding the period during which we qualify as an emerging growth company under the Jumpstart Our Business Startups Act (“JOBS Act”); our expectations regarding future capital expenditures, including for the maintenance of facilities; our expectations regarding the use of net operating losses before expiration; our expectations regarding more attractive carbon intensity scores by regulatory agencies for our livestock farm projects; market volatility and fluctuations in commodity prices and the market prices of Environmental Attributes and the impact of any related hedging activity; regulatory changes in federal, state and international environmental attribute programs and the need to obtain and maintain regulatory permits, approvals, and consents; profitability of our planned livestock farm projects; sustained demand for renewable energy; potential liabilities from contamination and environmental conditions; potential exposure to costs and liabilities due to extensive environmental, health and safety laws; impacts of climate change, extreme and changing weather patterns and conditions, and natural disasters; failure of our information technology and data security systems; increased competition in our markets; continuing to keep up with technology innovations; concentrated stock ownership by a few stockholders and related control over the outcome of all matters subject to a stockholder vote.

We provide greater detail regarding risks and uncertainties that could potentially impact forward-looking statements in the sections entitled “Cautionary Note Regarding Forward-Looking Statements” and “Risk Factors” in our 2024 Form 10-K and our First Quarter 2025 Form 10-Q. You should evaluate all forward-looking statements made by us in the context of these risks and uncertainties. The forward-looking statements included in this presentation are made only as of the date hereof and we undertake no obligation to publicly update or revise any forward-looking statement except as required by law.

This presentation contains non-GAAP financial measures such as EBITDA and Adjusted EBITDA. Reconciliations of non-GAAP financial measures to the most directly comparable GAAP financial measures may be found in this presentation (including the appendix) or our SEC filings. We present non-GAAP financial measures because we believe they assist investors in analyzing our performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. In addition, EBITDA and Adjusted EBITDA are financial performance measurements that management and our board of directors use in their financial and operational decision-making and in the determination of certain compensation programs. Non-GAAP financial measures supplement our results as reported in accordance with GAAP and should not be considered in isolation from, as a substitute for, GAAP financial measures such as net (loss) income, cash flows from operating activities or as a measure of our liquidity or profitability.

Financial Performance

Income Statement

(in thousands, except for share and per share data):

	Three Months Ended March 31,	
	2025	2024
Total operating revenues	\$ 42,603	\$ 38,787
Operating expenses:		
Operating and maintenance expenses	17,557	14,451
General and administrative expenses	8,754	9,427
Royalties, transportation, gathering and production fuel	7,571	6,518
Depreciation, depletion and amortization	6,264	5,434
Impairment loss	2,047	528
Transaction costs	—	61
Total operating expenses	\$ 42,193	\$ 36,419
Operating income	\$ 410	\$ 2,368
Other expenses (income):		
Interest expense	\$ 1,243	\$ 1,165
Other income	(52)	(1,060)
Total other expenses	\$ 1,191	\$ 105
(Loss) income before income taxes	\$ (781)	\$ 2,263
Income tax (benefit) expense	(317)	413
Net (loss) income	<u>\$ (464)</u>	<u>\$ 1,850</u>
(Loss) income per share:		
Basic	\$ (0.00)	\$ 0.01
Diluted	\$ (0.00)	\$ 0.01
Weighted-average common shares outstanding:		
Basic	142,711,797	141,986,189
Diluted	142,711,797	142,369,219

Operational Results – Quarter Ended March 31, 2025

(in thousands, unless otherwise indicated)

All comparisons are between the first quarter ended March 31, 2025 and the first quarter ended March 31, 2024, unless otherwise indicated

Renewable Natural Gas (“RNG”) Metrics

- 22 MMBtu decreased production

RIN Metrics

- 1,996 increase in volumes sold
- 1,482 increase in RINs generated but unseparated (new in 2025 related to EPA BRRR rules)
- 565 increase in RINs generated but unsold
- \$0.79 decrease in averaged realized price per RIN
- 6,714 increase in Prior period RINs carried into CY

Renewable Electricity Generation (“REG”) Metrics

- 8 MWh decreased production

Operating and Maintenance Expenses

- \$1,949 increased RNG operating expenses
- \$1,059 increased REG operating expenses

General and administrative expenses

- \$673 decrease

Operational Performance

Operating Metrics

	For the three months ended March 31,			Change %
	2025	2024	Change	
<i>(in thousands, unless otherwise indicated)</i>				
Revenues				
Renewable Natural Gas Total Revenues	\$ 38,451	\$ 33,988	\$ 4,463	13.1%
Renewable Electricity Generation Total Revenues	\$ 4,152	\$ 4,799	\$ (647)	(13.5%)
RNG Metrics				
CY RNG production volumes (MMBtu)	1,389	1,411	(22)	(1.6%)
Less: Current period RNG volumes under fixed/floor- price contracts	(496)	(330)	(166)	50.3%
Plus: Prior period RNG volumes dispensed in current period	291	358	(67)	(18.7%)
Less: Current period RNG production volumes not dispensed	(336)	(384)	48	(12.5%)
Total RNG volumes available for RIN generation (1)	848	1,055	(207)	(19.6%)
RIN Metrics				
Current RIN generation (x 11.6935) (2)	9,932	12,373	(2,441)	(19.7%)
Less: Counterparty share (RINs)	(1,471)	(1,241)	(230)	18.5%
Plus: Prior period RINs carried into current period	6,822	108	6,714	6216.7%
Less: RINs generated but unseparated	(1,482)	—	(1,482)	0.0%
Less: CY RINs carried into next CY	—	—	—	0.0%
Total RINs available for sale (3)	13,801	11,240	2,561	22.8%
Less: RINs sold	(9,885)	(7,889)	(1,996)	25.3%
RIN Inventory	3,916	3,351	565	16.9%
RNG Inventory (volumes not dispensed for RINs) (4)	336	384	(48)	(12.5%)
Average Realized RIN price	\$ 2.46	\$ 3.25	\$ (0.79)	(24.3%)
Operating Expenses				
Renewable Natural Gas Operating Expenses	\$ 21,204	\$ 18,138	\$ 3,066	16.9%
Operating Expenses per MMBtu (actual)	\$ 15.26	\$ 12.85	\$ 2.41	18.8%
REG Operating Expenses	\$ 3,808	\$ 2,813	\$ 995	35.4%
\$/MWh (actual)	\$ 82.78	\$ 52.11	\$ 30.67	58.9%
Other Metrics				
Renewable Electricity Generation Volumes Produced (MWh)	46	54	(8)	(14.8%)
Average Realized Price \$/MWh (actual)	\$ 90.26	\$ 88.87	\$ 1.39	1.6%

(1) RINs are generated in the month that the gas is dispensed to generate RINs, which occurs the month after the gas is produced. Volumes under fixed/floor-price arrangements generate RINs which we do not self-market. K3 RIN separation occurs after the gas is dispensed (RINs generated but unseparated).

(2) One MMBtu of RNG has the same energy content as 11.6935 gallons of ethanol, and thus may generate 11.6935 RINs under the RFS program.

(3) Represents RINs available to be self-marketed by us during the reporting period.

(4) Represents gas production which has not been dispensed to generate RINs.

Financial Performance

Balance Sheet

(in thousands, except share data):

ASSETS	as of March 31,		as of December 31, 2024
	2025	2024	
Current assets:			
Cash and cash equivalents	\$ 40,111	\$ 45,621	
Accounts and other receivables	8,491	8,172	
Current restricted cash	8	8	
Income tax receivable	344	41	
Current portion of derivative instruments	401	471	
Prepaid insurance and other current assets	2,824	2,911	
Total current assets	\$ 52,179	\$ 57,224	
Non-current restricted cash	\$ 375	\$ 375	
Property, plant and equipment, net	259,678	252,288	
Goodwill and intangible assets, net	17,881	18,113	
Deferred tax assets	1,605	1,272	
Non-current portion of derivative instruments	154	298	
Operating lease right-of-use assets	7,095	7,064	
Finance lease right-of-use assets	93	110	
Other assets	15,166	12,271	
Total assets	\$ 354,226	\$ 349,015	
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities:			
Accounts payable	\$ 16,411	\$ 8,856	
Accrued liabilities	10,232	10,069	
Related party payable	—	625	
Current portion of operating lease liability	2,378	2,049	
Current portion of finance lease liability	76	76	
Current portion of long-term debt	11,857	11,853	
Total current liabilities	\$ 40,954	\$ 33,528	
Long-term debt, less current portion	\$ 40,796	\$ 43,763	
Non-current portion of operating lease liability	4,817	5,138	
Non-current portion of finance lease liability	19	36	
Asset retirement obligations	6,456	6,338	
Other liabilities	2,997	2,795	
Total liabilities	\$ 96,039	\$ 91,598	
Commitments and contingencies (Note 20)			
STOCKHOLDERS' EQUITY			
Common stock, \$0.01 par value, authorized 690,000,000 shares; 143,792,811 shares issued at March 31, 2025 and December 31, 2024; 142,711,797 shares outstanding at March 31, 2025 and December 31, 2024	\$ 1,426	\$ 1,426	
Treasury stock, at cost, 2,308,524 shares March 31, 2025 and December 31, 2024	(21,262)	(21,262)	
Additional paid-in capital	223,139	221,905	
Retained earnings	54,884	55,348	
Total stockholders' equity	\$ 258,187	\$ 257,417	
Total liabilities and stockholders' equity	\$ 354,226	\$ 349,015	

Cash Flow

(in thousands, unless otherwise indicated)

	For the three months ended March 31,	
	2025	2024
Net cash provided by (used in):		
Operating activities	\$ 9,140	\$ 14,292
Investing activities	(11,632)	(22,786)
Financing activities	(3,018)	(2,020)
Net decrease in cash and cash equivalents	(5,510)	(10,514)
Restricted cash, end of the period	383	451
Cash and cash equivalents, end of period	40,494	63,728

Operating items affecting net income include:

- \$6,264 depreciation, depletion, and amortization
- \$333 benefit for deferred income taxes
- \$1,274 accounting for stock-based compensation
- \$2,047 accounting for impairment

Investing activities highlights include:

- \$6,076 capital expenditures for Montauk Ag Renewables
- \$5,855 capital expenditures for Second Apex RNG Facility

Financing activities include:

- \$3,000 repayment of term loan

Business Development

RIN Metric Highlights (in thousands, unless otherwise indicated)

First Quarter 2025 Highlights

- EPA BRRR rules requiring RIN separation deferred RIN generation by approximately one month
- Approximately 1,482 RINs generated but unseparated related to 2025 RNG production
- Approximately 3,916 RINs in inventory from 2025 RNG production
- All RINs available for sale from our 2024 RNG production sold

Business Development

RINs Available but Unsold (in thousands, unless otherwise indicated)

Select historical data related to RINs available, RINs sold, and RINs available but unsold:

Calendar Quarter	RINs Available for Sale	RINs Sold	RINs sold as % of RINs Available	RINs Available but Unsold	RINs Unsold as % of RINs Available
2023 Second Quarter	20,407	17,441	85.5%	2,966	14.5%
2023 Third Quarter	14,514	13,750	94.7%	764	5.3%
2023 Fourth Quarter	10,904	10,796	99.0%	108	1.0%
2024 First Quarter	11,240	7,889	70.2%	3,351	29.8%
2024 Second Quarter	14,707	10,000	68.0%	4,707	32.0%
2024 Third Quarter	15,895	15,750	99.1%	145	0.9%
2024 Fourth Quarter	9,822	3,000	30.5%	6,822	69.5%
2025 First Quarter	13,801	9,885	71.6%	3,916	28.4%

Our profitability is highly dependent on the market price of Environmental Attributes, including the market price for RINs. As we self-market a significant portion of our RINs, a decision not to commit to transfer available RINs during a period will impact our revenue and operating profit.

Please refer to the Cautionary Statement Regarding Forward-Looking and non-GAAP Financial Information.

Business Development

Capital Development Summary (in thousands, unless otherwise indicated)

The following summarizes our ongoing development growth plans expected capacity contribution, anticipated commencement of operations, and capital expenditure estimate, respectively, excluding the Montauk Ag Renewables Development project:

Development Opportunity	Estimated Capacity Contribution (MMBtu/day)	Anticipated Commencement Date	Estimated Capital Expenditure
Second Apex RNG Facility	2,100	2025 second quarter	\$30,000-\$40,000
Blue Granite RNG Facility	900	Delayed	TBD
Bowerman RNG Facility	3,600	2027	\$85,000-\$95,000
European Energy Facilities	N/A	2027	\$65,000-\$75,000
Tulsa RNG Facility	1,500	2027	\$25,000-\$35,000

Please refer to the Cautionary Statement Regarding Forward-Looking and non-GAAP Financial Information.

Business Development

RNG Facility Developments – First Quarter 2025 Highlights

Second Apex RNG Facility:

- Commissioning to be complete in second quarter of 2025

Blue Granite RNG Facility:

- Utility provided notice it will no longer accept RNG into its distribution system
- Utility previous provided letter of intent to accept RNG when we were awarded the gas rights
- Impairment of RNG equipment related to RNG design capital expenditures

Business Development

RNG Facility Developments – First Quarter 2025 Highlights

Tulsa REG Conversion to RNG:

- Long lead capital expenditures expected to begin in the second quarter of 2025
- Expect commercial operations in 2027

Rumpke Relocation

- Gas rights agreement obligation related to forecasted landfill filling pattern projected into the existing area of our now current RNG facility
- Long lead capital expenditures expected to begin in the second quarter of 2025
- Expect commercial operations in 2028

Please refer to the Cautionary Statement Regarding Forward-Looking and non-GAAP Financial Information.

Business Development

Montauk Ag Renewables – First Quarter 2025 Highlights

- Continue negotiations with other utility users to provide swine RECs from our first phase production of MWh
- Continue negotiations with potential power purchase providers
- Ongoing testing various methods of both collecting and transporting feedstock
- Continue testing feedstock collection pelletization

Business Development

Alternative Fuel Source Development (in thousands, unless otherwise indicated)

Biogenic Carbon Dioxide (“CO2”) Beneficial Use:

- Signed contract to deliver 140 tons of CO2 from Texas facilities
- 15-year contract with European Energy North America
- 2027 commissioning expected
- Long lead capital expenditures expected to begin in the second quarter of 2025

Waste-stream biogas recovery:

- Collaboration with Emvolon to transform waste stream biogas into carbon negative fuel
- Emvolon installed their patented containerized processing technology at our Atascocita facility in Houston, TX
- Designed as proof of concept to produce green methanol at commercial scale

Appendix

Non-GAAP Reconciliation

EBITDA and Adjusted EBITDA

The following table provides our EBITDA and Adjusted EBITDA for the periods presented, as well as a reconciliation to net (loss) income, which is the most directly comparable GAAP measure, for the three months ended March 31, 2025 and 2024:

	For the three months ended March 31,	
	2025	2024
Net (loss) income	\$ (464)	\$ 1,850
Depreciation, depletion and amortization	6,264	5,434
Interest expense	1,243	1,165
Income tax (benefit) expense	(317)	413
Consolidated EBITDA	6,726	8,862
Impairment loss (1)	2,047	528
Net loss of sale of assets	15	22
Transaction costs	—	61
Adjusted EBITDA	\$ 8,788	\$ 9,473

(1) We recorded impairment losses of \$2,047 and \$528 for the three months ended March 31, 2025 and 2024 , respectively. The impairment losses in the first three months of 2025 primarily relate the impairment of an RNG interconnection at our Blue Granite RNG project. The first three months of 2024 impairment relates to an REG site in which we entered into a bill of sale, assignment and assumption agreement to sell its rights to the existing fuel supply agreement and property back to the site host in advance of the fuel supply agreement termination date and received \$1,000 in proceeds.