



SunCoke Energy®

SunCoke Energy, Inc.  
Q1 2024 Earnings  
Conference Call

# Forward-Looking Statements

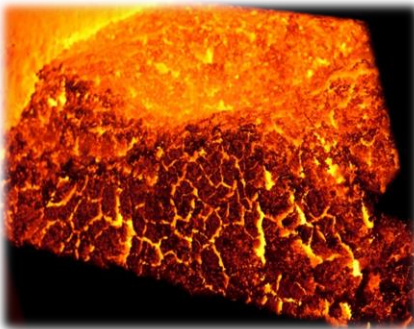
This presentation should be reviewed in conjunction with the first quarter 2024 earnings release of SunCoke Energy, Inc. (SunCoke) and conference call held on May 1, 2024 at 11:30 a.m. ET.

This presentation contains “forward-looking statements” (as defined in Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended). Forward-looking statements often may be identified by the use of such words as “believe,” “expect,” “plan,” “project,” “intend,” “anticipate,” “estimate,” “predict,” “potential,” “continue,” “may,” “will,” “should,” or the negative of these terms, or similar expressions. However, the absence of these words or similar expressions does not mean that a statement is not forward-looking. Any statements made in this presentation that are not statements of historical fact, including statements about our full-year 2024 guidance, our 2024 key initiatives, the ability of our domestic coke plants to continue to operate at full capacity, and future sale commitments, are forward-looking statements and should be evaluated as such. Forward-looking statements represent only our present beliefs regarding future events, many of which are inherently uncertain and involve significant known and unknown risks and uncertainties (many of which are beyond the control of SunCoke) that could cause our actual results and financial condition to differ materially from the anticipated results and financial condition indicated in such forward-looking statements. These risks and uncertainties include, but are not limited to, the risks and uncertainties described in Item 1A (“Risk Factors”) of our Annual Report on Form 10-K for the most recently completed fiscal year, as well as those described from time to time in our other reports and filings with the Securities and Exchange Commission (SEC).

In accordance with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, SunCoke has included in its filings with the SEC cautionary language identifying important factors (but not necessarily all the important factors) that could cause actual results to differ materially from those expressed in any forward-looking statement made by SunCoke. For information concerning these factors and other important information regarding the matters discussed in this presentation, see SunCoke’s SEC filings, copies of which are available free of charge on SunCoke’s website at [www.suncoke.com](http://www.suncoke.com) or on the SEC’s website at [www.sec.gov](http://www.sec.gov). All forward-looking statements included in this presentation are expressly qualified in their entirety by such cautionary statements. Unpredictable or unknown factors not discussed in this presentation also could have material adverse effects on forward-looking statements.

Forward-looking statements are not guarantees of future performance, but are based upon the current knowledge, beliefs and expectations of SunCoke management, and upon assumptions by SunCoke concerning future conditions, any or all of which ultimately may prove to be inaccurate. You should not place undue reliance on these forward-looking statements, which speak only as of the date of the earnings release. SunCoke does not intend, and expressly disclaims any obligation, to update or alter its forward-looking statements (or associated cautionary language), whether as a result of new information, future events, or otherwise, after the date of the earnings release except as required by applicable law.

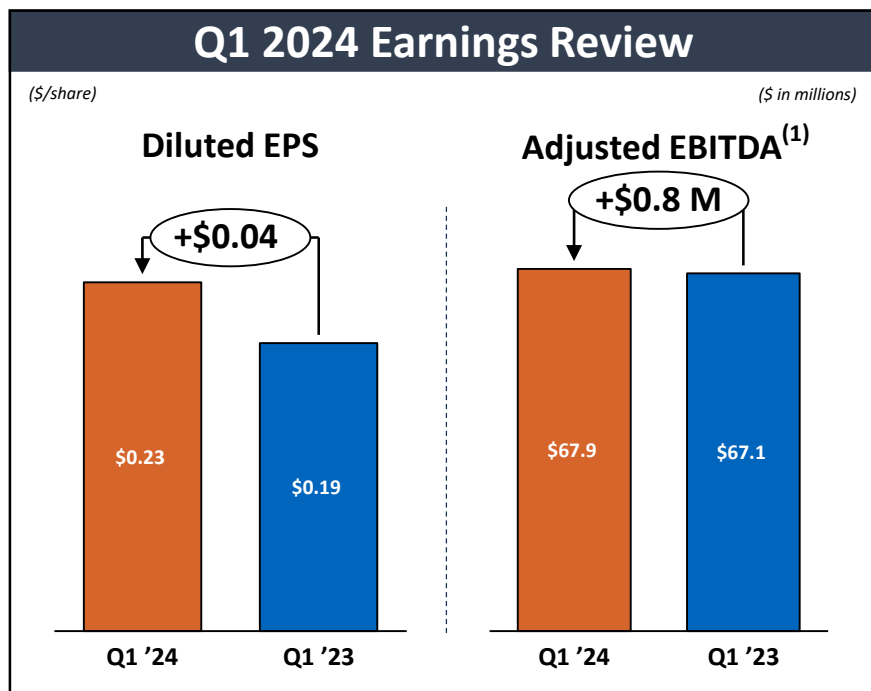
# Q1 2024 Highlights



- ✓ **Strong start to the year across our coke and logistics operations**
- ✓ **Delivered Q1 '24 Consolidated Adjusted EBITDA<sup>(1)</sup> of \$67.9M**
- ✓ **All spot blast and foundry coke sales finalized for the full year**
- ✓ **Gross leverage at 1.86x on a trailing 12 month Adjusted EBITDA<sup>(1)</sup> basis**
- ✓ **Ended Q1 with a strong liquidity position of \$470.1 million**
- ✓ **Reaffirming FY 2024 Consolidated Adjusted EBITDA<sup>(1)</sup> guidance range of \$240M - \$255M**

(1) See appendix for a definition and reconciliation of Adjusted EBITDA.

# Q1 2024 Financial Performance



- Q1 '24 EPS of \$0.23, up \$0.04 from the prior year quarter
- Consolidated Adjusted EBITDA<sup>(1)</sup> of \$67.9M, an increase of \$0.8M from the prior year quarter
  - Coke segment up \$1.0M, primarily driven by higher blast coke sales volumes
  - Logistics segment down \$0.5M, primarily driven by lower transloading volumes at CMT, partially offset by higher volumes at domestic logistics terminals, impacting overall mix

(\$ in millions, except volumes)	Q1 '24	Q1 '23	Q1 '24 vs Q1 '23
Domestic Coke Sales Volumes, Kt	996	950	46
Logistics Volumes, Kt	5,453	5,309	144
Coke Adjusted EBITDA <sup>(2)</sup>	\$63.8	\$62.8	\$1.0
Logistics Adjusted EBITDA	\$13.0	\$13.5	(\$0.5)
Corporate and Other Adjusted EBITDA <sup>(3)</sup>	(\$8.9)	(\$9.2)	\$0.3
<b>Consolidated Adjusted EBITDA<sup>(1)</sup></b>	<b>\$67.9</b>	<b>\$67.1</b>	<b>\$0.8</b>

(1) See appendix for a definition and reconciliation of Adjusted EBITDA.

(2) Coke Adjusted EBITDA includes Domestic Coke and Brazil Coke.

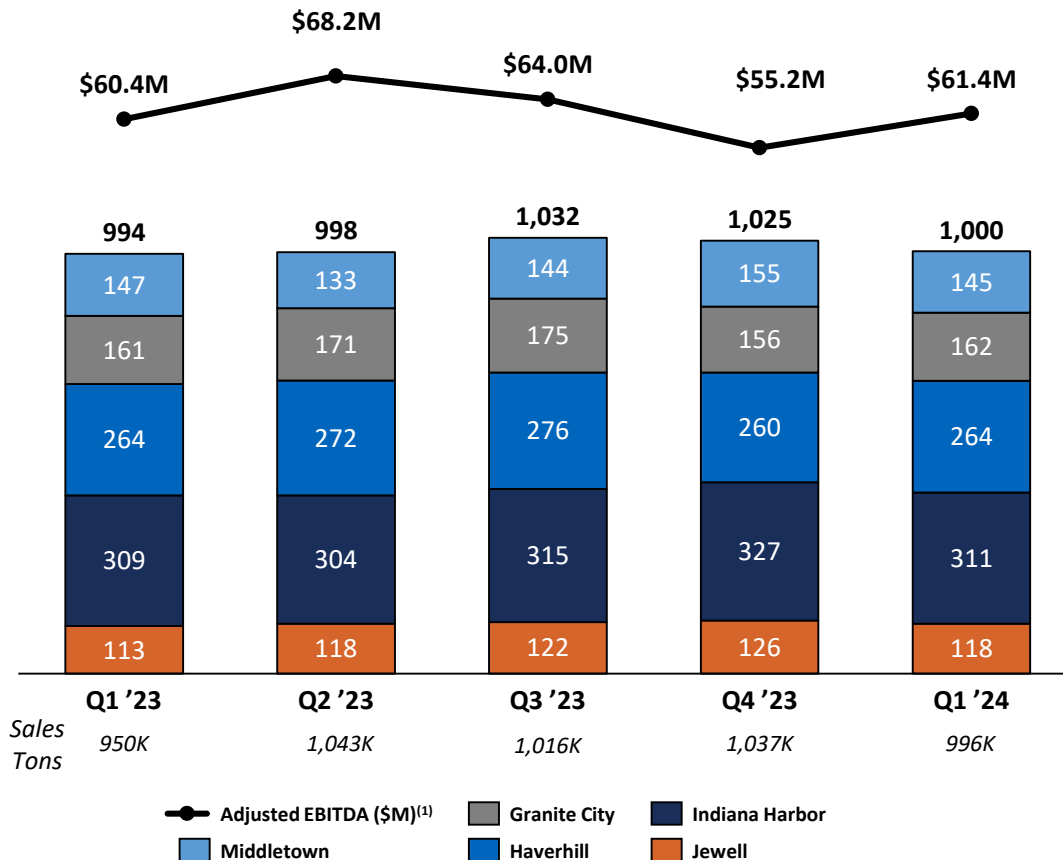
(3) Corporate and Other Adj. EBITDA includes activity from our legacy coal mining business.

# Domestic Coke Business Summary

Domestic coke fleet continues to operate at full capacity;  
all spot blast and foundry coke sales finalized for the year

## Domestic Coke Performance

(Coke Production, Kt)



- Delivered Adjusted EBITDA of \$61.4M in Q1 '24 vs \$60.4M in Q1 '23
  - Domestic coke fleet continues to operate at full capacity
  - Higher blast coke sales volumes primary driver of favorability
- All spot blast and foundry coke sales finalized for the full year
- Reaffirming FY 2024 Domestic Coke Adjusted EBITDA guidance range of \$238M - \$245M

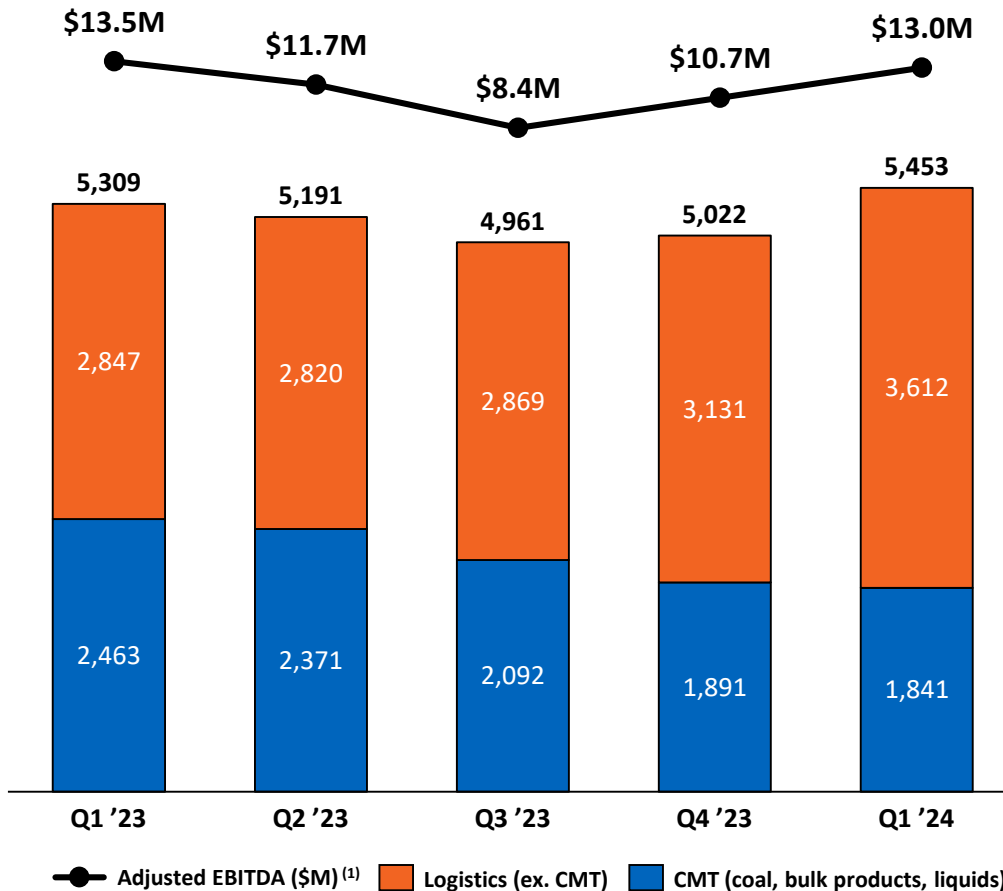
(1) See appendix for a definition of Adjusted EBITDA.

# Logistics Business Summary

Higher volumes driving domestic terminals performance; continue to see lower volumes at CMT due to weak commodity markets

## Logistics Performance

(Tons Handled, Kt)



- **Logistics segment contributed \$13.0M to Q1 '24 Adjusted EBITDA**
  - Logistics performance primarily driven by lower transloading volumes at CMT, partially offset by higher volumes at domestic terminals, impacting overall mix
- **CMT recognized limited API2 price adjustment benefit during Q1 2024**
- **Logistics FY 2024 Adjusted EBITDA guidance of \$30M - \$35M and volume guidance remain unchanged**

(1) See appendix for a definition of Adjusted EBITDA.

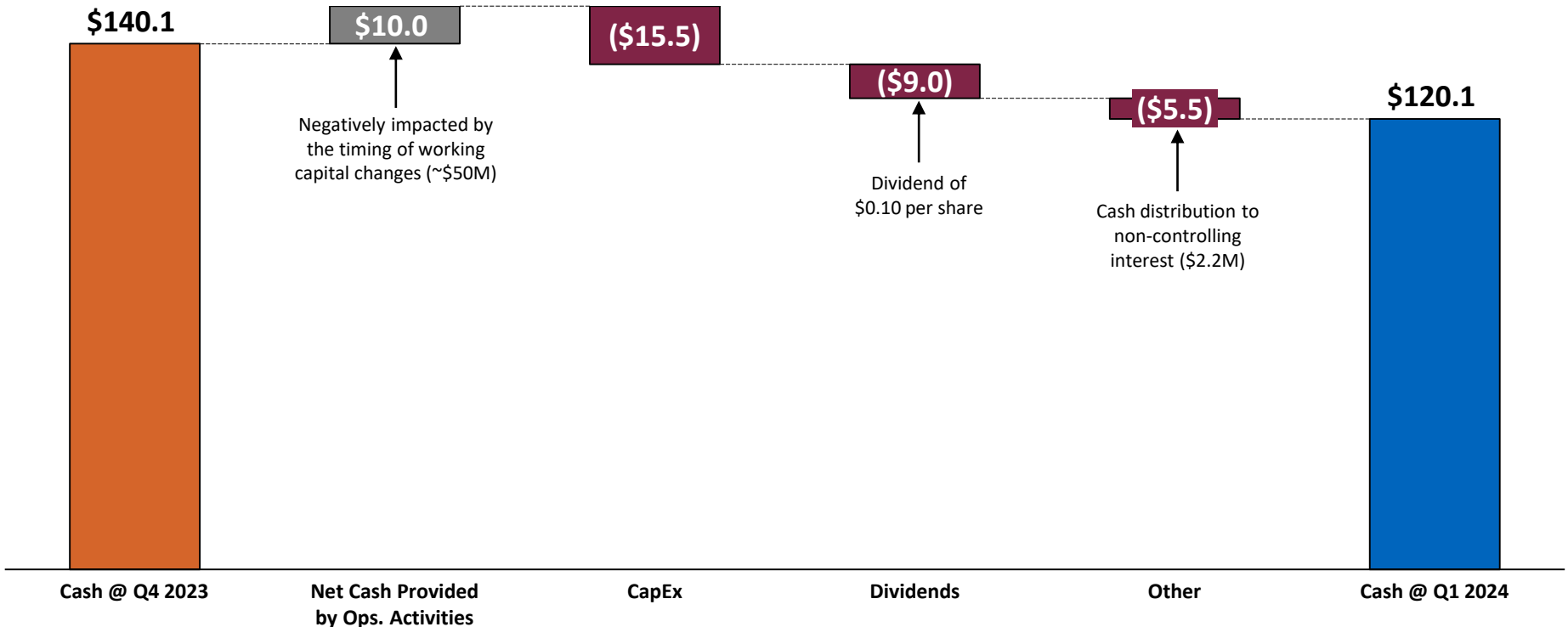
# Q1 2024 Liquidity

Maintained strong liquidity position of \$470.1M

(Consolidated)	Q1 '24
Total Debt	\$500M
Gross Leverage <sup>(1)</sup>	1.86x
Net Leverage <sup>(1)</sup>	1.41x

**Revolver  
Availability:  
\$350M**

(\$ in millions)



(1) Gross leverage and Net leverage for Q1 2024 calculated using Last Twelve Months (LTM) Adjusted EBITDA.

# 2024 Key Initiatives

## Continued Safety and Environmental Excellence

- Continue to deliver strong safety and environmental performance

## Deliver Operational Excellence and Optimize Asset Utilization

- Successfully execute on operational and capital plan
- Support full capacity utilization of cokemaking assets

## Broaden Customer Base for Logistics and Coke Businesses

- Continue work on adding customers and products at CMT
- Further develop foundry and spot blast coke customer book

## Execute on Well-Established Capital Allocation Priorities

- Continue to pursue balanced capital allocation including growth opportunities and returning capital to shareholders

## Achieve 2024 Financial Objectives

- \$240M - \$255M Adjusted EBITDA<sup>(1)</sup>

(1) See appendix for a definition and reconciliation of Adjusted EBITDA.





# **APPENDIX**

## NON-GAAP FINANCIAL MEASURES

In order to assist readers in understanding the core operating results that our management uses to evaluate the business, we describe our non-GAAP measures referenced in this presentation below. In addition to U.S. GAAP measures, this presentation contains certain non-GAAP financial measures. These non-GAAP financial measures should not be considered as alternatives to the measures derived in accordance with U.S. GAAP. Non-GAAP financial measures have important limitations as analytical tools, and you should not consider them in isolation or as substitutes for results as reported under U.S. GAAP. Additionally, other companies may calculate non-GAAP metrics differently than we do, thereby limiting their usefulness as a comparative measure. Because of these and other limitations, you should consider our non-GAAP measures only as supplemental to other U.S. GAAP-based financial performance measures, including revenues and net income. Reconciliations to the most comparable GAAP financial measures are included at the end of this Appendix.

## DEFINITIONS

**Adjusted EBITDA** represents earnings before interest, taxes, depreciation and amortization ("EBITDA"), adjusted for any impairments, restructuring costs, gains or losses on extinguishment of debt, and/or transaction costs ("Adjusted EBITDA"). EBITDA and Adjusted EBITDA do not represent and should not be considered alternatives to net income or operating income under GAAP and may not be comparable to other similarly titled measures in other businesses. Management believes Adjusted EBITDA is an important measure in assessing operating performance. Adjusted EBITDA provides useful information to investors because it highlights trends in our business that may not otherwise be apparent when relying solely on GAAP measures and because it eliminates items that have less bearing on our operating performance. EBITDA and Adjusted EBITDA are not measures calculated in accordance with GAAP, and they should not be considered a substitute for net income, or any other measure of financial performance presented in accordance with GAAP.

**EBITDA** represents earnings before interest, taxes, depreciation and amortization.

**Adjusted EBITDA/Ton** represents Adjusted EBITDA divided by tons sold/handled.

**Free Cash Flow (FCF)** represents operating cash flow adjusted for capital expenditures. Management believes FCF is an important measure of liquidity. FCF is not a measure calculated in accordance with GAAP, and it should not be considered a substitute for operating cash flow or any other measure of financial performance presented in accordance with GAAP.

**Domestic logistics terminals** represents Lake Terminal and Kanawha River Terminals.

# 2024 Guidance Summary

**Expect 2024 Consolidated Adjusted EBITDA<sup>(1)</sup> of \$240M - \$255M;  
2024 Free Cash Flow<sup>(2)</sup> of \$105M - \$125M**

Metric	2024 Guidance*
Adjusted EBITDA Consolidated <sup>(1)</sup>	\$240M - \$255M
Domestic Coke EBITDA	\$238M - \$245M
Logistics EBITDA	\$30M - \$35M
Domestic Coke Sales	~4.1M tons
Domestic Coke Adjusted EBITDA/ton <sup>(3)</sup>	\$58 - \$60/ton
Total Capital Expenditures	\$75M - \$80M
Operating Cash Flow	\$185M - \$200M
Cash Taxes	\$20M - \$25M

\* The Company's 2024 guidance is based on the Company's current estimates and assumptions that are subject to change and may be outside the control of the Company. If actual results vary from these estimates and assumptions, the Company's expectations may change. There can be no assurances that SunCoke will achieve the results expressed by this guidance.

Adjusted EBITDA to FCF Walk		
	2024E	
(\$ in millions)	Low End	High End
Adjusted EBITDA <sup>(1)</sup>	\$240	\$255
Cash interest, net	(\$26)	(\$24)
Cash taxes	(\$20)	(\$25)
Total capex	(\$80)	(\$75)
Working capital changes	(\$9)	(\$6)
<b>Free Cash Flow (FCF)<sup>(2)</sup></b>	<b>\$105</b>	<b>\$125</b>

(1) See definition and reconciliation of Adjusted EBITDA elsewhere in the appendix.

(2) See definition and reconciliation of Free Cash Flow (FCF) elsewhere in the appendix.

(3) Domestic Coke Adjusted EBITDA/ton calculated as Domestic Coke EBITDA/Domestic Coke Sales.

# Coke Facility Capacity and Contract Duration/Volume

Facility	Capacity <sup>(1)</sup>	Customer	Contract Expiry	Contract Volume
Indiana Harbor	1,220 Kt	Cliffs Steel	Sep. 2035	Capacity
Middletown	550 Kt <sup>(2)</sup>	Cliffs Steel	Dec. 2032	Capacity
Haverhill II	550 Kt	Cliffs Steel	June 2025	Capacity
Granite City	650 Kt	US Steel	Dec. 2024	Capacity
Haverhill I/JWO	1,270Kt	Cliffs Steel	Dec. 2025	400 Kt
		Algoma Steel	Dec. 2026	150 Kt

(1) Capacity represents blast furnace equivalent production capacity.

(2) Represents production capacity for blast-furnace sized coke, however, customer takes all on a “run of oven” basis, which represents >600k tons per year.

# Balance Sheet & Debt Metrics

<i>(\$ in millions, except leverage ratios)</i>	As of 3/31/2024		As of 12/31/2023	
Cash	\$	120	\$	140
Available Revolver Capacity	\$	350	\$	350
Total Liquidity	\$	470	\$	490
Gross Debt (Long and Short-term)	\$	500	\$	500
Net Debt (Total Debt less Cash)	\$	380	\$	360
LTM Adjusted EBITDA	\$	270	\$	269
Gross Debt / LTM Adjusted EBITDA		1.86x		1.86x
Net Debt / LTM Adjusted EBITDA		1.41x		1.34x
Adjusted EBITDA (Guidance)		\$240M - \$255M		
Gross Leverage (Guidance)		1.96x - 2.08x		
Net Leverage (Guidance)		1.49x - 1.58x		

<i>As of 3/31/2024</i> <i>(\$ in millions)</i>	2024	2025	2026	2027	2028	2029	Consolidated Total
<b>Sr. Notes</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500.0	\$ 500.0
<b>Revolver</b>	-	-	-	-	-	-	-
<b>Total</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500.0	\$ 500.0

# 2024 Guidance Reconciliation

<i>(\$ in millions)</i>	Low	High
Net Income	\$67	\$84
Depreciation and amortization expense	122	118
Interest expense, net	28	26
Income tax expense	23	27
Adjusted EBITDA (Consolidated)	\$240	\$255

# Free Cash Flow Guidance Reconciliation

<i>(\$ in millions)</i>	2024E	
	Low	High
Operating Cash Flow	\$185	\$200
Capital Expenditures	(80)	(75)
Free Cash Flow (FCF)	\$105	\$125

# Net Income to FCF Reconciliation

(\$ in millions)	2024E	
	Low End	High End
Net Income	\$67	\$84
Depreciation and amortization expense	122	118
Interest expense, net	28	26
Income tax expense	23	27
Adjusted EBITDA (Consolidated)	\$240	\$255
Cash interest	(26)	(24)
Cash taxes	(20)	(25)
Total capex	(80)	(75)
Working capital changes	(9)	(6)
Free Cash Flow (FCF)	\$105	\$125

# Reconciliation to Adjusted EBITDA

<i>(\$ in millions)</i>	Q1 '23	Q2 '23	Q3 '23	Q4 '23	FY '23	Q1 '24
<b>Net Income</b>	<b>\$ 17.7</b>	<b>\$ 22.0</b>	<b>\$ 8.5</b>	<b>\$ 15.3</b>	<b>\$ 63.5</b>	<b>\$ 21.1</b>
Depreciation and amortization expense	35.3	36.4	35.5	35.6	142.8	33.3
Interest expense, net	7.2	7.2	6.6	6.3	27.3	6.3
Income tax expense (benefit)	6.8	8.3	14.6	4.6	34.3	7.1
Transaction costs <sup>(1)</sup>	0.1	0.1	0.2	0.5	0.9	0.1
<b>Adjusted EBITDA</b>	<b>\$ 67.1</b>	<b>\$ 74.0</b>	<b>\$ 65.4</b>	<b>\$ 62.3</b>	<b>\$268.8</b>	<b>\$ 67.9</b>

(1) Costs incurred as part of the granulated pig iron project with U.S. Steel.



# Adjusted EBITDA and Adjusted EBITDA per ton

Reconciliation of Segment Adjusted EBITDA and Adjusted EBITDA per Ton					
(\$ in millions, except per ton data)	Domestic Coke	Brazil Coke	Logistics	Corporate and Other <sup>(1)</sup>	Consolidated
<b>Q1 2024</b>					
Adjusted EBITDA	\$61.4	\$2.4	\$13.0	(\$8.9)	<b>\$67.9</b>
Sales Volume (thousands of tons)	996	371	5,453		
<b>Adjusted EBITDA per Ton</b>	<b>\$61.65</b>	<b>\$6.59</b>	<b>\$2.39</b>		
<b>FY 2023</b>					
Adjusted EBITDA	\$247.8	\$9.1	\$44.3	(\$32.4)	<b>\$268.8</b>
Sales Volume (thousands of tons)	4,046	1,558	20,483		
<b>Adjusted EBITDA per Ton</b>	<b>\$61.25</b>	<b>\$5.86</b>	<b>\$2.16</b>		
<b>Q4 2023</b>					
Adjusted EBITDA	\$55.2	\$2.2	\$10.7	(\$5.8)	<b>\$62.3</b>
Sales Volume (thousands of tons)	1,037	383	5,022		
<b>Adjusted EBITDA per Ton</b>	<b>\$53.23</b>	<b>\$5.76</b>	<b>\$2.12</b>		
<b>Q3 2023</b>					
Adjusted EBITDA	\$64.0	\$2.2	\$8.4	(\$9.2)	<b>\$65.4</b>
Sales Volume (thousands of tons)	1,016	381	4,961		
<b>Adjusted EBITDA per Ton</b>	<b>\$62.99</b>	<b>\$5.83</b>	<b>\$1.69</b>		
<b>Q2 2023</b>					
Adjusted EBITDA	\$68.2	\$2.3	\$11.7	(\$8.2)	<b>\$74.0</b>
Sales Volume (thousands of tons)	1,043	396	5,191		
<b>Adjusted EBITDA per Ton</b>	<b>\$65.39</b>	<b>\$5.78</b>	<b>\$2.26</b>		
<b>Q1 2023</b>					
Adjusted EBITDA	\$60.4	\$2.4	\$13.5	(\$9.2)	<b>\$67.1</b>
Sales Volume (thousands of tons)	950	398	5,309		
<b>Adjusted EBITDA per Ton</b>	<b>\$63.58</b>	<b>\$6.07</b>	<b>\$2.55</b>		

(1) Corporate and Other includes the results of our legacy coal mining business.



**SunCoke Energy<sup>®</sup>**