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

Form 10-Q

(Mark One)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission file number: 001-33492

CVR ENERGY, INC.

(Exact name of registrant as specified in its charter)

Delaware	**61-1512186**
(State or other jurisdiction of incorporation or organization)	*(I.R.S. Employer Identification No.)*

2277 Plaza Drive, Suite 500, Sugar Land, Texas 77479
(Address of principal executive offices) (Zip Code)
(281) 207-3200
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 par value per share	CVI	The New York Stock Exchange

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 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 the 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 is a shell company (as defined by Rule 12b-2 of the Exchange Act). Yes ☐ No ☑

There were 100,530,599 shares of the registrant's common stock outstanding at July 26, 2024.

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CVR Energy, Inc. - Quarterly Report on Form 10-Q
June 30, 2024

This Quarterly Report on Form 10-Q (including documents incorporated by reference herein) contains statements with respect to our expectations or beliefs as to future events. These types of statements are "forward-looking" and subject to uncertainties. See "Important Information Regarding Forward-Looking Statements" section of this filing.

Important Information Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q (this "Report") contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including, but not limited to, those under Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations. These forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond our control. All statements other than statements of historical fact, including without limitation, statements regarding future operations, financial position, estimated revenues and losses, growth, capital projects, stock or unit repurchases, impacts of legal proceedings, projected costs, prospects, plans and objectives of management are forward looking statements. The words "could", "believe", "anticipate", "intend", "estimate", "expect", "may", "continue", "predict", "potential", "project", and similar terms and phrases are intended to identify forward-looking statements.

Although we believe our assumptions concerning future events are reasonable, a number of risks, uncertainties, and other factors could cause actual results and trends to differ materially from those projected or forward looking. Forward looking statements, as well as certain risks, contingencies or uncertainties that may impact our forward-looking statements, include but are not limited to the following:

- volatile margins in the refining industry and exposure to the risks associated with volatile crude oil, refined product and feedstock prices;
- the availability of adequate cash and other sources of liquidity for the capital and other needs of our businesses;
- the effects of the Russia-Ukraine war and the conflict in the Middle East and any spread or expansion thereof, including with respect to impacts to commodity prices and other markets;
- the effects of changes in market conditions; market volatility; crude oil and other commodity prices; demand for those commodities, storage and transportation capacities, including inflation, and the impact of such changes on our operating results and financial condition;
- the ability to forecast our future financial condition, results of operations, revenues and expenses;
- the effects of transactions involving derivative instruments;
- changes in laws, regulations, rules and policies with respect to crude oil, refined products, other hydrocarbons or renewable feedstocks or products including, without limitation, the export, production, sale or transportation thereof and the actions of the Biden Administration that impact oil and gas operations in the United States;
- interruption in pipelines supplying feedstocks or distributing the petroleum business' products;
- competition in the petroleum and nitrogen fertilizer businesses, including potential impacts of domestic and global supply and demand and/or domestic or international duties, tariffs, or similar costs;
- capital expenditures;
- changes in our or our segments' credit profiles;
- the cyclical and seasonal nature of the petroleum and nitrogen fertilizer businesses;
- the supply, availability and price levels of essential raw materials and feedstocks;
- our production levels, including the risk of a material decline in those levels;
- accidents or other unscheduled shutdowns or interruptions affecting our facilities, machinery, or equipment, or those of our suppliers or customers;
- existing and future laws, regulations, policies, or rulings, including the reinterpretation or amplification thereof by regulators, and including but not limited to those relating to the environment, climate change, alternatively energy or fuel sources, including electric vehicles, emissions, including tailpipe emission standards that could impact the future viability of internal combustion engines, renewables, safety, security and/or the transportation or production of hazardous chemicals like ammonia, including potential liabilities or capital requirements arising from such laws, regulations or rulings and our expectations concerning the impacts of such laws, regulations or rulings on macroeconomic factors, including consumer activity;
- potential operating hazards, downtime, and damage to CVR Energy, Inc.'s and CVR Partners, LP's facilities and other assets from accidents, fire, severe weather, tornadoes, floods, or other natural disasters;
- the impact of weather on commodity supply and/or pricing and on the nitrogen fertilizer business including our ability to produce, market or sell fertilizer products profitability or at all;
- rulings, judgments or settlements in litigation, tax or other legal or regulatory matters;
- the dependence of the nitrogen fertilizer business on customers and distributors including to transport goods and equipment and providers of feedstocks;
- the reliance on, or the ability to procure economically or at all, petroleum coke ("pet coke") our nitrogen fertilizer business purchases from our subsidiaries and third-party suppliers or the natural gas, electricity, oxygen, nitrogen,

sulfur processing and compressed dry air and other products purchased from third parties by the nitrogen fertilizer and petroleum businesses;
- risks associated with third-party operation of or control over important facilities necessary for operation of our refineries and nitrogen fertilizer facilities;
- risks of terrorism, cybersecurity attacks, and the security of chemical manufacturing facilities and other matters beyond our control;
- our lack of diversification of assets or operating and supply areas;
- the petroleum business' and nitrogen fertilizer business' dependence on significant customers and the creditworthiness and performance by counterparties;
- the potential loss of the nitrogen fertilizer business' transportation cost advantage over its competitors;
- the potential inability to successfully implement our business strategies at all or on time and within our anticipated budgets, including significant capital programs or projects, turnarounds or renewable or carbon reduction initiatives at our refineries and fertilizer facilities, including pretreater, carbon sequestration, segregation of our renewables business and other projects;
- our ability to continue to license the technology used for our operations;
- our petroleum business' purchase of, or ability to purchase, renewable identification numbers ("RINs") on a timely and cost effective basis or at all;
- the impact of refined product demand and declining inventories on refined product prices and crack spreads;
- Organization of Petroleum Exporting Countries' and its allies' production levels and pricing;
- the impact of RINs pricing, our blending and purchasing activities and governmental actions, including by the U.S. Environmental Protection Agency (the "EPA") on our RIN obligation, open RINs positions, small refinery exemptions, and our estimated consolidated cost to comply with our Renewable Fuel Standard ("RFS") obligations;
- our accounting policies and treatment, including of our RFS obligations;
- operational upsets or changes in laws that could impact the amount and receipt of credits (if any) under Section 45Q of the Internal Revenue Code of 1986, as amended;
- our ability to meet certain carbon oxide capture and sequestration milestones;
- our businesses' ability to obtain, retain or renew environmental and other governmental permits, licenses or authorizations necessary for the operation of its business;
- impact of potential runoff of water containing nitrogen based fertilizer into waterways and regulatory or legal actions in response thereto;
- our ability to issue securities or obtain financing at favorable rates or at all;
- bank failures or other events affecting financial institutions;
- existing and future regulations related to the end-use of our products or the application of fertilizers;
- refinery and nitrogen fertilizer facilities' operating hazards and interruptions, including unscheduled maintenance or downtime and the availability of adequate insurance coverage;
- risks related to services provided by or competition among our subsidiaries, including conflicts of interests and control of CVR Partners, LP's general partner, and control of CVR Energy, Inc. by its controlling shareholder;
- risks related to potential strategic transactions involving CVR Energy, Inc. including but not limited to these in which its controlling shareholder or others may participate (including by providing financing to CVR Energy, Inc. or otherwise) and potential strategic transactions involving CVR Partners, LP in which CVR Energy, Inc. and/or its controlling shareholder or others may participate, including in each case the process of exploring any such transaction and potentially completing any such transaction, including the costs thereof and the risk that any such transaction may not achieve some or all of any anticipated benefits;
- instability and volatility in the capital and credit markets;
- restrictions in our debt agreements;
- our ability to refinance our debt on acceptable terms or at all;
- asset impairments and impacts thereof;
- the outcome of any legal proceedings involving or investigations of our controlling shareholder or his affiliates;
- our controlling shareholder's intentions regarding ownership of our common stock, including any dispositions of our common stock;
- the impact of any future pandemic or breakout of infectious disease, and of businesses' and governments' responses to such pandemic on our operations, personnel, commercial activity, and supply and demand across our and our customers' and suppliers' business;
- the variable nature of CVR Partners, LP's distributions, including the ability of its general partner to modify or revoke its distribution policy, or to cease making cash distributions on its common units;

- changes in tax and other laws, regulations and policies, including, without limitation, actions of the Biden Administration that impact conventional fuel operations or favor renewable energy projects in the U.S.;
- changes in CVR Partners, LP’s treatment as a partnership for U.S. federal income or state tax purposes;
- our ability to recover under our insurance policies for damages or losses in full or at all;
- labor supply shortages, labor difficulties, labor disputes or strikes and the impacts thereof;
- impacts of any decision to return a unit back to hydrocarbon processing following renewable conversion; and
- the factors described in greater detail under “Risk Factors” in Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2023 and our other filings with the U.S. Securities and Exchange Commission (“SEC”).

All forward-looking statements contained in this Report only speak as of the date of this Report. We undertake no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances that occur after the date of this Report, or to reflect the occurrence of unanticipated events, except to the extent required by law.

Information About Us

Investors should note that we make available, free of charge on our website at www.CVREnergy.com, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and any amendments to those reports as soon as reasonably practicable after we electronically file such material with, or furnish it to, the SEC. We also post announcements, updates, events, investor information and presentations on our website in addition to copies of all recent news releases. We may use the Investor Relations section of our website to communicate with investors. It is possible that the financial and other information posted there could be deemed to be material information. Documents and information on our website are not incorporated by reference herein.

The SEC maintains a website at www.sec.gov that contains reports, proxy and information statements, and other information regarding issuers, including us, that file electronically with the SEC.

PART I. FINANCIAL INFORMATION

Item 1. ***Financial Statements***

CVR ENERGY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)

(in millions)	June 30, 2024	December 31, 2023
ASSETS		
Current assets:		
Cash and cash equivalents (including $48 and $45, respectively, of consolidated variable interest entity ("VIE"))	**$ 586**	$ 581
Reserved funds for debt payment	**—**	598
Accounts receivable, net (including $48 and $42, respectively, of VIE)	**298**	286
Inventories (including $81 and $69, respectively, of VIE)	**543**	604
Prepaid expenses (including $6 and $8, respectively, of VIE)	**36**	59
Other current assets (including $1 and $1, respectively, of VIE)	**29**	51
Total current assets	**1,492**	2,179
Property, plant, and equipment, net (including $728 and $761, respectively, of VIE)	**2,192**	2,221
Other long-term assets (including $48 and $48, respectively, of VIE)	**319**	307
Total assets	**$ 4,003**	$ 4,707
LIABILITIES AND EQUITY		
Current liabilities:		
Current portion of long-term debt and finance lease obligations	**$ 8**	$ 606
Accounts payable (including $30 and $39, respectively, of VIE)	**523**	530
Other current liabilities (including $29 and $37, respectively, of VIE)	**491**	546
Total current liabilities	**1,022**	1,682
Long-term liabilities:		
Long-term debt and finance lease obligations, net of current portion (including $548 and $547, respectively, of VIE)	**1,576**	1,579
Deferred income taxes	**278**	327
Other long-term liabilities (including $49 and $50, respectively, of VIE)	**86**	81
Total long-term liabilities	**1,940**	1,987
Commitments and contingencies (See Note 13)		
CVR Energy stockholders' equity:		
Common stock, $0.01 par value per share; 350,000,000 shares authorized; 100,629,209 and 100,629,209 shares issued as of June 30, 2024 and December 31, 2023, respectively	**1**	1
Additional paid-in-capital	**1,508**	1,508
Accumulated deficit	**(658)**	(660)
Treasury stock, 98,610 shares at cost	**(2)**	(2)
Total CVR stockholders' equity	**849**	847
Noncontrolling interest	**192**	191
Total equity	**1,041**	1,038
Total liabilities and equity	**$ 4,003**	$ 4,707

The accompanying notes are an integral part of these condensed consolidated financial statements.

CVR ENERGY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)

(in millions, except per share data)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net sales	**$ 1,967**	$ 2,236	**$ 3,829**	$ 4,523
Operating costs and expenses:				
Cost of materials and other	**1,667**	1,743	**3,130**	3,423
Direct operating expenses (exclusive of depreciation and amortization)	**173**	165	**337**	334
Depreciation and amortization	**70**	71	**145**	137
Cost of sales	**1,910**	1,979	**3,612**	3,894
Selling, general and administrative expenses (exclusive of depreciation and amortization)	**28**	32	**63**	71
Depreciation and amortization	**2**	1	**4**	4
Loss on asset disposal	**—**	—	**1**	—
Operating income	**27**	224	**149**	554
Other (expense) income:				
Interest expense, net	**(19)**	(16)	**(39)**	(32)
Other income, net	**4**	4	**8**	6
Income before income tax expense	**12**	212	**118**	528
Income tax (benefit) expense	**(26)**	44	**(10)**	101
Net income	**38**	168	**128**	427
Less: Net income attributable to noncontrolling interest	**17**	38	**25**	102
Net income attributable to CVR Energy stockholders	**$ 21**	$ 130	**$ 103**	$ 325
Basic and diluted earnings per share	**$ 0.21**	$ 1.29	**$ 1.02**	$ 3.23
Weighted-average common shares outstanding:				
Basic and diluted	**100.5**	100.5	**100.5**	100.5

The accompanying notes are an integral part of these condensed consolidated financial statements.

CVR ENERGY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(unaudited)

(in millions, except share data)	Common Stockholders: Shares Issued	$0.01 Par Value Common Stock	Additional Paid-In Capital	Accumulated Deficit	Treasury Stock	Total CVR Stockholders' Equity	Noncontrolling Interest	Total Equity
Balance at December 31, 2023	100,629,209	$ 1	$ 1,508	$ (660)	$ (2)	$ 847	$ 191	$ 1,038
Net income	—	—	—	82	—	82	8	90
Dividends paid to CVR Energy stockholders	—	—	—	(50)	—	(50)	—	(50)
Distributions from CVR Partners to its public unitholders	—	—	—	—	—	—	(11)	(11)
Balance at March 31, 2024	100,629,209	1	1,508	(628)	(2)	879	188	1,067
Net income	—	—	—	**21**	—	**21**	**17**	**38**
Dividends paid to CVR Energy stockholders	—	—	—	**(50)**	—	**(50)**	—	**(50)**
Distributions from CVR Partners to its public unitholders	—	—	—	—	—	—	**(13)**	**(13)**
Other	—	—	—	**(1)**	—	**(1)**	—	**(1)**
Balance at June 30, 2024	**100,629,209**	**$ 1**	**$ 1,508**	**$ (658)**	**(2)**	**$ 849**	**$ 192**	**$ 1,041**

(in millions, except share data)	Common Stockholders: Shares Issued	$0.01 Par Value Common Stock	Additional Paid-In Capital	Accumulated Deficit	Treasury Stock	Total CVR Stockholders' Equity	Noncontrolling Interest	Total Equity
Balance at December 31, 2022	100,629,209	$ 1	$ 1,508	$ (976)	$ (2)	$ 531	$ 260	$ 791
Net income	—	—	—	195	—	195	64	259
Dividends paid to CVR Energy stockholders	—	—	—	(50)	—	(50)	—	(50)
Distributions from CVR Partners to its public unitholders	—	—	—	—	—	—	(70)	(70)
Other	—	—	—	(1)	—	(1)	—	(1)
Balance at March 31, 2023	100,629,209	1	1,508	(832)	(2)	675	254	929
Net income	—	—	—	130	—	130	38	168
Dividends paid to CVR Energy stockholders	—	—	—	(50)	—	(50)	—	(50)
Distributions from CVR Partners to its public unitholders	—	—	—	—	—	—	(70)	(70)
Balance at June 30, 2023	100,629,209	$ 1	$ 1,508	$ (752)	$ (2)	$ 755	$ 222	$ 977

The accompanying notes are an integral part of these condensed consolidated financial statements.

CVR ENERGY, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

(in millions)	Six Months Ended June 30, 2024	2023
Cash flows from operating activities:		
Net income	**$ 128**	$ 427
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	**149**	141
Deferred income taxes	**(48)**	28
Loss on asset disposal	**1**	—
Share-based compensation	**10**	15
Unrealized loss (gain) on derivatives, net	**7**	(13)
Income from equity method investments	**(7)**	(5)
Return from equity method investment earnings	**7**	5
Other items	**2**	1
Changes in assets and liabilities:		
Current assets and liabilities	**10**	21
Other long-term assets and liabilities	**(1)**	(6)
Net cash provided by operating activities	**258**	614
Cash flows from investing activities:		
Capital expenditures	**(90)**	(100)
Turnaround expenditures	**(44)**	(50)
Return of equity method investment	**4**	20
Proceeds from sale of assets	**1**	—
Net cash used in investing activities	**(129)**	(130)
Cash flows from financing activities:		
Principal payments on senior secured notes	**(600)**	—
Dividends to CVR Energy's stockholders	**(101)**	(101)
Distributions to CVR Partners' noncontrolling interest holders	**(24)**	(140)
Other financing activities	**(4)**	(2)
Net cash used in financing activities	**(729)**	(243)
Net (decrease) increase in cash, cash equivalents, reserved funds and restricted cash	**(600)**	241
Cash, cash equivalents, reserved funds and restricted cash, beginning of period	**1,186**	517
Cash, cash equivalents and restricted cash, end of period	**$ 586**	$ 758

The accompanying notes are an integral part of these condensed consolidated financial statements.

(1) Organization and Nature of Business

Organization

CVR Energy, Inc. ("CVR Energy", "CVR", "we", "us", "our", or the "Company") is a diversified holding company primarily engaged in the petroleum refining and marketing industry (the "Petroleum Segment") and the nitrogen fertilizer manufacturing industry through its interest in CVR Partners, LP, a publicly traded limited partnership (the "Nitrogen Fertilizer Segment" or "CVR Partners"). The Petroleum Segment refines and markets high value transportation fuels primarily in the form of gasoline and diesel fuels. CVR Partners produces and markets nitrogen fertilizers primarily in the form of urea ammonium nitrate ("UAN") and ammonia. We also produce and market renewable diesel. CVR's common stock is listed on the New York Stock Exchange ("NYSE") under the symbol "CVI". Icahn Enterprises L.P. and its affiliates ("IEP") owned approximately 66% of the Company's outstanding common stock as of June 30, 2024.

CVR Partners, LP

Interest Holders - As of June 30, 2024, public common unitholders held approximately 63% of CVR Partners' outstanding common units and CVR Services, LLC ("CVR Services"), a wholly owned subsidiary of CVR Energy, held the remaining approximately 37% of CVR Partners' outstanding common units. In addition, CVR Services held 100% of the interest in CVR Partners' general partner, CVR GP, LLC, which held a non-economic general partner interest in CVR Partners as of June 30, 2024. The noncontrolling interest reflected on the Condensed Consolidated Balance Sheets of CVR is only impacted by the results of and distributions from CVR Partners.

Subsequent Events

The Company evaluated subsequent events, if any, that would require an adjustment to the Company's condensed consolidated financial statements or require disclosure in the notes to the condensed consolidated financial statements through the date of issuance of the condensed consolidated financial statements. Where applicable, the notes to these condensed consolidated financial statements have been updated to discuss all significant subsequent events which have occurred.

(2) Basis of Presentation

The accompanying condensed consolidated financial statements, prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") and in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC"), include the accounts of the Company and its majority-owned direct and indirect subsidiaries. All intercompany accounts and transactions have been eliminated. Certain notes and other information have been condensed or omitted from the condensed consolidated financial statements. Therefore, these condensed consolidated financial statements should be read in conjunction with the December 31, 2023 audited consolidated financial statements and notes thereto included in CVR Energy's Annual Report on Form 10-K for the year ended December 31, 2023 (the "2023 Form 10-K").

Our condensed consolidated financial statements include the consolidated results of CVR Partners, which is defined as a variable interest entity ("VIE"). As the 100% owner of the general partner of CVR Partners, the Company has the sole ability to direct the activities that most significantly impact the economic performance of CVR Partners and is considered the primary beneficiary.

In the opinion of the Company's management, the accompanying condensed consolidated financial statements reflect all adjustments that are necessary for fair presentation of the financial position and results of operations of the Company for the periods presented. Such adjustments are of a normal recurring nature, unless otherwise disclosed.

The condensed consolidated financial statements are prepared in conformity with GAAP, which requires management to make certain estimates and assumptions that affect the reported amounts and disclosure of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Results of operations and cash flows for the interim periods presented are not necessarily indicative of the results that will be realized for the year ending December 31, 2024 or any other interim or annual period.

Recent Accounting Pronouncements - Accounting Standards Issued But Not Yet Implemented

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") 2023-09, *Income Taxes (Topic 740) - Improvements to Income Tax Disclosures,* which requires enhanced income tax disclosures that reflect how operations and related tax risks, as well as how tax planning and operational opportunities, affect the tax rate and prospects for future cash flows. This standard is effective for the Company's annual period beginning January 1, 2025 with early adoption permitted. The Company is evaluating the effects of adopting this new accounting guidance on its disclosures but does not currently expect adoption will have a material impact on the Company's consolidated financial statements. The Company does not intend to early adopt this ASU.

In November 2023, FASB issued ASU 2023-07, *Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures*, which includes requirements for more robust disclosures of significant segment expenses and measures of a segment's profit and loss used in assessing performance. This standard is effective for the Company's annual period beginning January 1, 2024 and interim periods beginning January 1, 2025 and should be applied retrospectively to all comparative periods. Early adoption is permitted. While the Company continues to evaluate the effects of adopting this new accounting guidance, it currently expects additional disclosures will be included for its annual and interim reporting periods beginning December 31, 2024.

(3) Inventories

Inventories consisted of the following:

(in millions)	June 30, 2024	December 31, 2023
Finished goods	**$ 249**	$ 260
Raw materials	**158**	226
In-process inventories	**34**	21
Parts, supplies and other	**102**	97
Total inventories	**$ 543**	$ 604

(4) Property, Plant, and Equipment

Property, plant, and equipment consisted of the following:

(in millions)	June 30, 2024	December 31, 2023
Machinery and equipment	**$ 4,404**	$ 4,287
Buildings and improvements	**143**	124
ROU finance leases	**81**	81
Land and improvements	**74**	74
Furniture and fixtures	**30**	33
Construction in progress	**136**	193
Other	**16**	15
	4,884	4,807
Less: Accumulated depreciation and amortization	**(2,692)**	(2,586)
Total property, plant, and equipment, net	**$ 2,192**	$ 2,221

For the three and six months ended June 30, 2024, depreciation and amortization expense related to property, plant, and equipment was $58 million and $114 million, respectively, compared to $55 million and $105 million for the three and six months ended June 30, 2023, respectively. For the three and six months ended June 30, 2024, capitalized interest was $2 million and $3 million, respectively, compared to $2 million and $4 million for the three and six months ended June 30, 2023, respectively.

During the six months ended June 30, 2024, the Company did not identify the existence of an impairment indicator for our long-lived asset groups as outlined under the FASB Accounting Standards Codification ("ASC") Topic 360, *Property, Plant, and Equipment*.

(5) Equity Method Investments

We have variable interest in certain entities for which we have applied the VIE model under FASB ASC Topic 810, *Consolidation* and determined that these entities are variable interest entities. While we concluded we are not the primary beneficiary of these entities, we do have significant influence over their operating and financial policies and, therefore, applied the equity method of accounting for the respective investments. These investments are presented within Other long-term assets on our condensed consolidated financial statements:

- *CVR-CapturePoint Parent, LLC ("CVRP JV")* - As part of a series of agreements entered into by our subsidiaries with unaffiliated parties with the objective to monetize certain tax credits under Section 45Q of the Internal Revenue Code of 1986 ("45Q Transaction"), we received a 50% interest in CVRP JV in connection with a modification to a carbon oxide contract ("CO Contract") with a customer.
- *Enable South Central Pipeline, LLC* ("Enable JV") - Through our subsidiaries, we own a 40% interest in Enable JV, which operates a 12-inch 26-mile crude oil pipeline with a capacity of approximately 80,000 barrels per day that is connected to the Wynnewood Refinery. The remaining interest in Enable JV is owned by Energy Transfer LP.
- *Midway Pipeline, LLC* ("Midway JV") - Through our subsidiaries, we own a 50% interest in Midway JV, which operates a 16-inch 99-mile crude oil pipeline with a capacity of approximately 131,000 barrels per day which connects the Coffeyville Refinery to the Cushing, Oklahoma oil hub. The remaining interest in Midway JV is owned by Plains Pipeline, L.P.

(in millions)	CVRP JV	Enable JV	Midway JV	Total
Balance at December 31, 2023	$ 25	$ 5	$ 70	$ 100
Cash distributions [(1)]	(3)	(1)	(2)	(6)
Equity income	—	1	3	4
Balance at March 31, 2024	22	5	71	98
Cash distributions	**(1)**	**(1)**	**(3)**	**(5)**
Equity income	**—**	**1**	**2**	**3**
Balance at June 30, 2024	**$ 21**	**$ 5**	**$ 70**	**$ 96**

(1) Includes a $2 million distribution to CVR Partners subsidiaries related to CVRP JV exceeding certain carbon oxide capture and sequestration milestones during 2023.

(6) Leases

Balance Sheet Summary as of June 30, 2024 and December 31, 2023

The following tables summarize the right-of-use ("ROU") asset and lease liability balances for the Company's operating and finance leases at June 30, 2024 and December 31, 2023:

	June 30, 2024		December 31, 2023	
(in millions)	Operating Leases	Finance Leases	Operating Leases	Finance Leases
ROU assets, net				
Pipelines and storage	**$ 10**	**$ 16**	$ 12	$ 17
Railcars	**15**	—	12	—
Real estate and other	**32**	**12**	29	14
Lease liability				
Pipelines and storage	**9**	**27**	12	28
Railcars	**15**	—	12	—
Real estate and other	**30**	**14**	25	16

Lease Expense Summary for the Three and Six Months Ended June 30, 2024 and 2023

We recognize operating lease expense on a straight-line basis over the lease term within Direct operating expenses (exclusive of depreciation and amortization) and Cost of materials and other and finance lease expense on a straight-line basis over the lease term within Depreciation and amortization. For the three and six months ended June 30, 2024 and 2023, we recognized lease expense comprised of the following components:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2024**	**2023**	**2024**	**2023**
Operating lease expense	**$ 5**	$ 5	**$ 9**	$ 9
Finance lease expense:				
Amortization of ROU asset	**2**	2	**3**	3
Interest expense on lease liability	**1**	1	**2**	2
Short-term lease expense	**3**	2	**6**	5

The Company has entered into the following material lease commitments that have not yet commenced:

- Coffeyville Resources Nitrogen Fertilizer, LLC ("CRNF"), a subsidiary of CVR Partners, is party to an On-Site Product Supply Agreement with Messer LLC. Based on terms outlined in this agreement, the Company expects the lease to be classified as a finance lease with an estimated $20 million to $25 million being capitalized upon lease commencement when the item is placed in service, which is currently expected to occur in the second half of 2024. Refer to Part II, Item 8, Note 6 ("Leases") of our 2023 Form 10-K for further information.

(7) Other Current Liabilities

Other current liabilities were as follows:

(in millions)	**June 30, 2024**	**December 31, 2023**
Accrued Renewable Fuel Standard ("RFS") obligation	**$ 312**	$ 329
Accrued taxes other than income taxes	**48**	47
Personnel accruals	**34**	51
Accrued interest	**32**	26
Share-based compensation	**19**	13
Operating lease liabilities	**15**	14
Accrued income taxes	**8**	25
Deferred revenue	**8**	16
Derivatives	**2**	—
Other accrued expenses and liabilities	**13**	25
Total other current liabilities	**$ 491**	$ 546

(8) Long-Term Debt and Finance Lease Obligations

Long-term debt and finance lease obligations consisted of the following:

(in millions)	June 30, 2024	December 31, 2023
CVR Energy:		
5.75% Senior Notes, due February 2028	**$ 400**	$ 400
8.50% Senior Notes, due January 2029	**600**	600
Unamortized debt issuance costs	**(5)**	(5)
Total CVR Energy debt	**995**	995
Petroleum Segment:		
Finance lease obligations, net of current portion	**33**	37
Total Petroleum Segment finance lease obligations, net of current portion	**33**	37
Nitrogen Fertilizer Segment:		
6.125% Senior Secured Notes, due June 2028	**550**	550
Unamortized debt issuance costs	**(2)**	(3)
Total Nitrogen Fertilizer Segment debt	**548**	547
Total long-term debt and finance lease obligations, net of current portion	**1,576**	1,579
Current portion of long-term debt and finance lease obligations	**8**	606
Total long-term debt and finance lease obligations, including current portion	**$ 1,584**	$ 2,185

Credit Agreements

(in millions)	Total Available Borrowing Capacity	Amount Borrowed as of June 30, 2024	Outstanding Letters of Credit	Available Capacity as of June 30, 2024	Maturity Date
CVR Energy:					
CVR Energy's Amended and Restated ABL Credit Agreement ("CVR Energy ABL")	**$ 275**	**$ —**	**$ 24**	**$ 251**	June 30, 2027
Nitrogen Fertilizer Segment:					
CVR Partners' Credit Agreement ("CVR Partners ABL")	**$ 50**	**$ —**	**$ —**	**$ 50**	September 26, 2028

CVR Energy

2029 Notes - On December 21, 2023, CVR Energy completed the issuance of $600 million in aggregate principal amount of 8.50% Senior Notes, due 2029 (the "2029 Notes"). Interest on the 2029 Notes is payable semi-annually in arrears on February 15 and August 15 each year, commencing on February 15, 2024. The 2029 Notes mature on January 15, 2029, unless earlier redeemed or purchased. See Part II, Item 8 of the 2023 Form 10-K for further details of the 2029 Notes.

In relation to the issuance of the 2029 Notes, the Company received $598 million of net cash proceeds, net of underwriting fees and certain other third-party fees and expenses associated with the offering. These proceeds were reserved for the payment of the Company's 5.25% Senior Notes, due 2025 (the "2025 Notes") on February 15, 2024, and were presented in Reserved funds for debt payment on our Condensed Consolidated Balance Sheet as of December 31, 2023.

2025 Notes - On December 21, 2023, the Company delivered a notice of redemption to the holders of its 2025 Notes that all outstanding amounts of the 2025 Notes, plus any accrued and unpaid interest to the redemption date, would be redeemed on February 15, 2024. As such, the outstanding balance of the $600 million principal amount of the 2025 Notes was classified as short-term as of December 31, 2023. On February 15, 2024, CVR Energy redeemed all of the outstanding 2025 Notes, at par, and settled accrued interest of approximately $16 million through the date of redemption. As a result of this transaction, the

Company recognized in Interest expense, net a $1 million loss on extinguishment of debt on our Condensed Consolidated Statements of Operations for the three months ended March 31, 2024, which consisted of the write-off of unamortized deferred financing costs.

Covenant Compliance

The Company and its subsidiaries were in compliance with all covenants under their respective debt instruments as of June 30, 2024.

(9) Revenue

The following tables present the Company's revenue disaggregated by major product, which include a reconciliation of the disaggregated revenue by the Company's reportable segments:

	Three Months Ended June 30,							
	2024				2023			
(in millions)	Petroleum Segment (1)	Nitrogen Fertilizer Segment	Other / Elimination	Consolidated	Petroleum Segment (1)	Nitrogen Fertilizer Segment	Other / Elimination	Consolidated
Gasoline	**$ 944**	**$ —**	**$ —**	**$ 944**	$ 1,092	$ —	$ —	$ 1,092
Distillates (2)	**735**	**—**	**26**	**761**	830	—	35	865
Ammonia	**—**	**22**	**—**	**22**	—	56	—	56
UAN	**—**	**89**	**—**	**89**	—	104	—	104
Urea products	**—**	**8**	**—**	**8**	—	7	—	7
Freight revenue (3)	**5**	**9**	**—**	**14**	5	11	—	16
Other products (4)	**39**	**5**	**13**	**57**	48	5	18	71
Revenue from product sales	**1,723**	**133**	**39**	**1,895**	1,975	183	53	2,211
Crude oil sales	**72**	**—**	**—**	**72**	24	—	—	24
Other revenue	**—**	**—**	**—**	**—**	1	—	—	1
Total revenue	**$ 1,795**	**$ 133**	**$ 39**	**$ 1,967**	$ 2,000	$ 183	$ 53	$ 2,236

	Six Months Ended June 30,							
	2024				2023			
(in millions)	Petroleum Segment (1)	Nitrogen Fertilizer Segment	Other / Elimination	Consolidated	Petroleum Segment (1)	Nitrogen Fertilizer Segment	Other / Elimination	Consolidated
Gasoline	**$ 1,831**	**$ —**	**$ —**	**$ 1,831**	$ 2,102	$ —	$ —	$ 2,102
Distillates (2)	**1,502**	**—**	**36**	**1,538**	1,749	—	83	1,832
Ammonia	**—**	**59**	**—**	**59**	—	94	—	94
UAN	**—**	**164**	**—**	**164**	—	268	—	268
Urea products	**—**	**14**	**—**	**14**	—	15	—	15
Freight revenue (3)	**9**	**16**	**—**	**25**	8	22	—	30
Other products (4)	**88**	**8**	**15**	**111**	81	10	38	129
Revenue from product sales	**3,430**	**261**	**51**	**3,742**	3,940	409	121	4,470
Crude oil sales	**86**	**—**	**—**	**86**	52	—	—	52
Other revenue	**1**	**—**	**—**	**1**	1	—	—	1
Total revenue	**$ 3,517**	**$ 261**	**$ 51**	**$ 3,829**	$ 3,993	$ 409	$ 121	$ 4,523

(1) The Petroleum Segment may incur broker commissions or transportation costs in connection with certain sales. The broker costs are expensed since the contract durations are less than one year. Transportation costs are accounted for as fulfillment costs and are expensed as incurred.

(2) Distillates consist primarily of diesel fuel, kerosene, jet fuel, and renewable fuels.
(3) Freight revenue recognized by the Petroleum Segment is primarily tariff and line loss charges rebilled to customers to reimburse the Petroleum Segment for expenses incurred from a pipeline operator. Freight revenue recognized by the Nitrogen Fertilizer Segment represents the pass-through finished goods delivery costs incurred prior to customer acceptance and are reimbursed by customers. An offsetting expense for freight is included in Cost of materials and other.
(4) Other products for the Petroleum Segment consists primarily of (i) feedstock, heavy oils, and liquified petroleum gas sales, (ii) sulfur credits, and (iii) pipeline and processing fees. For the Nitrogen Fertilizer Segment, other products consists of sales of (i) nitric acid and (ii) carbon oxide, including sales made in connection with the 45Q Transaction and the noncash consideration received, which is recognized as the performance obligation associated with the CO Contract is satisfied over its term through April 2030. Revenue from the CO Contract is recognized over time based on carbon oxide volumes measured at delivery. The Other/Elimination columns include certain credits related to renewable fuel activity and eliminations of intercompany transactions.

Remaining Performance Obligations

We have spot and term contracts with customers and the transaction prices are either fixed or based on market indices (variable consideration). We do not disclose remaining performance obligations for contracts that have terms of one year or less and for contracts where the variable consideration was entirely allocated to an unsatisfied performance obligation. As of June 30, 2024, these contracts have a remaining duration of less than three years.

As of June 30, 2024, the Nitrogen Fertilizer Segment had approximately $32 million of remaining performance obligations for contracts with an original expected duration of more than one year. The Nitrogen Fertilizer Segment expects to recognize $8 million of these performance obligations as revenue by the end of 2024, $11 million during 2025, an additional $10 million in 2026, and the remaining balance in 2027.

Contract Balances

The following table provides the balance sheet location and amounts of deferred revenue from contracts with customers for the Nitrogen Fertilizer Segment:

Contract Balance Type	Balance Sheet Location	June 30, 2024	December 31, 2023
Deferred revenue	Other current liabilities	**$ 8**	$ 16
Long-term deferred revenue	Other long-term liabilities	**30**	33

During the six months ended June 30, 2024 and 2023, the Company recognized revenue of $13 million and $46 million, respectively, that was included in the deferred revenue balances as of December 31, 2023 and December 31, 2022, respectively.

(10) Derivative Financial Instruments

The following outlines the net notional buy (sell) position of our commodity derivative instruments held as of June 30, 2024 and December 31, 2023:

(in thousands of barrels)	Commodity	June 30, 2024	December 31, 2023
Forwards	Crude	**274**	247
Swaps	NYMEX Diesel Cracks [1]	**—**	(6,780)
Swaps	NYMEX RBOB Cracks	**—**	(1,275)
Swaps	NYMEX 2-1-1 Cracks	**—**	(3,030)
Futures	Crude	**(50)**	—

(1) As of June 30, 2024, the Company held offsetting NYMEX Diesel Crack commodity buy and sell positions of approximately 5 million barrels.

The following outlines the balances of our commodity derivative instruments after the effects of contract netting and allocation of collateral and their classifications on our Condensed Consolidated Balance Sheets. Refer to Note 11 (“Fair Value

Measurements") for the gross amounts of the commodity derivative instruments (before the effects of contract netting and allocation of collateral):

	June 30, 2024		December 31, 2023	
(in millions)	Assets	Liabilities	Assets	Liabilities
Other current assets	**$ 19**	**$ —**	$ 24	$ —
Other long-term assets	**2**	**—**	1	—
Other current liabilities	**—**	**2**	—	—

The following table represents CVR Energy's incurred realized and unrealized net gains (losses) from derivative activities, recorded in Cost of materials and other on the Condensed Consolidated Statements of Operations:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	2024	2023	2024	2023
Commodity derivative instruments	**$ 23**	$ (4)	**$ 5**	$ 41

CVR Energy has certain derivative instruments that contain credit risk-related contingent provisions associated with our credit ratings. If our credit rating were to be downgraded, it would allow the counterparty to require us to post collateral or to request immediate, full settlement of derivative instruments in liability positions. As of June 30, 2024, the aggregate fair value of our derivative liabilities with credit risk-related contingent provisions was $2 million, for which no collateral has been posted.

(11) Fair Value Measurements

Assets and liabilities measured at fair value on a recurring basis

The following tables set forth information about the assets and liabilities measured at fair value on a recurring basis, by input level, as of June 30, 2024 and December 31, 2023. Such amounts are presented on a gross basis, before the effects of netting and allocation of collateral. The Company elected to offset the fair value amounts recognized for derivative assets and liabilities executed with the same counterparty under a master netting arrangement, including fair value amounts recognized for the right to reclaim or the obligation to return cash collateral.

	June 30, 2024						
	Fair Value Hierarchy						
(in millions)	Level 1	Level 2	Level 3	Total gross fair value	Contract netting	Collateral netting (1)	Net value
Assets							
Commodity derivative instruments	**$ —**	**$ 25**	**$ —**	**$ 25**	**$ (5)**	**$ —**	**$ 20**
Liabilities							
Commodity derivative instruments	**—**	**7**	**—**	**7**	**(5)**	**—**	**2**
RFS	**—**	**312**	**—**	**312**	**—**	**—**	**312**

	December 31, 2023						
	Fair Value Hierarchy						
(in millions)	Level 1	Level 2	Level 3	Total gross fair value	Contract netting	Collateral netting (1)	Net value
Assets							
Commodity derivative instruments	$ —	$ 31	$ —	$ 31	$ (6)	$ —	$ 25
Liabilities							
Commodity derivative instruments	—	6	—	6	(6)	—	—
RFS	—	329	—	329	—	—	329

(1) At June 30, 2024 and December 31, 2023, the Company had $5 million and $13 million of collateral under master netting arrangements not offset against the derivatives within Other current assets on the Condensed Consolidated Balance Sheets, respectively, primarily related to initial margin requirements.

The Petroleum Segment's commodity derivative contracts consist of exchange traded futures, commodity price swaps, and sale and purchase forwards that are measured at fair value using a market approach based on available broker quoted market prices of identical or similar instruments. Similarly, RFS obligations are measured at fair value using a market approach based on available broker quoted market RIN spot prices for each specific or closest vintage year.

The Company had no transfers of assets or liabilities between any of the above levels during the six months ended June 30, 2024 and year ended December 31, 2023.

Assets and liabilities measured at fair value on a nonrecurring basis

CVR Partners performed a nonrecurring fair value measurement of the equity interest received as part of the 45Q Transaction in January 2023. Such valuation used a combination of the market approach and the discounted cash flow methodology with key inputs including the discount rate, contractual and expected future cash flows, and market multiples. In January 2023, CVR Partners determined the estimated fair value of the consideration received to be $46 million, which is a non-recurring Level 3 measurement, as defined by FASB ASC Topic 820, *Fair Value Measurements*, based on the use of CVR Partners' own assumptions described above. There are no other assets or liabilities that were measured at fair value on a nonrecurring basis for the periods presented.

Assets and liabilities not required to be measured at fair value

CVR Energy holds cash equivalents which consist primarily of bank time deposits with maturities of 90 days or less. Cash and cash equivalents and reserved funds had carrying and fair values of $586 million and $1.2 billion at June 30, 2024 and December 31, 2023, respectively, and are classified as Level 1 in the fair value hierarchy.

Long-term debt of $1.5 billion and $2.1 billion at June 30, 2024 and December 31, 2023, respectively, had estimated fair values of $1.5 billion and $2.1 billion, respectively, and are classified as Level 2 in the fair value hierarchy.

Other short-term financial assets and liabilities, which consist of restricted cash, accounts receivable, accounts payable, and operating and finance lease obligations, are carried at cost on the Condensed Consolidated Balance Sheets as of June 30, 2024 and December 31, 2023 and approximate their estimated fair values.

(12) Share-Based Compensation

A summary of compensation expense during the three and six months ended June 30, 2024 and 2023 is presented below:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2024**	**2023**	**2024**	**2023**
CVR Partners - Phantom Unit Awards	**$ 1**	$ 2	**$ 2**	$ 4
Incentive Unit Awards	**—**	4	**8**	11
Total share-based compensation expense	**$ 1**	$ 6	**$ 10**	$ 15

(13) Commitments and Contingencies

In the ordinary course of business, the Company may become party to lawsuits, administrative proceedings, and governmental investigations, including environmental, regulatory, and other matters. The outcome of these matters cannot always be predicted accurately, but the Company accrues liabilities for these matters if the Company has determined that it is probable a loss has been incurred and the loss can be reasonably estimated. While it is not possible to predict the outcome of such proceedings, if one or more of them were decided against us, the Company believes there would be no material impact to its consolidated financial statements.

Crude Oil Supply Agreement

The Petroleum Segment has a crude oil supply agreement with Gunvor USA LLC ("Gunvor"), which commenced on January 1, 2024 (as amended, the "Gunvor Crude Oil Supply Agreement"), pursuant to which Gunvor supplies the Petroleum Segment with certain crude oil and intermediation logistics helping to reduce the amount of inventory held at certain locations and mitigate crude oil pricing risk. The Gunvor Crude Oil Supply Agreement replaced a similar agreement with a different supplier that expired on December 31, 2023. Volumes contracted under these agreements, as a percentage of the total crude oil purchases (in barrels), were approximately 20% and 19% for the three months ended June 30, 2024 and 2023, respectively, and 21% and 25% for the six months ended June 30, 2024 and 2023, respectively. The Gunvor Crude Oil Supply Agreement, which currently extends through January 31, 2026, is subject to automatic one-year renewals following the expiration of the initial term in the absence of either party providing 180 days' notice of termination.

As part of the transition of the crude oil supply agreement from Vitol to Gunvor, on December 31, 2023, the Company purchased the final inventory remaining under the crude oil supply agreement with Vitol and sold it to Gunvor on January 1, 2024. The inventory purchased from Vitol was included within Inventories on the Condensed Consolidated Balance Sheets as of December 31, 2023.

45Q Transaction

Under the agreements entered into in connection with the 45Q Transaction, the Company's indirect subsidiary CRNF is obligated to meet certain minimum quantities of carbon oxide supply each year during the term of the agreement and is subject to fees of up to $15 million per year (reduced pro rata for partial years) to the unaffiliated third-party investors, subject to an overall $45 million cap, if these minimum quantities are not delivered. CVR Partners issued a guarantee to the unaffiliated third-party investors and certain of their affiliates involved in the 45Q Transaction of the payment and performance obligations of CRNF and CVRP JV, which include the aforementioned fees. This guarantee has no impacts on the accounting records of CVR Partners unless the parties fail to comply with the terms of the 45Q Transaction contracts.

Renewable Fuel Standard

Coffeyville Resources Refining & Marketing, LLC ("CRRM") and Wynnewood Refining Company, LLC ("WRC", and together with CRRM, the "obligated-party subsidiaries") are subject to the RFS implemented by the U.S. Environmental Protection Agency (the "EPA"), which requires obligated parties to either blend renewable fuels into their transportation fuels or purchase renewable fuel credits, known as RINs, in lieu of blending. The Petroleum Segment's obligated-party subsidiaries are not able to blend the majority of their transportation fuels with renewable fuels and, unless their RFS obligations are waived or exempted, must either purchase RINs or obtain waiver credits for cellulosic biofuels in order to comply with the RFS. Additionally, the Petroleum Segment's obligated-party subsidiaries purchase RINs generated from our renewable diesel operations, whose operating results are not included in either of our reportable segments, to partially satisfy their RFS obligations.

The Company's obligated-party subsidiaries recognized an expense of $30 million and an expense of $48 million for the three months ended June 30, 2024 and 2023, respectively, and a benefit of $21 million and an expense of $37 million for the six months ended June 30, 2024 and 2023, respectively, for their compliance with the RFS (based on the 2020 through 2024 renewable volume obligation ("RVO"), for the respective periods, excluding the impacts of any exemptions or waivers to which the Company's obligated-party subsidiaries may be entitled). The recognized amounts are included within Cost of materials and other in the Condensed Consolidated Statements of Operations and represent costs to comply with the RFS obligation through purchasing of RINs not otherwise reduced by blending of ethanol, biodiesel, or renewable diesel. At each reporting period, to the extent RINs purchased and generated through blending are less than the RFS obligation (excluding the impact of exemptions or waivers to which the Company may be entitled), the remaining position is valued using RIN market prices at period end for each specific or closest vintage year. As of June 30, 2024 and December 31, 2023, the Company's obligated-party subsidiaries' RFS positions were approximately $312 million and $329 million, respectively, and are recorded in Other current liabilities in the Condensed Consolidated Balance Sheets.

Litigation

Call Option Coverage Case – The lawsuits involving the Company and certain of its affiliates (the "Call Defendants") and the Company's primary and excess insurers (the "Insurers") relating to insurance coverage for settlement by the Call Defendants of the consolidated lawsuits filed by purported former unitholders of CVR Refining, LP ("CVR Refining") on behalf of themselves and an alleged class of similarly situated unitholders relating to the Company's exercise of the call option under the CVR Refining Amended and Restated Agreement of Limited Partnership remain pending. In the lawsuit filed by the Call Defendants against the Insurers alleging breach of contract and breach of the implied covenant of good faith and fair dealing against the Insurers in the Superior Court of the State of Delaware, motion practice continues and the Call Defendants' motion to amend their complaint remains pending. Briefing is ongoing in the Call Defendants' appeal of summary judgment granted in favor of the Insurers by the 434th Judicial District Court of Fort Bend County, Texas in the Insurer's separate lawsuit against the Call Defendants seeking determination that the Insurers owe no indemnity coverage for the settlement under policies with coverage limits of $50 million, with oral argument expected in 2025.

While these cases remain pending, the Company does not expect their outcome have a material adverse impact on the Company's financial position, results of operations, or cash flows.

RFS Disputes – In May 2024, the EPA and certain biofuels groups filed petitions for a writ of certiorari to the Supreme Court of the United States ("SCOTUS") seeking review of a decision of a panel of the United States Court of Appeals for the Fifth Circuit (the "Fifth Circuit") vacating the EPA's denials of small refinery exemptions ("SREs") under the RFS for certain small refineries, including those for WRC for the 2017 to 2021 compliance periods (the "2022 Denials"), finding that such denials, which were based on a new standard announced by the EPA in December 2021 and retroactively applied, were impermissibly retroactive and that the EPA's interpretation of the SRE provisions was contrary to law and arbitrary and capricious as applied to the Fifth Circuit petitioners' SRE petitions. WRC expects to file an opposition to these petitions for a writ of certiorari in the third quarter of 2024.

Regarding WRC's SRE petition for the 2022 compliance period which was denied by the EPA in July 2023 largely on the same grounds as the 2022 Denials, WRC's obligations under the RFS for the 2022 compliance period remain stayed and its lawsuit filed against the EPA relating to such denial remains in abeyance pending the outcome of the lawsuit filed by certain other small refineries against the EPA in the United States District Court for the District of Columbia (the "DC Circuit") related to the 2022 Denials. While the DC Circuit held oral argument in April 2024 on this case as well as the case filed by WRC against the EPA for the damages it sustained as a result of the EPA's late grant of its SRE petition for the 2018 compliance period (which SRE petition was later denied by the EPA in the 2022 Denials), the DC Circuit has yet to rule.

In July 2024, WRC filed suit in the United States District Court for the Southern District of Texas seeking, among other relief, a declaration that the Administrator of the EPA violated the CAA by failing to timely rule on WRC's SRE petition for the 2023 compliance period within 90 days following receipt and compelling the Administrator to rule on WRC's 2023 SRE petition by an expeditious date certain, which suit remains pending.

In May 2024, the DC Circuit rejected challenges by WRC and other parties and upheld the EPA's final rules issued in June 2022 and June 2023 establishing RVOs for 2020 to 2022.

As these matters are in various stages, the Company cannot yet determine at this time the outcomes of these matters. While we intend to prosecute these actions vigorously, if these matters are ultimately concluded in a manner adverse to the Company, they could have a material effect on the Company's financial position, results of operations, or cash flows.

(14) Business Segments

CVR Energy's revenues are primarily derived from the two reportable segments: Petroleum and Nitrogen Fertilizer. The Company evaluates the performance of its segments based primarily on segment operating income (loss) and Earnings Before Interest, Taxes, Depreciation, and Amortization ("EBITDA"). For the purposes of the business segments disclosure, the Company presents operating income (loss) as it is the most comparable measure to the amounts presented on the Condensed Consolidated Statements of Operations. The other amounts reflect renewable fuels transactions, intercompany eliminations, corporate cash and cash equivalents, income tax activities, and other corporate activities that are not allocated or aggregated to the reportable segments.

The following table summarizes certain operating results and capital expenditures information by segment:

	Three Months Ended June 30,							
	2024				2023			
(in millions)	Petroleum Segment	Nitrogen Fertilizer Segment	Other / Elimination	Consolidated	Petroleum Segment	Nitrogen Fertilizer Segment	Other / Elimination	Consolidated
Net sales	$ 1,792	$ 133	$ 42	$ 1,967	$ 1,995	$ 183	$ 58	$ 2,236
Inter-segment fees and sales	3	—	(3)	—	5	—	(5)	—
Total sales	1,795	133	39	1,967	2,000	183	53	2,236
Operating income (loss)	$ 10	$ 34	$ (17)	$ 27	$ 171	$ 67	$ (14)	$ 224
Interest expense, net				(19)				(16)
Other income, net				4				4
Income before income tax expense				$ 12				$ 212
Depreciation and amortization	$ 43	$ 20	$ 9	$ 72	$ 45	$ 20	$ 7	$ 72
Capital expenditures [(1)]	33	5	3	41	22	6	20	48

	Six Months Ended June 30,							
	2024				2023			
(in millions)	Petroleum Segment	Nitrogen Fertilizer Segment	Other / Elimination	Consolidated	Petroleum Segment	Nitrogen Fertilizer Segment	Other / Elimination	Consolidated
Net sales	$ 3,510	$ 261	$ 58	$ 3,829	$ 3,982	$ 409	$ 132	$ 4,523
Inter-segment fees and sales	7	—	(7)	—	11	—	(11)	—
Total net sales	3,517	261	51	3,829	3,993	409	121	4,523
Operating income (loss)	$ 128	$ 54	$ (33)	$ 149	$ 408	$ 176	$ (30)	$ 554
Interest expense, net				(39)				(32)
Other income, net				8				6
Income before income tax expense				$ 118				$ 528
Depreciation and amortization	$ 92	$ 39	$ 18	$ 149	$ 91	$ 35	$ 15	$ 141
Capital expenditures [(1)]	69	10	13	92	53	10	34	97

The following table summarizes total assets by segment:

(in millions)	June 30, 2024	December 31, 2023
Petroleum	$ 2,944	$ 2,978
Nitrogen Fertilizer	960	975
Other, including intersegment eliminations	99	754
Total assets	$ 4,003	$ 4,707

(1) Capital expenditures are shown exclusive of capitalized turnaround expenditures.

(15) Supplemental Cash Flow Information

Cash flows related to income taxes, interest, leases, capital expenditures and deferred financing costs included in accounts payable were as follows:

(in millions)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Supplemental disclosures:		
Cash paid for income taxes, net of refunds	**$ 60**	$ 39
Cash paid for interest	**55**	48
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	**9**	9
Operating cash flows from finance leases	**2**	2
Financing cash flows from finance leases	**3**	3
Noncash investing and financing activities:		
Change in capital expenditures included in accounts payable [1]	**2**	(3)
Change in turnaround expenditures included in accounts payable	**(2)**	1

(1) Capital expenditures are shown exclusive of capitalized turnaround expenditures.

Cash, cash equivalents and restricted cash consisted of the following:

(in millions)	June 30, 2024	December 31, 2023
Cash and cash equivalents	**$ 586**	$ 581
Reserved funds [1]	—	598
Restricted cash [2]	—	7
Cash, cash equivalents, reserved funds and restricted cash	**$ 586**	$ 1,186

(1) Funds reserved for the redemption of the 2025 Notes in February 2024. See Note 8 ("Long-Term Debt and Finance Lease Obligations") for further discussion.
(2) Restricted funds were released and paid in February 2024.

(16) Related Party Transactions

Activity associated with the Company's related party arrangements for the three and six months ended June 30, 2024 and 2023 is summarized below:

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	2024	2023	2024	2023
Sales to related parties:				
CVRP JV CO Contract [1]	**$ 1**	$ 1	**$ 1**	$ 2
Purchases from related parties:				
Enable Joint Venture Transportation Agreement	**3**	3	**6**	6
Midway Joint Venture Agreement [2]	**7**	5	**13**	10
Payments:				
Dividends [3]	**33**	36	**67**	71

(1) Sales to related parties, included in Net sales in our Condensed Consolidated Statements of Operations, consists of CO sales to a CVRP JV subsidiary.
(2) Purchases from related parties, included in Cost of materials and other in our Condensed Consolidated Statements of Operations, represents reimbursements for crude oil transportation services incurred on the Midway JV through the intermediary purchasing agent.
(3) See below for a summary of the dividends paid to IEP during the six months ended June 30, 2024 and year ended December 31, 2023.

Dividends to CVR Energy Stockholders

Dividends, if any, including the payment, amount and timing thereof, are determined at the discretion of the Board. IEP, through its ownership of the Company's common stock, is entitled to receive dividends that are declared and paid by the Company based on the number of shares held at each record date. The following tables present quarterly and special dividends paid to the Company's stockholders, including IEP, during 2024 and 2023 (amounts presented in table below may not add to totals presented due to rounding):

			Quarterly Dividends Paid (*in millions*)		
Related Period	**Date Paid**	**Quarterly Dividends Per Share**	**Public Stockholders**	**IEP**	**Total**
2023 - 4th Quarter	March 11, 2024	$ 0.50	$ 17	$ 33	$ 50
2024 - 1st Quarter	May 20, 2024	0.50	17	33	50
Total 2024 quarterly dividends		$ 1.00	$ 34	$ 67	$ 101

			Quarterly Dividends Paid (*in millions*)		
Related Period	**Date Paid**	**Quarterly Dividends Per Share**	**Public Stockholders**	**IEP**	**Total**
2022 - 4th Quarter	March 13, 2023	$ 0.50	$ 15	$ 36	$ 50
2023 - 1st Quarter	May 22, 2023	0.50	15	36	50
2023 - 2nd Quarter	August 21, 2023	0.50	15	36	50
2023 - 3rd Quarter	November 20, 2023	0.50	17	33	50
Total 2023 quarterly dividends		$ 2.00	$ 61	$ 140	$ 201

			Special Dividends Paid (*in millions*)		
Related Period	**Date Paid**	**Special Dividends Per Share**	**Public Stockholders**	**IEP**	**Total**
2023 - 2nd Quarter	August 21, 2023	$ 1.00	$ 29	$ 71	$ 101
2023 - 3rd Quarter	November 20, 2023	1.50	51	100	151
Total 2023 special dividends		$ 2.50	$ 80	$ 171	$ 251

For the second quarter of 2024, the Company, upon approval by the Board on July 29, 2024, declared a cash dividend of $0.50 per share, or $50 million, which is payable August 19, 2024 to shareholders of record as of August 12, 2024. Of this amount, IEP will receive $33 million due to its ownership interest in the Company's shares.

Distributions to CVR Partners' Unitholders

Distributions, if any, including the payment, amount and timing thereof, and UAN GP Board's distribution policy, including the definition of available cash, are subject to change at the discretion of the UAN GP Board. The following tables present quarterly distributions paid by CVR Partners to CVR Partners' unitholders, including amounts received by the Company, during 2024 and 2023 (amounts presented in tables below may not add to totals presented due to rounding):

			Quarterly Distributions Paid *(in millions)*		
Related Period	**Date Paid**	**Quarterly Distributions Per Common Unit**	**Public Unitholders**	**CVR Energy**	**Total**
2023 - 4th Quarter	March 11, 2024	$ 1.68	$ 11	$ 7	$ 18
2024 - 1st Quarter	May 20, 2024	1.92	13	7	20
Total 2024 quarterly distributions		$ 3.60	$ 24	$ 14	$ 38

Related Period	Date Paid	Quarterly Distributions Per Common Unit	Quarterly Distributions Paid *(in millions)* Public Unitholders	CVR Energy	Total
2022 - 4th Quarter	March 13, 2023	$ 10.50	$ 70	$ 41	$ 111
2023 - 1st Quarter	May 22, 2023	10.43	70	41	110
2023 - 2nd Quarter	August 21, 2023	4.14	28	16	44
2023 - 3rd Quarter	November 20, 2023	1.55	10	6	16
Total 2023 quarterly distributions		$ 26.62	$ 178	$ 104	$ 281

For the second quarter of 2024, CVR Partners, upon approval by the UAN GP Board on July 29, 2024, declared a distribution of $1.90 per common unit, or $20 million, which is payable August 19, 2024 to unitholders of record as of August 12, 2024. Of this amount, CVR Energy will receive approximately $7 million, with the remaining amount payable to public unitholders.

Item 2. *Management's Discussion and Analysis of Financial Condition and Results of Operations*

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our Annual Report on Form 10-K for the year ended December 31, 2023 filed with the U.S. Securities and Exchange Commission (the "SEC") on February 21, 2024 (the "2023 Form 10-K"), and the unaudited condensed consolidated financial statements and related notes and with the statistical information and financial data appearing in this Report. Results of operations for the three and six months ended June 30, 2024 and cash flows for the six months ended June 30, 2024 are not necessarily indicative of results to be attained for any other period. See "Important Information Regarding Forward-Looking Statements." References to "CVR Energy", the "Company", "we", "us", and "our", may refer to consolidated subsidiaries of CVR Energy, including CVR Refining, LP or CVR Partners, LP, as the context may require.

Reflected in this discussion and analysis is how management views the Company's current financial condition and results of operations, along with key external variables and management's actions that may impact the Company. Understanding significant external variables, such as market conditions, weather, and seasonal trends, among others, and management actions taken to manage the Company, address external variables, among others, will increase users' understanding of the Company, its financial condition and results of operations. This discussion may contain forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed below and elsewhere in this Report.

Company Overview

CVR Energy is a diversified holding company primarily engaged in the petroleum refining and marketing industry (the "Petroleum Segment") and the nitrogen fertilizer manufacturing industry through its interest in CVR Partners, LP, a publicly traded limited partnership (the "Nitrogen Fertilizer Segment" or "CVR Partners"). The Petroleum Segment is an "independent petroleum refiner", in that it does not have crude oil exploration or production operations and is a marketer of high value transportation fuels primarily in the form of gasoline and diesel fuels. CVR Partners produces and markets nitrogen fertilizers primarily in the form of urea ammonium nitrate ("UAN") and ammonia. CVR Energy also produces and markets renewable diesel. Our renewable diesel operations are not allocated or aggregated to our reportable segments discussed below.

We operate under two reportable segments: Petroleum and Nitrogen Fertilizer, which are referred to in this document as our "Petroleum Segment" and our "Nitrogen Fertilizer Segment", respectively.

Since 2022, we have focused significant efforts on decarbonization initiatives including but not limited to the completion of the renewable diesel unit project at the Wynnewood Refinery, the creation of an Environmental, Social and Governance ("ESG") committee and the publication of multiple ESG reports. In February 2023, we completed the transfer of various assets to one or more new entities primarily formed in 2022 to, among other purposes, better align our organizational structure with management and financial reporting. We also achieved mechanical completion of the renewable feedstock pretreater project at the Wynnewood Refinery in the fourth quarter of 2023 with the unit becoming operational during the first quarter of 2024. We currently expect to continue to explore options to decarbonize our business in areas with attractive economics, without sole reliance on government subsidies, and in ways intended to support our Mission and Values.

Strategy and Goals

The Company has adopted Mission and Values, which articulate the Company's expectations for how it and its employees do business each and every day.

Mission and Core Values

Our Mission is to be a top tier North American renewable fuels, petroleum refining, and nitrogen-based fertilizer company as measured by safe and reliable operations, superior performance and profitable growth. The foundation of how we operate is built on five core Values:

- *Safety* - We always put safety first. The protection of our employees, contractors and communities is paramount. We have an unwavering commitment to safety above all else. If it's not safe, then we don't do it.

- *Environment* - We care for our environment. Complying with all regulations and minimizing any environmental impact from our operations is essential. We understand our obligation to the environment and that it's our duty to protect it.

- *Integrity* - We require high business ethics. We comply with the law and practice sound corporate governance. We only conduct business one way —the right way with integrity.

- *Corporate Citizenship* - We are proud members of the communities where we operate. We are good neighbors and know that it's a privilege we can't take for granted. We seek to make a positive economic and social impact through our financial donations and the contributions of time, knowledge and talent of our employees to the places where we live and work.

- *Continuous Improvement* - We believe in both individual and team success. We foster accountability under a performance-driven culture that supports creative thinking, teamwork, diversity and personal development so that employees can realize their maximum potential. We use defined work practices for consistency, efficiency and to create value across the organization.

Our core Values are driven by our people, inform the way we do business each and every day and enhance our ability to accomplish our mission and related strategic objectives.

Strategic Objectives

We have outlined the following strategic objectives to drive the accomplishment of our mission:

- *Environmental, Health & Safety ("EH&S")* - We aim to achieve continuous improvement in all EH&S areas through ensuring our people's commitment to environmental, health and safety comes first, the refinement of existing policies, continuous training, and enhanced monitoring procedures.

- *Reliability* - Our goal is to achieve industry-leading utilization rates at our facilities through safe and reliable operations. We are focusing on improvements in day-to-day plant operations, identifying alternative sources for plant inputs to reduce lost time due to third-party operational constraints, and optimizing our commercial and marketing functions to maintain plant operations at their highest level.

- *Market Capture* - We continuously evaluate opportunities to improve the facilities' realized pricing at the gate and reduce variable costs incurred in production to maximize our capture of market opportunities.

- *Financial Discipline* - We strive to be as efficient as possible by maintaining low operating costs and disciplined deployment of capital.

Potential Strategic Transactions

As previously disclosed in a Schedule 13D amendment filed on March 18, 2024, Icahn Enterprises L.P. and its affiliates ("IEP") and the Company are considering potential strategic transactions available to the Company and our subsidiaries, which may include the acquisition of additional entities, assets or businesses, including the acquisition of material amounts of refining assets through negotiated mergers or stock or asset purchase agreements by the Company or our subsidiaries. IEP may participate in such acquisitions, including by providing financing to us or our subsidiaries through the acquisition of additional equity of us or our subsidiaries, providing loans to us or our subsidiaries or otherwise. In addition, IEP and the Company are considering strategic options involving CVR Partners, which may include the acquisition by IEP, the Company, a combination of IEP and the Company or other affiliated entities of some or all of the outstanding common units of CVR Partners not already indirectly owned by the Company (the "public common units"), the sale of CVR Partners or the Company's interest therein, or other transactions. Any such acquisition, sale or transaction could be effectuated through open market purchases, tender or exchange offers, exercise of the limited call right contained in CVR Partners' limited partnership agreement, value enhancing partnerships, negotiated merger transactions, privately negotiated transactions, sale transactions or otherwise. At this time, there can be no assurance that IEP or the Company will pursue any such potential strategic transactions or that any transactions, if pursued, will be completed on attractive terms or at all.

As of June 30, 2024, public common unitholders held approximately 63% of CVR Partners' outstanding common units and CVR Services, LLC ("CVR Services"), a wholly owned subsidiary of CVR Energy, held the remaining approximately 37% of CVR Partners' outstanding common units. In addition, CVR Services held 100% of the interest in CVR Partners' general partner, CVR GP, LLC, as of June 30, 2024. IEP owned approximately 66% of the Company's outstanding common stock as of June 30, 2024.

Recent Developments

A fire commenced at the Wynnewood Refinery during severe weather in the early morning hours of April 28, 2024. The fire was extinguished shortly after it started, no employees or contractors were injured, and the operations at the Coffeyville Refinery were not impacted by the fire. After further assessment of this incident, it was determined the damages were limited to pipe racks and pumps in the area of the naphtha processing units, which damage to the pipe rack impacted service to other units. The Company estimates the impact from the downtime and increased expenses associated with this incident in the second quarter of 2024 is a reduction of Income before income tax expense of approximately $50 million, excluding the potential impact of any successful insurance recovery.

Industry Factors and Market Indicators

General Business Environment

Geopolitical Matters - The conflict in the Middle East, which began in October 2023 and may continue to escalate, and the ongoing Russia-Ukraine war can significantly impact global oil, fertilizer, and agriculture markets. These conflicts pose significant geopolitical risks to global markets, raise concerns of major implications, such as the enforcement of sanctions, could contribute to further oil inventory tightening and price volatility, and disrupt the production and trade of fertilizer, grains, and feedstock through several means, such as trade restrictions. The ultimate outcome of these conflicts, or further escalation or expansion thereof, and any associated market disruptions are difficult to predict and may affect our business, operations, and cash flows in unforeseen ways.

Regulatory Environment - There have been several proposed and enacted climate-related rules, in various stages of approval, that, if finalized, would demand considerable efforts to comply with new compliance requirements and could impact our disclosure controls and procedures as well as require additional disclosures in our regulatory filings. In addition, the current political environment provides uncertainty regarding existing and future laws, regulations, policies, or rulings, including the reinterpretation or amplification thereof by regulators, which may impact our business, operations, compliance costs, and market stability.

Petroleum Segment

The earnings and cash flows of the Petroleum Segment are primarily affected by the relationship between refined product prices and the prices for crude oil and other feedstocks that are processed and blended into refined products together with the cost of refinery compliance, including the cost of compliance with Renewable Fuel Standard ("RFS") regulations. The cost to acquire crude oil and other feedstocks and the price for which refined products are ultimately sold depends on factors beyond the Petroleum Segment's control, including the supply of and demand for crude oil, as well as gasoline, distillate, and other refined products which, in turn, depend on, among other factors, changes in domestic and foreign economies, driving habits, weather conditions, domestic and foreign political affairs, production levels, the availability or permissibly of imports and exports, the marketing of competitive fuels, and the extent of government regulations. Because the Petroleum Segment applies first-in, first-out ("FIFO") accounting to value its inventory, crude oil price movements may impact net income as a result of changes in the value of its unhedged inventory. The effect of changes in crude oil prices on the Petroleum Segment's results of operations is partially influenced by the rate at which the processing of refined products adjusts to reflect these changes.

The prices of crude oil and other feedstocks and refined products are also affected by other factors, such as product pipeline capacity, system inventory, local and regional market conditions, inflation, and the operating levels of other refineries. Crude oil costs and the prices of refined products have historically been subject to wide fluctuations. Widespread expansion or upgrades of third-party facilities, price volatility, international political and economic developments, and other factors are likely to continue to play an important role in refining industry economics. These factors can impact, among other things, the level of inventories in the market, resulting in price volatility and a reduction in product margins. Moreover, the refining industry typically experiences seasonal fluctuations in demand for refined products, such as increases in the demand for gasoline during the summer driving season and for volatile seasonal exports of diesel from the United States Gulf Coast. Specific factors impacting the Company's operations are outlined below.

Current Market Outlook

- While the refining market has largely recovered since the pandemic, refined product demand declined 1% nationwide in the second quarter of 2024 from the pre-pandemic second quarter of 2019. Group 3 demand has been relatively consistent compared to other parts of the country following the pandemic. We characterize current crack spreads just below mid-cycle levels.
- Winter 2023/2024 weather was warmer than average in North America and Europe and, when combined with natural gas conservation measures, has caused demand and prices for natural gas to fall significantly, which contributed to the flattening of the global cost curve and has reduced the U.S. refiners' advantage compared to refiners in Europe.
- Industrial production has slowed since the second half of 2023, and truck, rail, and ship tonnage and freight volumes were reduced, which reduced distillate pricing in the fourth quarter of 2023 and continued into 2024. In addition, distillate crack spreads continue to be pressured by the low price levels of natural gas causing a lack of distillate demand to generate electricity around the world. Moreover, new LNG projects coming online and expansion of export capacity in the U.S. has contributed to the increase of global supply of natural gas and thus downward pressure on prices, and may also support fleet shifting from diesel to LNG. Gasoline and distillate pricing declined significantly through the end of the second quarter.
- Shale oil production continues to increase in the shale oil basins, albeit at a slower pace than in prior years, including in the Anadarko Basin. Crude oil exports have continued above a 4 million bpd rate, and we believe the Petroleum Segment benefits from these exports through the Brent crude differential to WTI, as do all refineries in PADD II.
- Refining capacity is increasing significantly around the world. Major projects have started up in the Middle East and Asia and others are in progress, specifically in Mexico and Africa. Refining capacity in the U.S. has also increased approximately 500,000 bpd from pandemic levels mainly due to expansion projects. While these ongoing projects may encounter various challenges and come to market slower than anticipated, they should eventually impact global oil and refined product flows. At the same time, these capacity expansions could be offset by additional renewable diesel conversions and further refinery fleet rationalization through planned shutdowns or currently unplanned shutdowns due to future economic constraints given refined product consumption is slowing in the United States and remains weak in Europe.
- While renewable identification number ("RIN") prices increased slightly at the end of the second quarter of 2024, they are still lower than the second quarter of 2023. Production of renewable fuels continues to increase as new plants start up, which we expect to continue through 2025. We also expect biomass-based diesel RIN ("D4") production to exceed the renewable volume obligation ("RVO") significantly going forward, creating a RIN surplus. In June 2023, the Environmental Protection Agency ("EPA") set the D4 RVO for 2023, 2024, and 2025 at 2.82, 3.04, and 3.35 billion, respectively.
- In the second quarter of 2024, new electric vehicle sales in the U.S. increased approximately 11% from the second quarter of 2023. In 2022, miles per gallon of the new auto fleet continued to increase, averaging 26 miles per gallon ("MPG"). The EPA expects the new fleet average to have increased in 2023 by approximately 1 MPG. Vehicle miles traveled continues to increase but the effect of electric vehicle penetration in the fleet is clear and present. We expect this trend to continue.

Regulatory Environment

We continue to be impacted by significant volatility and costs associated with current and proposed laws, rules, regulations and policies, including the reinterpretation and amplification thereof, relating to climate change, the RFS, energy transition and related matters.

- Certain of the Petroleum Segment's subsidiaries are subject to the RFS (collectively, the "obligated-party subsidiaries"), which, each year, absent exemptions or waivers, requires such obligated-party subsidiaries to blend renewable fuels with transportation fuels, purchase RINs in lieu of blending, or otherwise face liability. Our cost to comply with the RFS is dependent upon a variety of factors, which include but are not limited to the availability of ethanol and biodiesel for blending at our refineries and downstream terminals or RINs for purchase, the actions of RIN market participants including non-obligated parties, the price at which RINs can be purchased, transportation fuel and renewable diesel production levels and pricing including potential discounts thereto related to the RFS, the mix of our products, our refining margins and other factors, all of which can vary significantly from period to period, as well as certain waivers or exemptions to which we may be entitled. Our costs to comply with the RFS further depend on the consistent, timely, and legal administration of the RFS program by the EPA, including the EPA's unlawful failure to establish the RVOs by their statutory deadlines, its subsequent promulgation of RVOs exceeding the blendwall, its delay in issuing decisions on pending small refinery exemption ("SRE") petitions, its subsequent denial of those SRE petitions and its failure to designate blenders as obligated parties under the RFS. Our costs to comply with the RFS are also impacted by, and dependent upon the outcome of, the numerous lawsuits filed by multiple refiners including our obligated-party subsidiaries, biofuels groups and others. Refer to Part I, Item 1, Note 13 ("Commitments and Contingencies") in this Report. Wynnewood Refining Company, LLC filed its SRE petition for 2023, which has not yet been ruled on by the EPA despite the 90-day deadline for the EPA to rule on SRE petitions applicable under the law. As a result, our costs to comply with RFS (excluding the impacts of any exemptions or waivers to which the Petroleum Segment's obligated-party subsidiaries may be entitled) increased significantly throughout 2022, remained significant in 2023 and is expected to remain significant through 2024 and beyond.

- In March 2024, the EPA finalized new motor vehicle emissions standards for light-, medium-, and heavy-duty vehicles for model year 2027 and beyond. New heavy-truck requirements are also being proposed. As a result of these new standards, the EPA expects EVs will account for 68% of new light-duty vehicles by model year 2032. In the United States in the second quarter of 2024, approximately 8% of new-vehicle sales were EVs.
- We currently expect that the $1-per-gallon Blenders Tax Credit ("BTC") tax incentive for renewable diesel and biodiesel will not be extended past its expiration date of December 31, 2024. While extensions of this tax incentive have been granted close to, and even after, expiration dates in the past, we believe provisions of the Inflation Reduction Act that create the Production Tax Credit incentive may signal the end of the BTC. In any case, the credits will be significantly reduced if the BTC is not renewed.

Company Initiatives

- Our Wynnewood Refinery has a renewable diesel unit and a pretreatment unit. The renewable diesel unit at the Wynnewood Refinery has the flexibility to be returned to hydrocarbon processing service primarily through a catalyst change depending on market conditions including but not limited to renewable diesel margins, contractual obligations and other factors. The pretreatment unit is designed to lower our feedstock costs and enable us to process a wider variety of renewable diesel feedstocks at the Wynnewood Refinery, most of which have a lower carbon intensity than soybean oil and generate additional Low Carbon Fuel Standard credits. With our existing renewable diesel production, this could mitigate the majority, if not all, of our future RFS exposure for our Coffeyville Refinery as long as the unit is kept in renewable fuel service and operating at capacity. We continue to seek, and pursue in court, SREs for our Wynnewood Refinery, and have also been assessing a project to produce sustainable aviation fuels at this plant assuming we can find a third-party for a guaranteed off take at a formula price.
- The Company is evaluating a potential renewables project near its Coffeyville location, the approval of which would be subject to numerous conditions and requirements including, but not limited to, approval of our Board, regulators, and potential other third parties, including our ability to enter into an agreement with third parties to fund such project. This project, if approved and pursued, could enable the capture of synergies with the Petroleum Segment as our Coffeyville Refinery has excess hydrogen capacity as well as potential access to third-party carbon capture use and storage.
- As part of an agreement the Company entered into with an unaffiliated party, a fuel-by-rail facility was built during the first quarter of 2024 at a property adjacent to the Coffeyville Refinery intended to allow the Company to sell product to customers that ship refined products to higher priced markets primarily in PADD IV and V. This unaffiliated party has operated the facility under a take-or-pay agreement for an initial term of two years.
- The Company has undertaken a project to replace the hydrofluoric acid catalyst in the alkylation unit at its Wynnewood Refinery with a fixed bed catalyst system, which should expand the alkylation unit by approximately 2,500 bpd, increase product capture by reducing propylene production and increase production of premium gasoline, and eliminate hydrofluoric acid inventory onsite. The capital investment is estimated at $136 million.
- In April 2024, the Board approved the Distillate Yield Improvement Project at the Wynnewood Refinery to modify one of the vacuum towers, which may increase distillate production at Wynnewood by up to approximately 4,000 bpd. Final completion is currently expected in 2026 at a capital cost of less than $15 million. The Company is also studying a similar project at Coffeyville which, if approved by the Board and successfully implemented, the first phase could be completed in 2025/2026.

As of June 30, 2024, we have an estimated liability of $312 million for the Petroleum Segment's obligated-party subsidiaries compliance with the RFS for 2020 through 2024, which consists of approximately 471 million RINs, excluding open, fixed-price commitments to purchase a net 12 million RINs. The Company's open RFS position, which does not consider open commitments expected to settle in future periods or the impact of any waivers or exemptions, is marked-to-market each period at spot price and thus significant market volatility, as experienced in late 2022, 2023, and 2024 to date, could impact our RFS expense from period to period.

Market Indicators

NYMEX WTI crude oil is an industry wide benchmark that is utilized in the market pricing of a barrel of crude oil. The pricing differences between other crude oils and WTI, known as differentials, show how the market for other crude oils such as WCS, White Cliffs ("Condensate"), Brent Crude ("Brent"), and Midland WTI ("Midland") are trending. Due to the Russia-Ukraine war, the conflict in the Middle East, and, in each case, actions taken by governments and others in response thereto, refined product prices have experienced extreme volatility. As a result of the current environment, refining margins have been and should continue to be volatile.

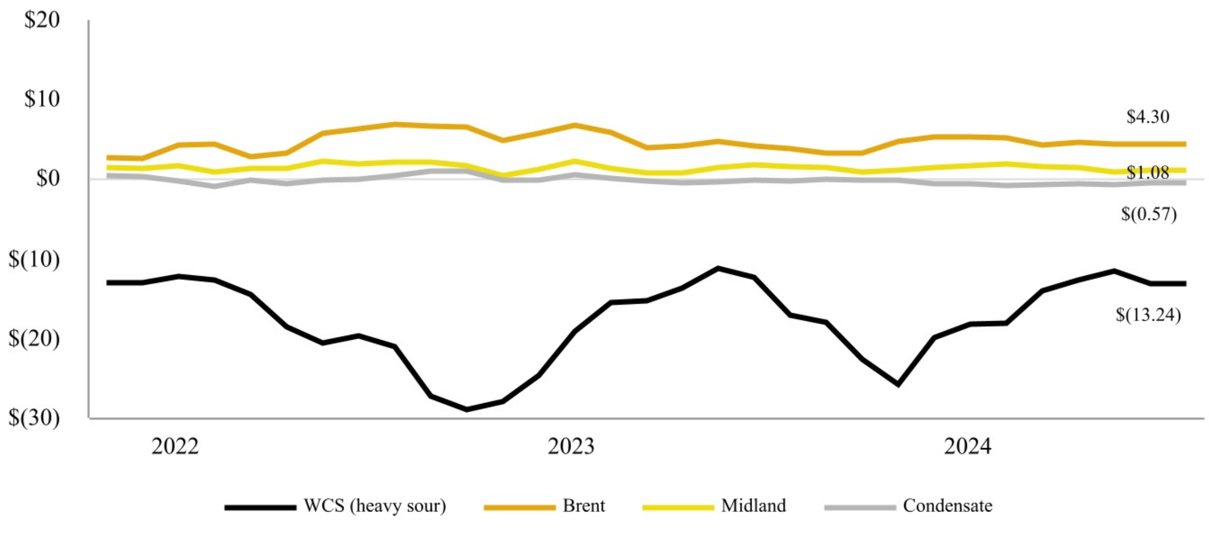
As a performance benchmark and a comparison with other industry participants, we utilize NYMEX and Group 3 crack spreads. These crack spreads are a measure of the difference between market prices for crude oil and refined products and are a commonly used proxy within the industry to estimate or identify trends in refining margins. Crack spreads can fluctuate significantly over time as a result of market conditions and supply and demand balances. The NYMEX 2-1-1 crack spread is calculated using two barrels of WTI producing one barrel of NYMEX RBOB Gasoline ("RBOB") and one barrel of NYMEX NY Harbor ULSD ("HO"). The Group 3 2-1-1 crack spread is calculated using two barrels of WTI crude oil producing one barrel of Group 3 sub-octane gasoline and one barrel of Group 3 ultra-low sulfur diesel.

Both NYMEX 2-1-1 and Group 3 2-1-1 crack spreads decreased during the six months ended June 30, 2024 compared to the six months ended June 30, 2023. The NYMEX 2-1-1 crack spread averaged $27.85 per barrel during the six months ended June 30, 2024 compared to $35.32 per barrel in the six months ended June 30, 2023. The Group 3 2-1-1 crack spread averaged $19.17 per barrel during the six months ended June 30, 2024 compared to $33.10 per barrel during the six months ended June 30, 2023.

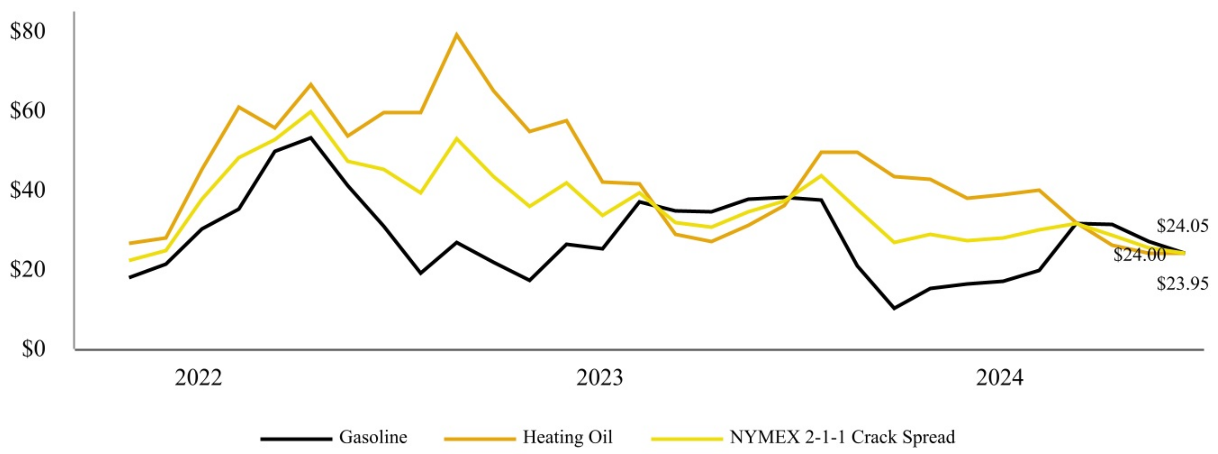
Average monthly prices for RINs decreased 55.7% during the second quarter of 2024 compared to the same period of 2023. On a blended barrel basis (calculated using applicable RVO percentages), RINs approximated $3.39 per barrel during the second quarter of 2024 compared to $7.64 per barrel during the second quarter of 2023.

The charts below are presented, on a per barrel basis, by month through June 30, 2024:

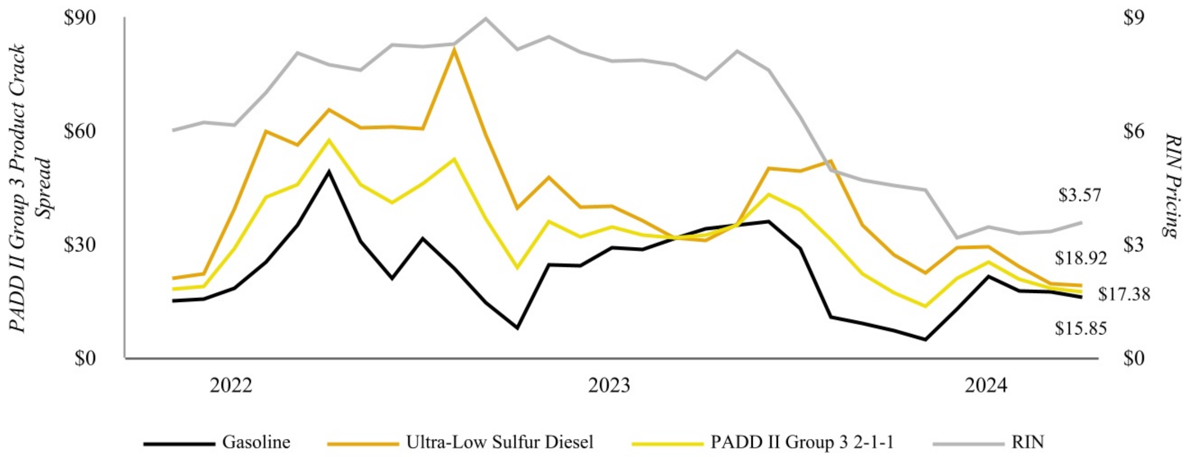
Crude Oil Differentials against WTI [(1)(2)]



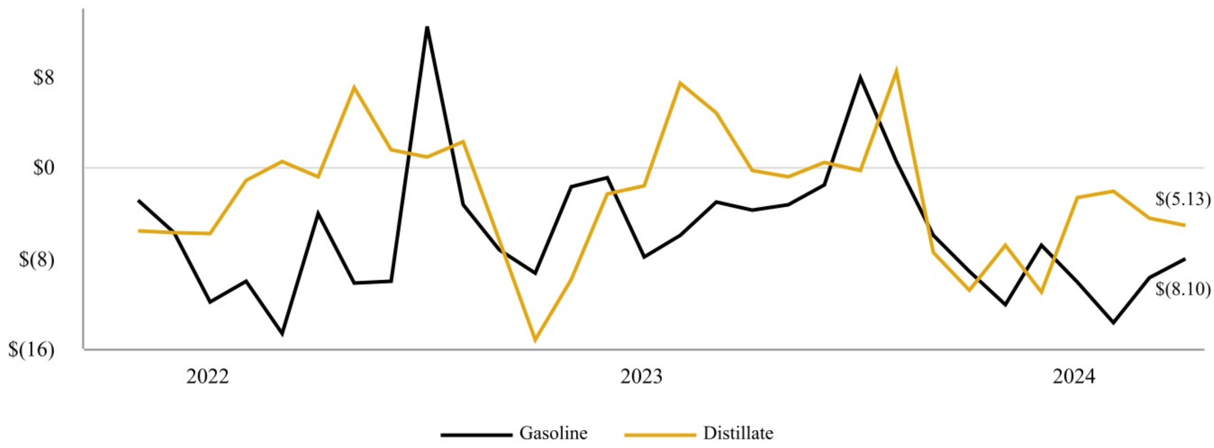
NYMEX Crack Spreads (2)



PADD II Group 3 Product Crack Spread and RIN Pricing (2)(3) *($/bbl)*



Group 3 Product Differential against NYMEX Products (1)(2) *($/bbl)*



(1) The change over time in NYMEX - WTI, as reflected in the charts above, is illustrated below:

(in $/bbl)	Average 2022	Average December 2022	Average 2023	Average December 2023	Average 2024	Average June 2024
WTI	$ 94.41	$ 76.52	$ 77.57	$ 72.12	$ 78.81	$ 78.70

(2) Information used within these charts was obtained from reputable market sources, including the New York Mercantile Exchange ("NYMEX"), Intercontinental Exchange, and Argus Media, among others.

(3) PADD II is the Midwest Petroleum Area for Defense District ("PADD"), which includes Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Tennessee and Wisconsin.

Nitrogen Fertilizer Segment

Within the Nitrogen Fertilizer Segment, earnings and cash flows from operations are primarily affected by the relationship between nitrogen fertilizer product prices, utilization, and operating costs and expenses, including pet coke and natural gas feedstock costs.

The price at which nitrogen fertilizer products are ultimately sold depends on numerous factors, including the global supply and demand for nitrogen fertilizer products, which, in turn, depends on world grain demand and production levels, changes in world population, the cost and availability of fertilizer transportation infrastructure, weather conditions, the availability of imports, the availability and price of feedstocks to produce nitrogen fertilizer, and the extent of government intervention in agriculture markets, among other factors. These factors can impact, among other things, the level of inventories in the markets, resulting in price and product margin volatility. Moreover, the industry typically experiences seasonal fluctuations in demand for nitrogen fertilizer products.

Certain governmental regulations and incentives associated with the automobile transportation and agricultural industries, including the ones related to corn-based ethanol and sustainable aviation fuel production or consumption, can, and have, directly impact our business. In June 2023, the EPA announced the renewable volume obligations for 2023, 2024, and 2025 which maintained the conventional biofuel blending level at 15 billion gallons. These actions lead us to believe that the demand on food, in particular corn, for fuel will remain strong for the foreseeable future and support farmer economics that incentivize the use of nitrogen-based fertilizers.

In contrast, in March 2024, the EPA finalized motor vehicle emission standards for light-, medium-, and heavy-duty vehicles for model year 2027 and beyond, which could significantly reduce the use of internal combustion engine vehicles and the demand for liquid fuels, including ethanol. New heavy-truck requirements are also being proposed. In 2023, production of ethanol consumed approximately 38% of the annual United States corn crop used by the market.

Market Indicators

While there is risk of shorter-term volatility given the inherent nature of the commodity cycle and governmental and geopolitical risks, the Company believes the long-term fundamentals for the U.S. nitrogen fertilizer industry remain intact. The Nitrogen Fertilizer Segment views the anticipated combination of (i) increasing global population, (ii) decreasing arable land per capita, (iii) continued evolution to more protein-based diets in developing countries, (iv) sustained use of corn and soybeans as feedstock for the domestic production of ethanol and other renewable fuels, and (v) positioning at the lower end of the global cost curve should provide a solid foundation for nitrogen fertilizer producers in the United States over the longer term.

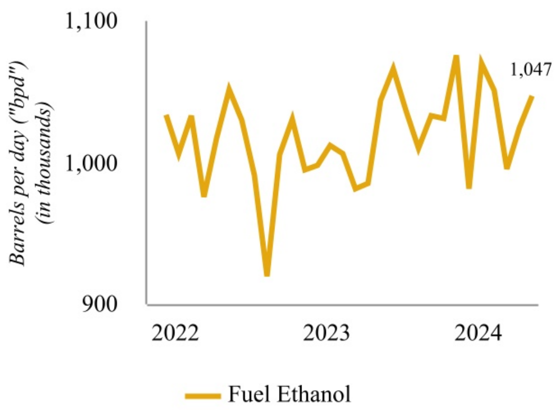
Corn and soybeans are two major crops planted by farmers in North America. Corn crops result in the depletion of the amount of nitrogen within the soil in which it is grown, which in turn, results in the need for this nutrient to be replenished after each growing cycle. Unlike corn, soybeans are able to obtain most of their own nitrogen through a process known as “N fixation”. As such, upon harvesting of soybeans, the soil retains a certain amount of nitrogen which results in lower demand for nitrogen fertilizer for the following corn planting cycle. Due to these factors, nitrogen fertilizer consumers generally operate a balanced corn-soybean rotational planting cycle as shown by the chart presented below as of June 30, 2024.

The relationship between the total acres planted for both corn and soybeans has a direct impact on the overall demand for nitrogen products, as the market and demand for nitrogen increases with increased corn acres and decreases with increased soybean acres. Additionally, an estimated 14 billion pounds of soybean oil is expected to be used in producing cleaner renewable fuels in marketing year 2024/2025. Multiple refiners have announced renewable diesel expansion projects for 2024 and beyond, which should only increase the demand for soybeans and potentially for corn and canola.

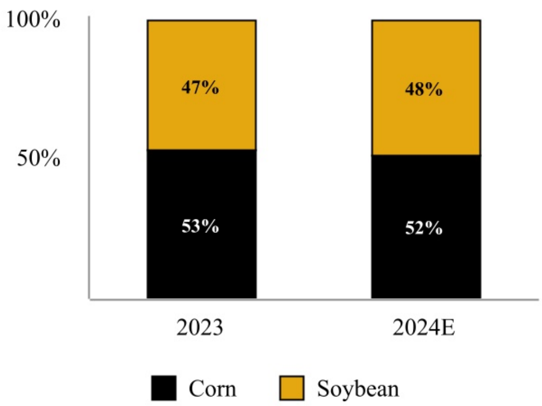
The United States Department of Agriculture (“USDA”) estimates that in spring 2024 farmers planted 91 million corn acres, representing a decrease of 3% compared to 95 million corn acres in 2023. Planted soybean acres are estimated to be 86 million, representing an increase of 3% compared to 84 million soybean acres in 2023. The combined estimated corn and soybean planted acres of 178 million represents a nominal decrease compared to the acreage planted in 2023. Due to lower input costs in 2024 for corn planting and the relative grain prices of corn versus soybeans, economics have favored planting corn compared to soybeans in 2024. Inventory levels of corn and soybeans are expected to be supportive of grain prices for the remainder of 2024.

Ethanol is blended with gasoline to meet RFS requirements and for its octane value. Since 2010, ethanol production has historically consumed 38% of the U.S. corn crop used by the market, so demand for corn generally rises and falls with ethanol demand, as shown by the charts below, through June 30, 2024.

U.S. Plant Production of Fuel Ethanol [(1)]



Corn and Soybean Planted Acres [(2)]



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(1) Information used within this chart was obtained from the U.S. Energy Information Administration (“EIA”) through June 30, 2024.
(2) Information used within this chart was obtained from the USDA, National Agricultural Statistics Services as of June 30, 2024.

Weather continues to be a critical variable for crop production. Even with high planted acres and trendline yields per acre in the U.S., global inventory levels for corn and soybeans remain at or below historical levels and prices have remained elevated. Demand for nitrogen fertilizer, as well as other crop inputs, is expected to be strong for the spring 2024 planting season, primarily due to elevated grain prices and favorable weather conditions for planting.

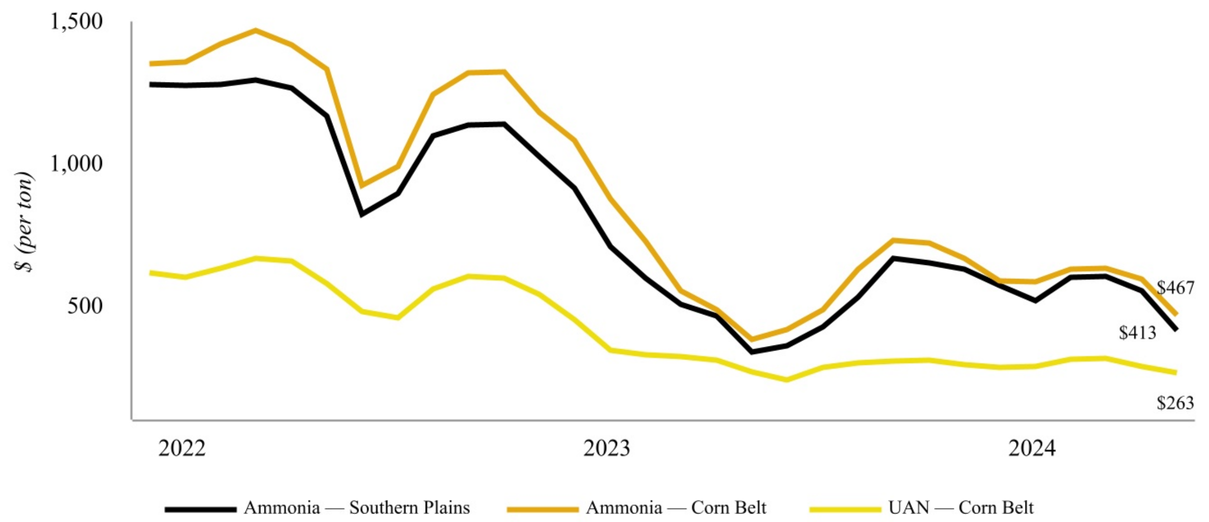
Fertilizer input costs have been volatile since the fall of 2021. Natural gas prices were elevated in the fall of 2022 due to shortages in Europe and demand being driven by building natural gas storage for winter. Winter 2022/2023 weather was warmer than average in Europe and, when combined with natural gas conservation measures, caused demand and prices for natural gas in Europe to fall significantly in the first quarter of 2023 and remain below the 2021/2022 price levels. The decline in natural gas prices, and the resulting capacity curtailments, among other factors, has led to a significant reduction in the price for nitrogen fertilizer from peak prices. While we expect that natural gas prices might remain below the elevated levels experienced in 2022 in the near term, we believe that the structural shortage of natural gas in Europe will continue to be a source of volatility for the rest of 2024 through 2026. Although pet coke prices have been elevated since 2021 due to higher natural gas prices compared to historical levels, as natural gas prices fell in 2023, third-party pet coke prices have declined into 2024.

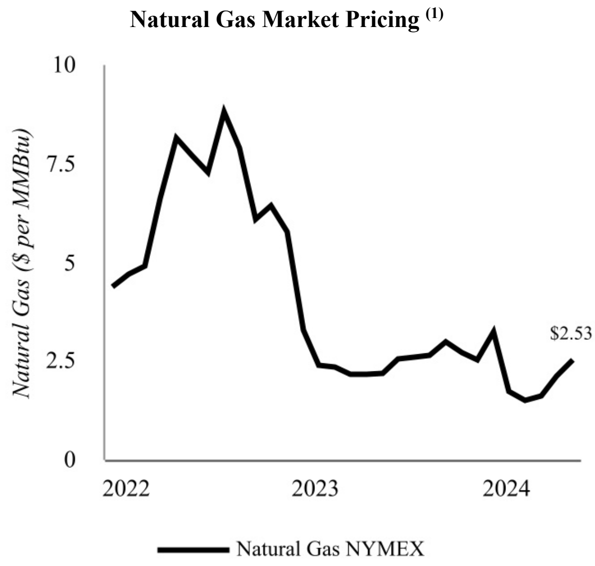
CVR Partners Initiatives

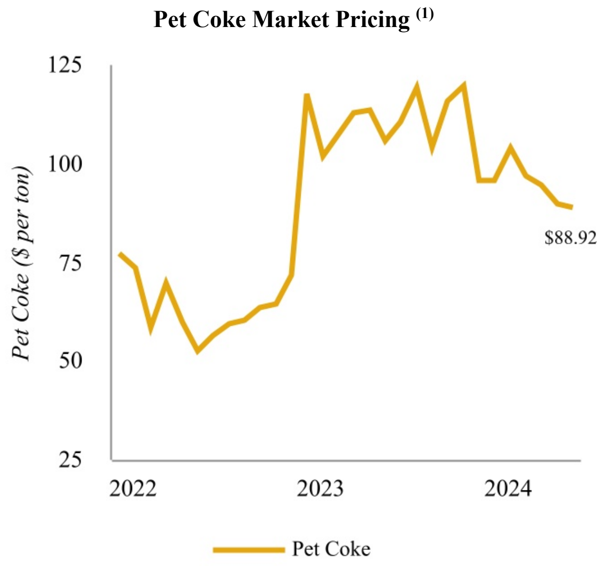
CVR Partners has been conducting engineering studies on the potential to utilize natural gas as an optional feedstock to pet coke at its facility in Coffeyville, Kansas (the "Coffeyville Fertilizer Facility"). Based on these studies, the Coffeyville Fertilizer Facility could utilize either natural gas or pet coke to produce nitrogen fertilizer by making certain modifications to the plant. If this project is approved by the board of directors of CVR Partners' general partner (the "UAN GP Board") and successfully implemented, it could allow CVR Partners to choose the optimal feedstock mix for production and would make the Coffeyville Fertilizer Facility the only nitrogen fertilizer plant in the U.S. with that feedstock flexibility.

The charts below show relevant market indicators for the Nitrogen Fertilizer Segment by month through June 30, 2024:

Ammonia and UAN Market Pricing [1]







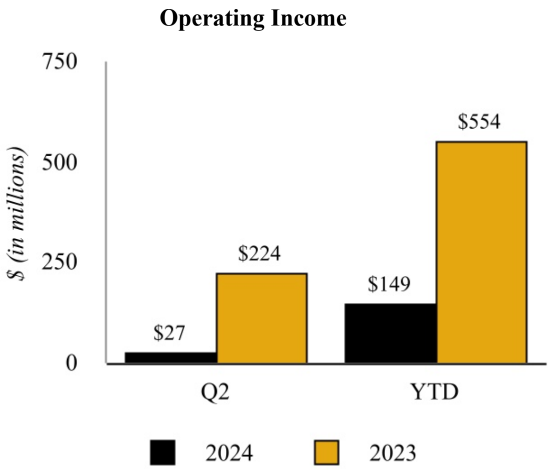
(1) Information used within these charts was obtained from various third-party sources, including Green Markets (a Bloomberg Company), Pace Petroleum Coke Quarterly, and the EIA, amongst others.

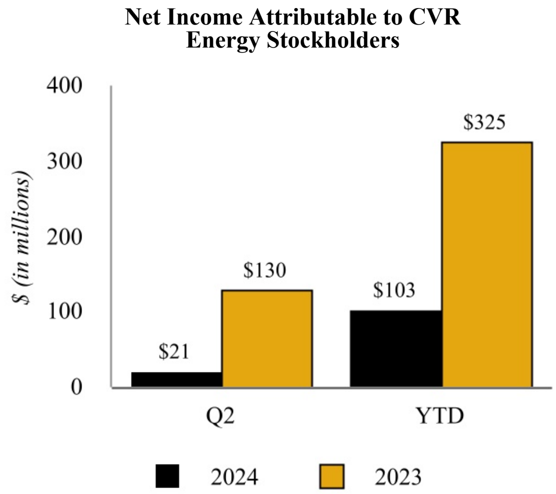
Results of Operations

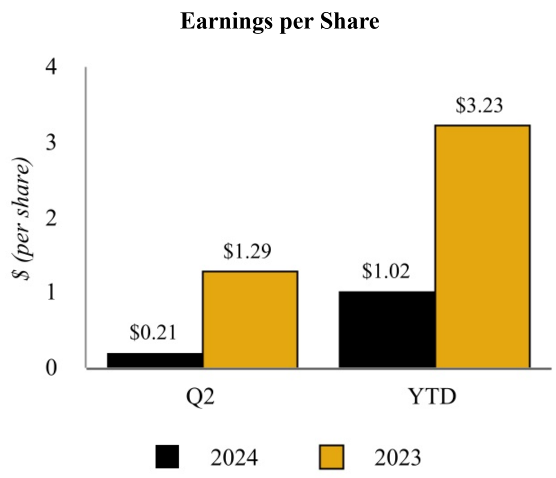
Consolidated

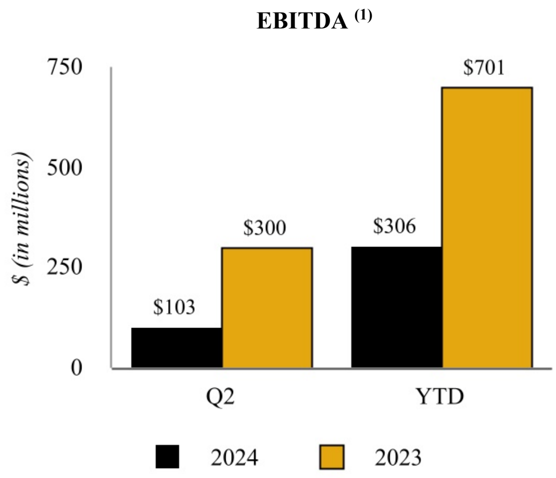
Our consolidated results of operations include renewable fuels, certain other unallocated corporate activities, and the elimination of intercompany transactions and, therefore, do not equal the sum of the operating results of the Petroleum Segment and Nitrogen Fertilizer Segment.

Consolidated Financial Highlights (Three and Six Months Ended June 30, 2024 versus June 30, 2023)









(1) See "Non-GAAP Reconciliations" section below for reconciliations of the non-GAAP measures shown above.

Three and Six Months Ended June 30, 2024 versus June 30, 2023 (Consolidated)

Overview - For the three months ended June 30, 2024, the Company's operating income and net income were $27 million and $38 million, respectively, compared to operating income and net income of $224 million and $168 million, respectively, for the three months ended June 30, 2023. For the six months ended June 30, 2024, the Company's operating income and net income were $149 million and $128 million, respectively, compared to operating income and net income of $554 million and $427 million, respectively, for the six months ended June 30, 2023. Refer to our discussion of each segment's results of operations below for further information.

Income Tax (Benefit) Expense - Income tax benefit for the three and six months ended June 30, 2024 was $26 million and $10 million, or (219.7)% and (7.2)% of income before income tax, respectively, compared to income tax expense for the three and six months ended June 30, 2023 of $44 million and $101 million, or 20.9% and 19.1% of income before income tax, respectively. The decrease in income tax expense was primarily due to a decrease in overall pretax earnings from the three and six months ended June 30, 2023 to the three and six months ended June 30, 2024. In addition, the change in the effective tax rate was primarily due to changes in pretax earnings attributable to noncontrolling interest and the impact of federal and state tax credits and incentives in relation to overall pretax earnings from the three and six months ended June 30, 2023 to the three and six months ended June 30, 2024.

Petroleum Segment

The Petroleum Segment utilizes certain inputs within its refining operations. These inputs include crude oil, butanes, natural gasoline, ethanol, and bio-diesel (these are also known as "throughputs").

Refining Throughput and Production Data by Refinery

Throughput Data *(in bpd)*	**Three Months Ended June 30, 2024**	**Three Months Ended June 30, 2023**	**Six Months Ended June 30, 2024**	**Six Months Ended June 30, 2023**
Coffeyville				
Gathered crude	**86,851**	73,547	**74,628**	59,527
Other domestic	**28,625**	41,721	**37,275**	46,572
Canadian	**9,518**	84	**9,525**	2,091
Condensate	**5,079**	6,598	**6,390**	7,879
Other crude oil	**551**	—	**275**	—
Other feedstocks and blendstocks	**10,773**	12,124	**11,671**	12,678
Wynnewood				
Gathered crude	**34,190**	51,142	**38,624**	50,485
Other domestic	**2,421**	1,002	**1,210**	2,471
Condensate	**5,965**	11,992	**8,114**	13,950
Other feedstocks and blendstocks	**2,235**	2,865	**3,287**	3,144
Total throughput	**186,208**	201,075	**190,999**	198,797

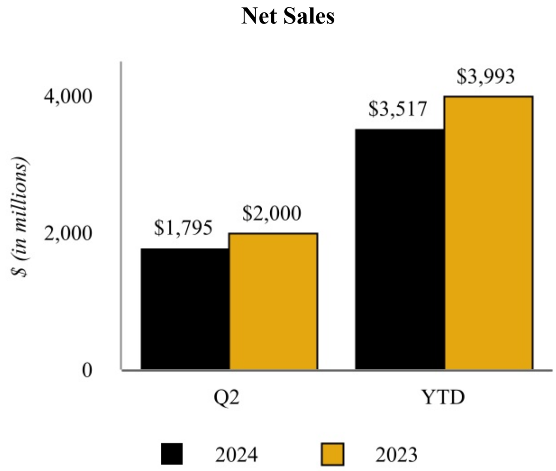
Production Data *(in bpd)*	**Three Months Ended June 30, 2024**	**Three Months Ended June 30, 2023**	**Six Months Ended June 30, 2024**	**Six Months Ended June 30, 2023**
Coffeyville				
Gasoline	**71,515**	68,008	**72,119**	66,258
Distillate	**57,710**	57,996	**56,858**	54,100
Other liquid products	**7,015**	3,816	**5,784**	4,461
Solids	**4,990**	3,916	**4,985**	3,632
Wynnewood				
Gasoline	**25,672**	36,017	**28,828**	37,991
Distillate	**16,053**	23,604	**17,610**	24,424
Other liquid products	**2,349**	6,714	**3,956**	6,499
Solids	**6**	10	**6**	10
Total production	**185,310**	200,081	**190,146**	197,375
Light product yield (as % of crude throughput) (1)	**98.7 %**	99.8 %	**99.6 %**	99.9 %
Liquid volume yield (as % of total throughput) (2)	**96.8 %**	97.6 %	**96.9 %**	97.5 %
Distillate yield (as % of crude throughput) (3)	**42.6 %**	43.9 %	**42.3 %**	42.9 %

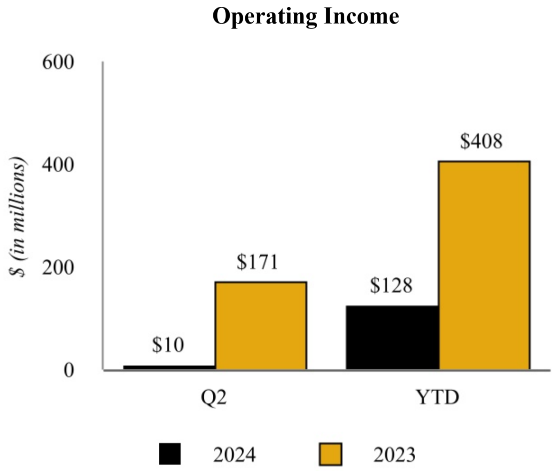
(1) Total Gasoline and Distillate divided by total Gathered crude, Other domestic, Canadian, and Condensate throughput (collectively, "Total Crude Throughput").
(2) Total Gasoline, Distillate, and Other liquid products divided by total throughput.
(3) Total Distillate divided by Total Crude Throughput.

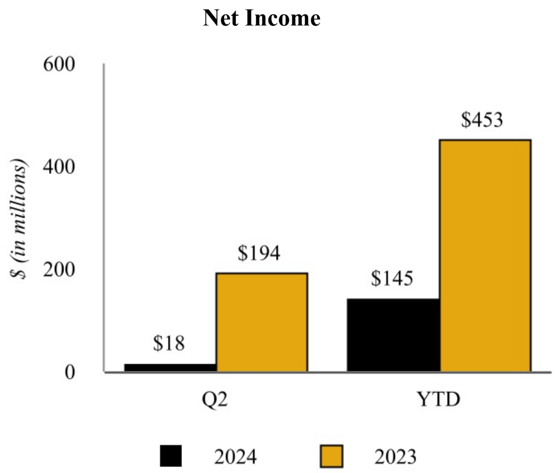
Petroleum Segment Financial Highlights (Three and Six Months Ended June 30, 2024 versus June 30, 2023)

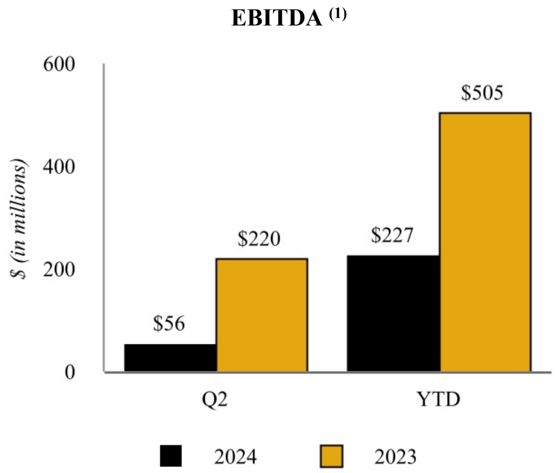
Overview - For the three months ended June 30, 2024, the Petroleum Segment's operating income and net income were $10 million and $18 million, respectively, compared to operating income and net income of $171 million and $194 million, respectively, for the three months ended June 30, 2023. These declines were primarily due to decreases in gasoline and distillate crack spreads, along with decreased production and increased maintenance resulting from a fire at the Wynnewood Refinery in April 2024 (the "Wynnewood Fire"). These variances were partially offset by lower RFS related expenses and a favorable derivatives impact in the current period. For the six months ended June 30, 2024, the Petroleum Segment's operating income and net income were $128 million and $145 million, respectively, compared to operating income and net income of

$408 million and $453 million, respectively, for the six months ended June 30, 2023. Similarly, these declines were primarily due to decreases in gasoline and distillate crack spreads, decreased production and increased maintenance resulting from the Wynnewood Fire, and a less favorable derivatives impact in the current period compared to the prior period, partially offset by lower RFS related expenses.



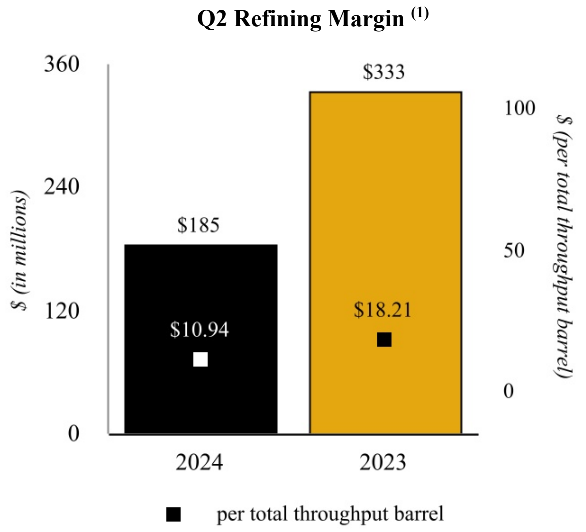


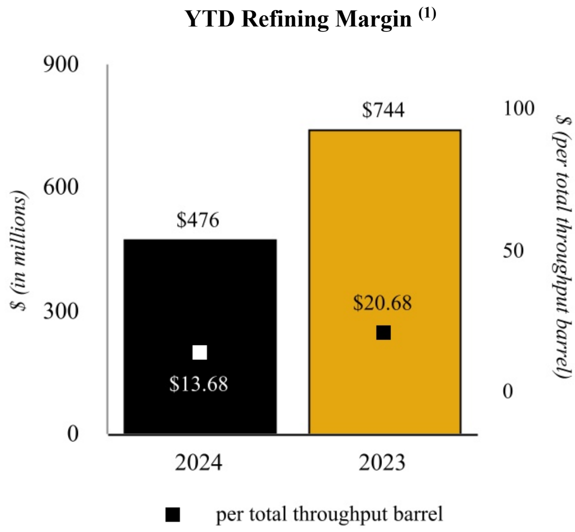




(1) See “Non-GAAP Reconciliations” section below for reconciliations of the non-GAAP measures shown above.

Net Sales - For the three and six months ended June 30, 2024, net sales for the Petroleum Segment was $1.8 billion and $3.5 billion, respectively, compared to $2.0 billion and $4.0 billion for the three and six months ended June 30, 2023, respectively. The decrease in net sales for both periods was driven by lower refined product prices resulting from elevated inventory levels and reduced demand, along with fewer sales as a result of the Wynnewood Fire.





(1) See “Non-GAAP Reconciliations” section below for reconciliations of the non-GAAP measures shown above.

Refining Margin - For the three months ended June 30, 2024, refining margin was $185 million, or $10.94 per throughput barrel, compared to $333 million, or $18.21 per throughput barrel, for the three months ended June 30, 2023. The primary factors contributing to the $148 million decrease in refining margin were:

- A decrease in the Group 3 2-1-1 crack spread of $13.20 per barrel, driven by a tightening of gasoline and distillate crack spreads primarily due to increased inventory levels and lower demand in the current year; and
- Unfavorable sales impacts related to the Wynnewood Fire.

Factors partially offsetting the decrease in refining margin were:

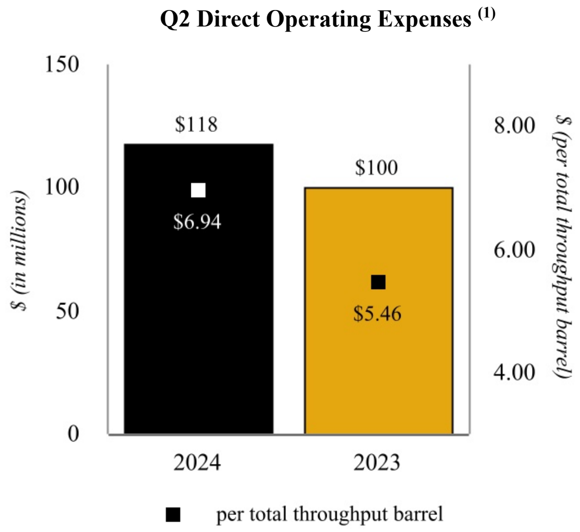
- A decline in RFS related expense of $51 million, which includes favorable RINs revaluation adjustments of $2 million; and
- Favorable inventory valuation impacts of $2 million for the three months ended June 30, 2024 compared to unfavorable inventory valuation impacts of $21 million for the three months ended June 30, 2023, primarily due to rising crude oil prices in the current period compared to falling crude oil prices in the second quarter of 2023.
- Favorable derivative impacts of $20 million from gains on open crack spread swap positions in the current period compared to losses during the three months ended June 30, 2023.

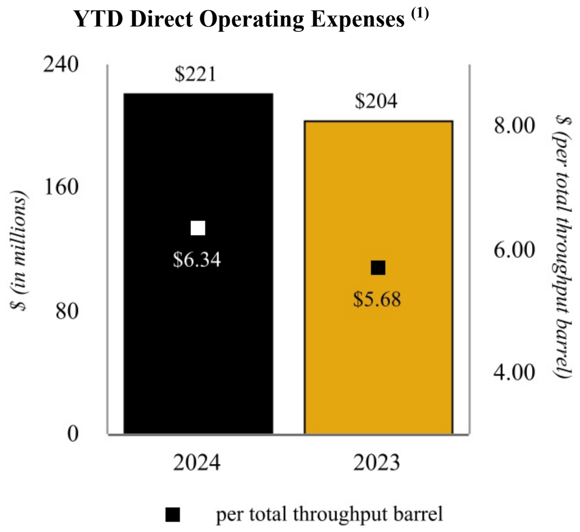
For the six months ended June 30, 2024, refining margin was $476 million, or $13.68 per throughput barrel, compared to $744 million, or $20.68 per throughput barrel, for the six months ended June 30, 2023. The primary factors contributing to the $268 million decrease in refining margin were:

- A decrease in the Group 3 2-1-1 crack spread of $13.93 per barrel, driven by a tightening of gasoline and distillate crack spreads primarily due to increased inventory levels and lower demand in the current year; and
- Unfavorable derivative impacts of $37 million from smaller gains on open crack spread swap positions in the current period compared to the six months ended June 30, 2023.

Factors partially offsetting the decrease in refining margin were:

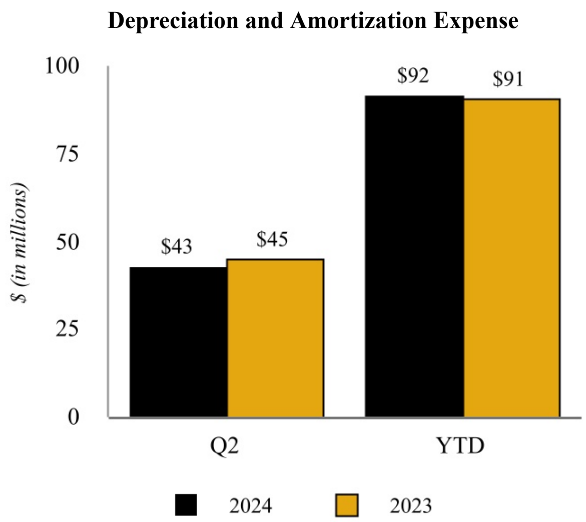
- A decline in RFS related expense of $136 million, which includes favorable RINs revaluation adjustments of $37 million; and
- Favorable inventory valuation impacts of $39 million for the six months ended June 30, 2024 compared to unfavorable inventory valuation impacts of $33 million for the six months ended June 30, 2023, primarily due to rising crude oil prices in the current period compared to falling crude oil prices during the six months ended June 30, 2023.

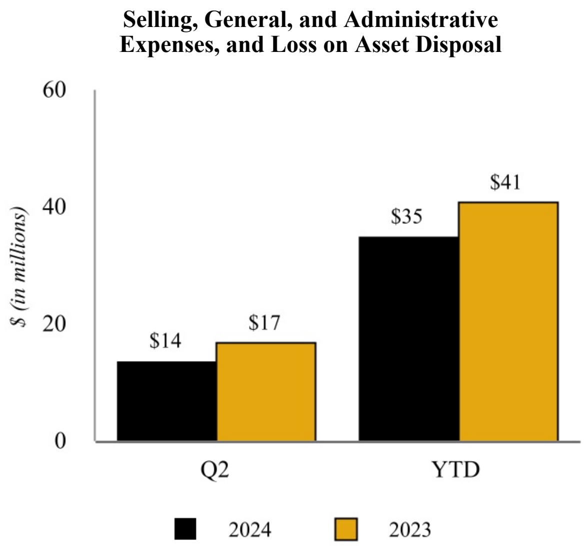




(1) Exclusive of depreciation and amortization expense.

Direct Operating Expenses (Exclusive of Depreciation and Amortization) - For the three and six months ended June 30, 2024, direct operating expenses (exclusive of depreciation and amortization) was $118 million and $221 million, respectively, compared to $100 million and $204 million for the three and six months ended June 30, 2023, respectively. The increases for the three and six months ended June 30, 2024 were primarily due to increased repairs and maintenance. On a total throughput barrel basis, direct operating expenses increased to $6.94 and $6.34 per barrel for the three and six months ended June 30, 2024, respectively, from $5.46 and $5.68 per barrel for the three and six months ended June 30, 2023, respectively. The increases were primarily due to increased maintenance and decreased throughput for the three and six months ended June 30, 2024 compared to the three and six months ended June 30, 2023.





Depreciation and Amortization Expense - For the three and six months ended June 30, 2024, depreciation and amortization expense remained consistent period over period with $43 million and $92 million, respectively, compared to $45 million and $91 million for the three and six months ended June 30, 2023, respectively.

Selling, General, and Administrative Expenses, and Loss on Asset Disposal - For the three and six months ended June 30, 2024, selling, general and administrative expenses, and loss on asset disposal was $14 million and $35 million, respectively, compared to $17 million and $41 million for the three and six months ended June 30, 2023, respectively. The decreases for both periods were primarily due to a decrease in consulting services and share-based compensation as a result of a decrease in the market price of CVR Energy's common share, as well as decreased legal services expense during the six months ended June 30, 2024.

Nitrogen Fertilizer Segment

Utilization and Production Volumes - The following tables summarize the consolidated ammonia utilization from the Coffeyville Fertilizer Facility and the East Dubuque Fertilizer Facility. Utilization is an important measure used by management to assess operational output at each of the Nitrogen Fertilizer Segment's facilities. Utilization is calculated as actual tons of ammonia produced divided by capacity.

Utilization is presented solely on ammonia production, rather than on each nitrogen product, as it provides a comparative baseline against industry peers and eliminates the disparity of facility configurations for upgrade of ammonia into other nitrogen products. With production primarily focused on ammonia upgrade capabilities, we believe this measure provides a meaningful view of how we operate.

Gross tons of ammonia represent the total ammonia produced, including ammonia produced that was upgraded into other fertilizer products. Net tons available for sale represents the ammonia available for sale that was not upgraded into other fertilizer products. The table below presents all of these Nitrogen Fertilizer Segment metrics for the three and six months ended June 30, 2024 and 2023:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Consolidated Ammonia Utilization	**102 %**	100 %	**96 %**	103 %
Production Volumes (in thousands of tons)				
Ammonia *(gross produced)*	**221**	219	**414**	442
Ammonia *(net available for sale)*	**69**	70	**130**	132
UAN	**337**	339	**643**	705

On a consolidated basis for the three months ended June 30, 2024, the Nitrogen Fertilizer Segment's utilization increased to 102% compared to 100% for the three months ended June 30, 2023 due to the facilities operating largely as planned with reduced downtime compared to the prior period. For the six months ended June 30, 2024, utilization decreased to 96% compared to 103% for the six months ended June 30, 2023 primarily due to the 14-day planned outage at the Coffeyville Fertilizer Facility during the first quarter of 2024.

Sales and Pricing per Ton - Two of the Nitrogen Fertilizer Segment's key operating metrics are total sales volumes for ammonia and UAN, along with the product pricing per ton realized at the gate. Product pricing at the gate represents net sales less freight revenue divided by product sales volume in tons and is shown in order to provide a pricing measure comparable across the fertilizer industry.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Consolidated sales volumes (thousands of tons)				
Ammonia	**43**	79	**113**	121
UAN	**330**	329	**614**	688
Consolidated product pricing at gate (dollars per ton)				
Ammonia	**$ 520**	$ 707	**$ 525**	$ 770
UAN	**268**	316	**268**	390

For the three and six months ended June 30, 2024 compared to the three and six months ended June 30, 2023, total product sales volumes were unfavorable due to shifting more product sales into the first quarter of 2024 as weather was favorable for an early application during the second quarter of 2024 and reduced production volumes as a result of the 14-day planned outage at the Coffeyville Fertilizer Facility during the first quarter of 2024. For the three and six months ended June 30, 2024, total product sales prices were unfavorable driven by sales price decreases of 26% and 32%, respectively, for ammonia and 15% and 31%, respectively, for UAN. Ammonia and UAN sales prices were unfavorable primarily due to lower natural gas prices reducing input costs and driving an overall decrease in the market prices.

Feedstock - Our Coffeyville Fertilizer Facility utilizes a pet coke gasification process to produce nitrogen fertilizer. Our East Dubuque Fertilizer Facility uses natural gas in its production of ammonia. The table below presents these feedstocks for both fertilizer facilities within the Nitrogen Fertilizer Segment for the three and six months ended June 30, 2024 and 2023:

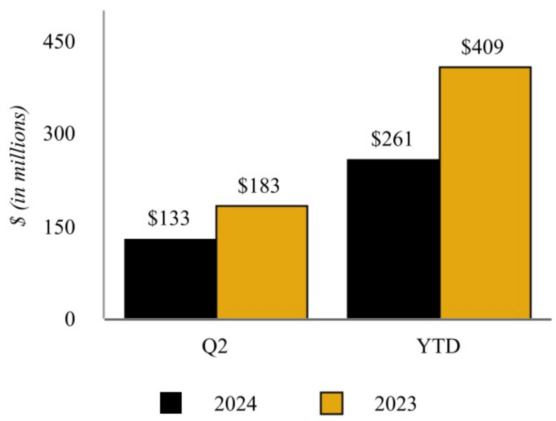
	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	**2023**	**2024**	**2023**
Petroleum coke used in production *(thousands of tons)*	**133**	124	**261**	255
Petroleum coke used in production *(dollars per ton)*	**$ 62.96**	$ 73.91	**$ 69.21**	$ 75.62
Natural gas used in production *(thousands of MMBtus)* (1)	**2,213**	2,194	**4,361**	4,296
Natural gas used in production *(dollars per MMBtu)* (1)	**$ 1.93**	$ 2.35	**$ 2.51**	$ 4.02
Natural gas in cost of materials and other *(thousands of MMBtus)* (1)	**1,855**	2,403	**3,620**	3,718
Natural gas in cost of materials and other *(dollars per MMBtu)* (1)	**$ 1.85**	$ 4.11	**$ 2.65**	$ 5.41

(1) The feedstock natural gas shown above does not include natural gas used for fuel. The cost of fuel natural gas is included in Direct operating expenses (exclusive of depreciation and amortization).

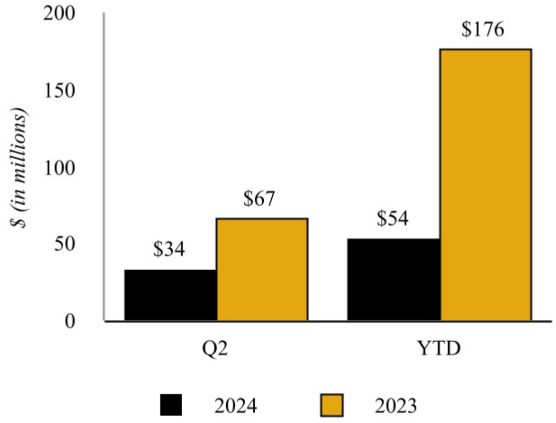
Nitrogen Fertilizer Segment Financial Highlights (Three and Six Months Ended June 30, 2024 versus June 30, 2023)

Overview - For the three months ended June 30, 2024, the Nitrogen Fertilizer Segment's operating income and net income were $34 million and $26 million, respectively, compared to operating income and net income of $67 million and $60 million, respectively, for the three months ended June 30, 2023. For the six months ended June 30, 2024, the Nitrogen Fertilizer Segment's operating income and net income were $54 million and $39 million, respectively, compared to operating income and net income of $176 million and $162 million, respectively, for the six months ended June 30, 2023. These decreases were primarily driven by lower product sales prices attributable to natural gas prices reducing input costs and driving an overall decrease in the market prices.

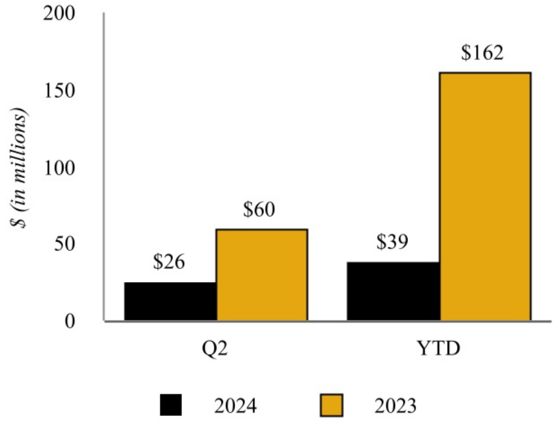
Net Sales



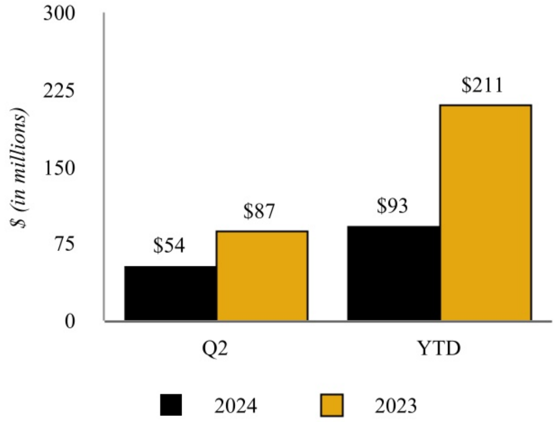
Operating Income



Net Income



EBITDA [(1)]



(1) See "Non-GAAP Reconciliations" section below for reconciliations of the non-GAAP measures shown above.

Net Sales - For the three months ended June 30, 2024, the Nitrogen Fertilizer Segment's net sales was $133 million compared to $183 million for the three months ended June 30, 2023. The decrease was primarily due to unfavorable UAN and ammonia sales prices resulting in reduced revenues of $24 million and unfavorable ammonia sales volume contributing $26 million in lower revenue compared to the three months ended June 30, 2023.

The following table demonstrates the impact of changes in sales volumes and pricing for the primary components of net sales, excluding urea products, freight, and other revenue, for the three months ended June 30, 2024 compared to the three months ended June 30, 2023:

(in millions)	Price Variance	Volume Variance
UAN	$ (16)	$ —
Ammonia	(8)	(26)

The $187 and $48 per ton decreases in ammonia and UAN sales pricing, respectively, for the three months ended June 30, 2024 compared to the three months ended June 30, 2023 were primarily attributable to natural gas prices reducing input costs and driving an overall decrease in the market prices. The decrease in ammonia sales volume for the three months ended June 30, 2024 compared to the three months ended June 30, 2023 was due to shifting more product into the first quarter as weather was favorable for an early application.

For the six months ended June 30, 2024, the Nitrogen Fertilizer Segment's net sales was $261 million compared to $409 million for the six months ended June 30, 2023. This decrease was primarily due to unfavorable UAN and ammonia pricing conditions and sales volumes which contributed $103 million and $36 million, respectively, in lower revenues compared to the six months ended June 30, 2023.

The following table demonstrates the impact of changes in sales volumes and pricing for the primary components of net sales, excluding urea products, freight, and other revenue, for the six months ended June 30, 2024 compared to the six months ended June 30, 2023:

(in millions)	Price Variance	Volume Variance
UAN	$ (75)	$ (29)
Ammonia	(28)	(7)

The $245 and $122 per ton decreases in ammonia and UAN sales pricing, respectively, for the six months ended June 30, 2024 compared to the six months ended June 30, 2023 were primarily attributable to natural gas prices reducing input costs and driving an overall decrease in the market prices, paired with increased global supplies of nitrogen fertilizer. The decreases in UAN and ammonia sales volumes for the six months ended June 30, 2024 compared to the six months ended June 30, 2023 were primarily attributable to lower UAN and ammonia production volumes as a result of the 14-day planned outage at the Coffeyville Fertilizer Facility during the first quarter of 2024.

Cost of Materials and Other - For the three and six months ended June 30, 2024, cost of materials and other was $26 million and $51 million, respectively, compared to $33 million and $70 million, respectively, for the three and six months ended June 30, 2023. The decrease was driven primarily by lower natural gas and refinery pet coke prices in the current period.

Non-GAAP Measures

Our management uses certain non-GAAP performance measures, and reconciliations to those measures, to evaluate current and past performance and prospects for the future to supplement our financial information presented in accordance with accounting principles generally accepted in the United States ("GAAP"). These non-GAAP financial measures are important factors in assessing our operating results and profitability and include the performance and liquidity measures defined below.

The following are non-GAAP measures we present for the periods ended June 30, 2024 and 2023:

EBITDA - Consolidated net income (loss) before (i) interest expense, net, (ii) income tax expense (benefit) and (iii) depreciation and amortization expense.

Petroleum EBITDA and Nitrogen Fertilizer EBITDA - Segment net income (loss) before segment (i) interest expense, net, (ii) income tax expense (benefit), and (iii) depreciation and amortization.

Refining Margin - The difference between our Petroleum Segment net sales and cost of materials and other.

Refining Margin, per Throughput Barrel - Refining Margin divided by the total throughput barrels during the period, which is calculated as total throughput barrels per day times the number of days in the period.

Direct Operating Expenses per Throughput Barrel - Direct operating expenses for our Petroleum Segment divided by total throughput barrels for the period, which is calculated as total throughput barrels per day times the number of days in the period.

Adjusted EBITDA, Petroleum Adjusted EBITDA and Nitrogen Fertilizer Adjusted EBITDA - EBITDA, Petroleum EBITDA and Nitrogen Fertilizer EBITDA adjusted for certain significant noncash items and items that management believes are not attributable to or indicative of our underlying operational results of the period or that may obscure results and trends we deem useful.

We present these measures because we believe they may help investors, analysts, lenders and ratings agencies analyze our results of operations and liquidity in conjunction with our U.S. GAAP results, including but not limited to our operating performance as compared to other publicly traded companies in the refining and fertilizer industries, without regard to historical cost basis or financing methods and our ability to incur and service debt and fund capital expenditures. Non-GAAP measures have important limitations as analytical tools because they exclude some, but not all, items that affect net earnings and operating income. These measures should not be considered substitutes for their most directly comparable U.S. GAAP financial measures. See "Non-GAAP Reconciliations" included herein for reconciliation of these amounts. Due to rounding, numbers presented within this section may not add or equal to numbers or totals presented elsewhere within this document.

Factors Affecting Comparability of Our Financial Results

Petroleum Segment

Our results of operations for the periods presented may not be comparable with prior periods or to our results of operations in the future due to capitalized expenditures as part of planned turnarounds. Total capitalized expenditures were $3 million and $11 million during the three months ended June 30, 2024 and 2023, respectively, and $42 million and $51 million during the six months ended June 30, 2024 and 2023, respectively. The next planned turnaround is currently scheduled to take place in 2025 at the Coffeyville Refinery.

Non-GAAP Reconciliations

Reconciliation of Net Income to EBITDA and Adjusted EBITDA

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2024**	**2023**	**2024**	**2023**
Net income	**$ 38**	$ 168	**$ 128**	$ 427
Interest expense, net	**19**	16	**39**	32
Income tax (benefit) expense	**(26)**	44	**(10)**	101
Depreciation and amortization	**72**	72	**149**	141
EBITDA	**103**	300	**306**	701
Adjustments:				
Revaluation of RFS liability, unfavorable (favorable)	**—**	2	**(91)**	(54)
Unrealized (gain) loss on derivatives, net	**(17)**	19	**7**	(13)
Inventory valuation impacts, unfavorable (favorable)	**1**	26	**(36)**	46
Adjusted EBITDA	**$ 87**	$ 347	**$ 186**	$ 680

Reconciliation of Petroleum Segment Net Income to EBITDA and Adjusted EBITDA

	Three Months Ended June 30,		Six Months Ended June 30,	
(in millions)	**2024**	**2023**	**2024**	**2023**
Petroleum net income	**$ 18**	$ 194	**$ 145**	$ 453
Interest income, net	**(5)**	(19)	**(10)**	(39)
Depreciation and amortization	**43**	45	**92**	91
Petroleum EBITDA	**56**	220	**227**	505
Adjustments:				
Revaluation of RFS liability, unfavorable (favorable)	**—**	2	**(91)**	(54)
Unrealized (gain) loss on derivatives, net	**(17)**	15	**7**	(16)
Inventory valuation impacts, (favorable) unfavorable [1]	**(2)**	21	**(39)**	33
Petroleum Adjusted EBITDA	**$ 37**	$ 258	**$ 104**	$ 468

Reconciliation of Petroleum Segment Gross Profit to Refining Margin

(in millions)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net sales	**$ 1,795**	$ 2,000	**$ 3,517**	$ 3,993
Less:				
Cost of materials and other	**(1,610)**	(1,667)	**(3,041)**	(3,249)
Direct operating expenses (exclusive of depreciation and amortization)	**(118)**	(100)	**(221)**	(204)
Depreciation and amortization	**(43)**	(45)	**(92)**	(91)
Gross profit	**24**	188	**163**	449
Add:				
Direct operating expenses (exclusive of depreciation and amortization)	**118**	100	**221**	204
Depreciation and amortization	**43**	45	**92**	91
Refining margin	**$ 185**	$ 333	**$ 476**	$ 744

(1) The Petroleum Segment's basis for determining inventory value under GAAP is First-In, First-Out ("FIFO"). Changes in crude oil prices can cause fluctuations in the inventory valuation of crude oil, work in process and finished goods, thereby resulting in a favorable inventory valuation impact when crude oil prices increase and an unfavorable inventory valuation impact when crude oil prices decrease. The inventory valuation impact is calculated based upon inventory values at the beginning of the accounting period and at the end of the accounting period. In order to derive the inventory valuation impact per total throughput barrel, we utilize the total dollar figures for the inventory valuation impact and divide by the number of total throughput barrels for the period.

Reconciliation of Petroleum Segment Total Throughput Barrels and Metrics per Total Throughput Barrel

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Total throughput barrels per day	**186,208**	201,075	**190,999**	198,797
Days in the period	**91**	91	**182**	181
Total throughput barrels	**16,944,862**	18,297,814	**34,761,961**	35,982,294
(in millions, except per total throughput barrel)				
Refining margin	**$ 185**	$ 333	**$ 476**	$ 744
Refining margin per total throughput barrel	**$ 10.94**	$ 18.21	**$ 13.68**	$ 20.68
Direct operating expenses (exclusive of depreciation and amortization)	**$ 118**	$ 100	**$ 221**	$ 204
Direct operating expenses per total throughput barrel	**$ 6.94**	$ 5.46	**$ 6.34**	$ 5.68

Reconciliation of Nitrogen Fertilizer Segment Net Income to EBITDA and Adjusted EBITDA

(in millions)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Nitrogen Fertilizer net income	**$ 26**	$ 60	**$ 39**	$ 162
Interest expense, net	**8**	7	**15**	14
Depreciation and amortization	**20**	20	**39**	35
Nitrogen Fertilizer EBITDA and Adjusted EBITDA	**$ 54**	$ 87	**$ 93**	$ 211

Liquidity and Capital Resources

Our principal source of liquidity has historically been cash from operations. Our principal uses of cash are for working capital, capital expenditures, funding our debt service obligations, and paying dividends to our stockholders, as further discussed below.

While the volatility in commodity pricing has had a favorable impact on our business and has not significantly impacted our primary source of liquidity, there is still uncertainty on the horizon due to the potential for recession driven demand destruction and any potential implications of geopolitical matters. We continue to maintain our focus on safe and reliable operations, maintain an appropriate level of cash to fund ongoing operations, and protect our balance sheet. As a result of these factors, the Board elected to declare a $0.50 per share quarterly cash dividend for the second quarter of 2024. This decision supports the Company's continued focus on financial discipline through a balanced approach of evaluation of strategic investment opportunities and stockholder dividends while maintaining adequate capital requirements for ongoing operations throughout this environment of uncertainty. The Board will continue to evaluate the economic environment, the Company's cash needs, optimal uses of cash, and other applicable factors, and may elect to make additional changes to the Company's dividend (if any) in future periods. Additionally, in executing financial discipline, we have successfully implemented and are maintaining the following measures:

- Focused on maintaining adequate liquidity to help mitigate the potential impact of adverse government actions such as the EPA unlawfully denying SREs;
- Focused refining maintenance capital expenditures to only include those projects which are a priority to support continuing safe and reliable operations, or which we consider required to support future activities;
- Focused future capital allocation to high-return assets and opportunities that advance participation in the energy industry transformation; and
- Continued to focus on disciplined management of operational and general and administrative costs.

When considering the market conditions and actions outlined above, we currently believe that our cash from operations and existing cash and cash equivalents, along with borrowings, as necessary, will be sufficient to satisfy anticipated cash requirements associated with our existing operations for at least the next 12 months. However, our future capital expenditures and other cash requirements could be higher than we currently expect as a result of various factors including, but not limited to, rising material and labor costs, the costs associated with complying with the RFS's outcome of litigation and other factors. Additionally, our ability to generate sufficient cash from our operating activities and secure additional financing depends on our future operational performance, which is subject to general economic, political, financial, competitive, and other factors, some of which may be beyond our control.

Depending on the needs of our business, contractual limitations and market conditions, we may from time to time seek to issue equity securities, incur additional debt, issue debt securities, or redeem, repurchase, refinance, or retire our outstanding debt through privately negotiated transactions, open market repurchases, redemptions, exchanges, tender offers or otherwise, but we are under no obligation to do so. There can be no assurance that we will seek to do any of the foregoing or that we will be able to do any of the foregoing on terms acceptable to us or at all.

The Company and its subsidiaries were in compliance with all applicable covenants under their respective debt instruments as of June 30, 2024 and through the date of filing, as applicable.

We do not have any "off-balance sheet arrangements" as such term is defined within the rules and regulations of the SEC.

Cash Balances and Other Liquidity

As of June 30, 2024, we had total liquidity of approximately $887 million, consisting of consolidated cash and cash equivalents of $586 million, $251 million available under CVR Energy's Amended and Restated ABL Credit Agreement (the "CVR Energy ABL"), and $50 million available under CVR Partners' Credit Agreement (the "CVR Partners ABL"). As of

December 31, 2023, we had $581 million in cash and cash equivalents and $598 million of reserved funds that were utilized for the repayment of the 2025 Notes (as defined below).

Long-term debt consisted of the following:

(in millions)	June 30, 2024	December 31, 2023
CVR Energy:		
5.75% Senior Notes, due February 2028	**$ 400**	$ 400
8.50% Senior Notes, due January 2029	**600**	600
Unamortized debt issuance costs	**(5)**	(5)
Total CVR Energy debt	**995**	995
Nitrogen Fertilizer Segment:		
6.125% Senior Secured Notes, due June 2028	**550**	550
Unamortized debt issuance costs	**(2)**	(3)
Total Nitrogen Fertilizer Segment debt	**548**	547
Total long-term debt	**1,543**	1,542
Current portion of long-term debt [(1)]	**—**	599
Total long-term debt, including current portion	**$ 1,543**	$ 2,141

(1) On February 15, 2024, CVR Energy's 5.25% Senior Notes, due 2025 (the "2025 Notes") were redeemed in full, at par, plus accrued and unpaid interest to the redemption date.

CVR Energy

As of June 30, 2024, CVR Energy has the 5.75% Senior Notes, due 2028, the 8.50% Senior Notes due 2029, and the CVR Energy ABL, the net proceeds of which may be used for general corporate purposes, which may include funding acquisitions, working capital and capital expenditures, share repurchases or distributions to our stockholders. Refer to Part I, Item 1, Note 8 ("Long-Term Debt and Finance Lease Obligations") of this Report and Part II, Item 8, Note 8 ("Long-Term Debt and Finance Lease Obligations") of our 2023 Form 10-K for further discussion.

Nitrogen Fertilizer Segment

As of June 30, 2024, the Nitrogen Fertilizer Segment has the 6.125% Senior Secured Notes, due June 2028 and the CVR Partners ABL, the proceeds of which may be used to fund working capital and capital expenditures and for other general corporate purposes. Refer to Part II, Item 8, Note 8 ("Long-Term Debt and Finance Lease Obligations") of our 2023 Form 10-K for further discussion.

Capital Spending

We divide capital spending needs into two categories: maintenance and growth. Maintenance capital spending includes non-discretionary maintenance projects and projects required to comply with environmental, health, and safety regulations. Growth capital projects generally involve an expansion of existing capacity and/or a reduction in direct operating expenses. We undertake growth capital spending based on the expected return on incremental capital employed.

Our total capital expenditures for the six months ended June 30, 2024, along with our estimated expenditures for 2024, by segment, are as follows:

	Six Months Ended June 30, 2024 Actual			2024 Estimate					
				Maintenance		Growth		Total	
(*in millions*)	Maintenance	Growth	Total	Low	High	Low	High	Low	High
Petroleum	**$ 44**	**$ 25**	**$ 69**	$ 98	$ 108	$ 35	$ 39	$ 133	$ 147
Nitrogen Fertilizer	**9**	**1**	**10**	29	31	11	12	40	43
Other [(1)]	**4**	**9**	**13**	11	15	11	15	22	30
Total	**$ 57**	**$ 35**	**$ 92**	$ 138	$ 154	$ 57	$ 66	$ 195	$ 220

(1) Includes renewables spending for the Wynnewood Refinery's renewable feedstock pretreater project. As of June 30, 2024, Renewables does not meet the definition of a reportable segment as defined under Accounting Standards Codification Topic 280.

Our estimated capital expenditures are subject to change due to changes in the cost, scope, and completion time for capital projects. For example, we may experience changes in labor or equipment costs necessary to comply with government regulations or to complete projects that sustain or improve the profitability of the refineries or facilities. We may also accelerate or defer some capital expenditures from time to time. Capital spending for CVR Partners is determined by the UAN GP Board. We will continue to monitor market conditions and make adjustments, if needed, to our current capital spending or turnaround plans.

The Petroleum Segment's planned turnaround at the Wynnewood Refinery commenced in February 2024 and was completed in March 2024. The Petroleum Segment's total capitalized expenditures were $3 million and $11 million during the three months ended June 30, 2024 and 2023, respectively, and $42 million and $51 million during the six months ended June 30, 2024 and 2023, respectively. The next planned turnaround is currently scheduled to take place in 2025 at the Coffeyville Refinery.

Cash Requirements

There have been no material changes to the cash requirements disclosed in our Annual Report on Form 10-K for the year ended December 31, 2023, outside the ordinary course of business, except as follows:

2025 Notes Redemption - On February 15, 2024, CVR Energy redeemed the outstanding 2025 Notes, at par, and settled accrued interest of approximately $16 million to the date of redemption. Refer to Part I, Item 1, Note 8 ("Long-Term Debt and Finance Lease Obligations") of this Report for further discussion.

Dividends to CVR Energy Stockholders

Dividends, if any, including the payment, amount and timing thereof, are determined at the discretion of the Board. IEP, through its ownership of the Company's common stock, is entitled to receive dividends that are declared and paid by the Company based on the number of shares held at each record date. The following tables present quarterly and special dividends paid to the Company's stockholders, including IEP, during 2024 and 2023 (amounts presented in table below may not add to totals presented due to rounding):

			Quarterly Dividends Paid (*in millions*)		
Related Period	**Date Paid**	**Quarterly Dividends Per Share**	**Public Stockholders**	**IEP**	**Total**
2023 - 4th Quarter	March 11, 2024	$ 0.50	$ 17	$ 33	$ 50
2024 - 1st Quarter	May 20, 2024	0.50	17	33	50
Total 2024 quarterly dividends		$ 1.00	$ 34	$ 67	$ 101

Related Period	Date Paid	Quarterly Dividend Per Share	Quarterly Dividends Paid (*in millions*) Public Stockholders	IEP	Total
2022 - 4th Quarter	March 13, 2023	$ 0.50	$ 15	$ 36	$ 50
2023 - 1st Quarter	May 22, 2023	0.50	15	36	50
2023 - 2nd Quarter	August 21, 2023	0.50	15	36	50
2023 - 3rd Quarter	November 20, 2023	0.50	17	33	50
Total 2023 quarterly dividends		$ 2.00	$ 61	$ 140	$ 201

Related Period	Date Paid	Special Dividends Per Share	Special Dividends Paid (*in millions*) Public Stockholders	IEP	Total
2023 - 2nd Quarter	August 21, 2023	$ 1.00	$ 29	$ 71	$ 101
2023 - 3rd Quarter	November 20, 2023	1.50	51	100	151
Total 2023 special dividends		$ 2.50	$ 80	$ 171	$ 251

For the second quarter of 2024, the Company, upon approval by the Board on July 29, 2024, declared a cash dividend of $0.50 per share, or $50 million, which is payable August 19, 2024 to shareholders of record as of August 12, 2024. Of this amount, IEP will receive $33 million due to its ownership interest in the Company's shares.

Distributions to CVR Partners' Unitholders

Distributions, if any, including the payment, amount and timing thereof, and UAN GP Board's distribution policy, including the definition of available cash, are subject to change at the discretion of the UAN GP Board. The following tables present quarterly distributions paid by CVR Partners to CVR Partners' unitholders, including amounts received by the Company, during 2024 and 2023 (amounts presented in tables below may not add to totals presented due to rounding):

Related Period	Date Paid	Quarterly Distributions Per Common Unit	Quarterly Distributions Paid *(in millions)* Public Unitholders	CVR Energy	Total
2023 - 4th Quarter	March 11, 2024	$ 1.68	$ 11	$ 7	$ 18
2024 - 1st Quarter	May 20, 2024	1.92	13	7	20
Total 2024 quarterly distributions		$ 3.60	$ 24	$ 14	$ 38

Related Period	Date Paid	Quarterly Distributions Per Common Unit	Quarterly Distributions Paid *(in millions)* Public Unitholders	CVR Energy	Total
2022 - 4th Quarter	March 13, 2023	$ 10.50	$ 70	$ 41	$ 111
2023 - 1st Quarter	May 22, 2023	10.43	70	41	110
2023 - 2nd Quarter	August 21, 2023	4.14	28	16	44
2023 - 3rd Quarter	November 20, 2023	1.55	10	6	16
Total 2023 quarterly distributions		$ 26.62	$ 178	$ 104	$ 281

For the second quarter of 2024, CVR Partners, upon approval by the UAN GP Board on July 29, 2024, declared a distribution of $1.90 per common unit, or $20 million, which is payable August 19, 2024 to unitholders of record as of August 12, 2024. Of this amount, CVR Energy will receive approximately $7 million, with the remaining amount payable to public unitholders.

Cash Flows

The following table sets forth our consolidated cash flows for the periods indicated below:

	Six Months Ended June 30,		
(in millions)	**2024**	**2023**	**Change**
Net cash provided by (used in):			
Operating activities	**$ 258**	$ 614	$ (356)
Investing activities	**(129)**	(130)	1
Financing activities	**(729)**	(243)	(486)
Net (decrease) increase in cash, cash equivalents, reserved funds and restricted cash	**$ (600)**	$ 241	$ (841)

Operating Activities

The change in net cash provided by operating activities for the six months ended June 30, 2024 compared to the six months ended June 30, 2023 was driven primarily by lower income from operations, coupled with a decrease in net changes from working capital items. There was a decrease of $350 million in cash from operating activities after adjusting the $299 million decrease in net income for the effects of the period-to-period net changes in non-cash items which was primarily a result of decreased deferred income taxes during 2024. The decrease in working capital changes of $11 million was substantially attributable to higher decreases in inventory volumes in 2024 impacted by the fire at the Wynnewood Refinery, the reduction of income tax receivables due to overestimated tax payments in 2022, and the reduction of accrued income taxes resulting from decreased income from operations.

Investing Activities

The change in net cash used in investing activities for the six months ended June 30, 2024 compared to the six months ended June 30, 2023 was due to a $16 million decrease in distributions from the CVR Partners' equity method investment associated with the 45Q Transaction during 2024, offset by a decrease in our turnaround expenditures of $6 million in 2024 compared to 2023, a decrease in capital expenditures of $10 million, and proceeds received of $1 million from fixed asset sales.

Financing Activities

The change in net cash used for financing activities for the six months ended June 30, 2024 compared to the net cash used in financing activities for the six months ended June 30, 2023 was primarily due to the $600 million redemption of the 2025 Notes in 2024. This was partially offset by a decrease in dividends paid to CVR Partners noncontrolling interest holders of $116 million during 2024 compared to 2023.

Critical Accounting Estimates

Our critical accounting estimates are disclosed in the "Critical Accounting Estimates" section of our 2023 Form 10-K. No modifications have been made during the three and six months ended June 30, 2024 to these estimates.

Item 3. *Quantitative and Qualitative Disclosures About Market Risk*

There have been no material changes to our market risks as of and for the three and six months ended June 30, 2024, as compared to the risks discussed in Part II, Item 7A of our 2023 Form 10-K.

Item 4. *Controls and Procedures*

Evaluation of Disclosure Controls and Procedures

The Company has evaluated, under the direction and with the participation of the Chief Executive Officer and Chief Financial Officer, the effectiveness of our disclosure controls and procedures, as defined in Exchange Act Rule 13a-15(e) and

15d-15(e). Based upon this evaluation, the Company's Chief Executive Officer and Chief Financial Officer concluded that disclosure controls and procedures were effective as of June 30, 2024.

Changes in Internal Control Over Financial Reporting

There have been no material changes in our internal controls over financial reporting required by Rule 13a-15 of the Exchange Act that occurred during the fiscal quarter ended June 30, 2024 that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. ***Legal Proceedings***

See Part I, Item 1, Note 13 ("Commitments and Contingencies") of this Report, which is incorporated by reference into this Part II, Item 1, for a description of certain litigation, legal, and administrative proceedings and environmental matters.

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

There have been no material changes from the risk factors previously disclosed in Part I, Item 1A of our 2023 Form 10-K. Additional risks and uncertainties, including risks and uncertainties not presently known to us, or that we currently deem immaterial, could also have an adverse effect on our business, financial condition, and/or results of operations.

Item 5. ***Other Information***

During the three months ended June 30, 2024, no director or officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement", as each term is defined in Item 408(a) of Regulation S-K.

Item 6. ***Exhibits***

INDEX TO EXHIBITS

Exhibit Number	Exhibit Description
31.1*	Rule 13a-14(a)/15(d)-14(a) Certification of President and Chief Executive Officer.
31.2*	Rule 13a-14(a)/15(d)-14(a) Certification of Executive Vice President, Chief Financial Officer, Treasurer and Assistant Secretary.
31.3*	Rule 13a-14(a)/15(d)-14(a) Certification of Vice President, Chief Accounting Officer and Corporate Controller.
32.1†	Section 1350 Certification of President and Chief Executive Officer, Executive Vice President, Chief Financial Officer, Treasurer and Assistant Secretary, and Vice President, Chief Accounting Officer and Corporate Controller.
101*	The following financial information for CVR Energy, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 formatted Inline XBRL ("Extensible Business Reporting Language") includes: (i) Condensed Consolidated Balance Sheets (unaudited), (ii) Condensed Consolidated Statements of Operations (unaudited), (iii) Condensed Consolidated Statement of Changes in Equity (unaudited), (iv) Condensed Consolidated Statements of Cash Flows (unaudited) and (v) the Notes to Condensed Consolidated Financial Statements (unaudited), tagged in detail.
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

* Filed herewith.
† Furnished herewith.

PLEASE NOTE: Pursuant to the rules and regulations of the SEC, we may file or incorporate by reference agreements as exhibits to the reports that we file with or furnish to the SEC. The agreements are filed to provide investors with information regarding their respective terms. The agreements are not intended to provide any other factual information about the Company, its business or operations. In particular, the assertions embodied in any representations, warranties and covenants contained in the agreements may be subject to qualifications with respect to knowledge and materiality different from those applicable to investors and may be qualified by information in confidential disclosure schedules not included with the exhibits. These disclosure schedules may contain information that modifies, qualifies and creates exceptions to the representations, warranties and covenants set forth in the agreements. Moreover, certain representations, warranties and covenants in the agreements may have been used for the purpose of allocating risk between the parties, rather than establishing matters as facts. In addition, information concerning the subject matter of the representations, warranties and covenants may have changed after the date of the respective agreement, which subsequent information may or may not be fully reflected in the Company's public disclosures. Accordingly, investors should not rely on the representations, warranties and covenants in the agreements as characterizations of the actual state of facts about the Company, its business or operations on the date hereof.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CVR Energy, Inc.

July 30, 2024	By:	/s/ Dane J. Neumann
		Executive Vice President, Chief Financial Officer, Treasurer and Assistant Secretary
		(Principal Financial Officer)
July 30, 2024	By:	/s/ Jeffrey D. Conaway
		Vice President, Chief Accounting Officer and Corporate Controller
		(Principal Accounting Officer)

Exhibit 31.1

Certification of President and Chief Executive Officer Pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934, As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, David L. Lamp, certify that:

1. I have reviewed this report on Form 10-Q of CVR Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ DAVID L. LAMP

David L. Lamp
President and Chief Executive Officer
(Principal Executive Officer)

Date: July 30, 2024

Exhibit 31.2

**Certification of Executive Vice President, Chief Financial Officer, Treasurer and Assistant Secretary
Pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934,
As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Dane J. Neumann, certify that:

1. I have reviewed this report on Form 10-Q of CVR Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ DANE J. NEUMANN

Dane J. Neumann
*Executive Vice President, Chief Financial Officer,
Treasurer and Assistant Secretary*
(Principal Financial Officer)

Date: July 30, 2024

Exhibit 31.3

Certification of Vice President, Chief Accounting Officer and Corporate Controller
Pursuant to Rule 13a-14(a) or 15d-14(a) under the Securities Exchange Act of 1934,
As Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Jeffrey D. Conaway, certify that:

1. I have reviewed this report on Form 10-Q of CVR Energy, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

By: /s/ JEFFREY D. CONAWAY
Jeffrey D. Conaway
Vice President, Chief Accounting Officer and Corporate Controller
(Principal Accounting Officer)

Date: July 30, 2024

Exhibit 32.1

Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the filing of the Quarterly Report of CVR Energy, Inc., a Delaware corporation (the "Company"), on Form 10-Q for the fiscal quarter ended June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), each of the undersigned officers of the Company certify, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of such officer's knowledge and belief:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of the dates and for the periods expressed in the Report.

By: /s/ DAVID L. LAMP
David L. Lamp
President and Chief Executive Officer
(Principal Executive Officer)

By: /s/ DANE J. NEUMANN
Dane J. Neumann
Executive Vice President, Chief Financial Officer, Treasurer and Assistant Secretary
(Principal Financial Officer)

By: /s/ JEFFREY D. CONAWAY
Jeffrey D. Conaway
Vice President, Chief Accounting Officer and Corporate Controller
(Principal Accounting Officer)

Dated: July 30, 2024