Houlihan Lokey

Oil and Gas
Market Update

Q2 2025

About Our Firm

Houlihan Lokey, Inc. (NYSE:HLI) is a leading global investment bank with expertise in mergers and acquisitions, capital solutions, financial restructuring, and financial and valuation advisory.

Our firm is the trusted advisor to more top decision-makers than any other independent global investment bank.

CORPORATE FINANCE

2024 M&A Advisory Rankings
All Global Transactions

	Advisor	Deals
1	**Houlihan Lokey**	**415**
2	Rothschild & Co	406
3	Goldman Sachs & Co	371
4	JP Morgan	342
5	Morgan Stanley	309

Source: LSEG (formerly Refinitiv).
Excludes accounting firms and brokers.

No. 1
Global M&A Advisor

Leading
Capital Solutions Group

FINANCIAL RESTRUCTURING

2024 Global Distressed Debt &
Bankruptcy Restructuring Rankings

	Advisor	Deals
1	**Houlihan Lokey**	**88**
2	PJT Partners Inc	59
3	Rothschild & Co	48
4	Lazard	44
5	Perella Weinberg Partners LP	40

Source: LSEG (formerly Refinitiv).

No. 1
Global Restructuring Advisor

1,800+
Transactions Completed Valued at More Than $3.8 Trillion Collectively

FINANCIAL AND VALUATION ADVISORY

2000–2024 Global M&A
Fairness Advisory Rankings

	Advisor	Deals
1	**Houlihan Lokey**	**1,243**
2	Duff & Phelps, A Kroll Business	1,045
3	JP Morgan	1,020
4	UBS	792
5	Morgan Stanley	698

Source: LSEG (formerly Refinitiv).
Announced or completed transactions.

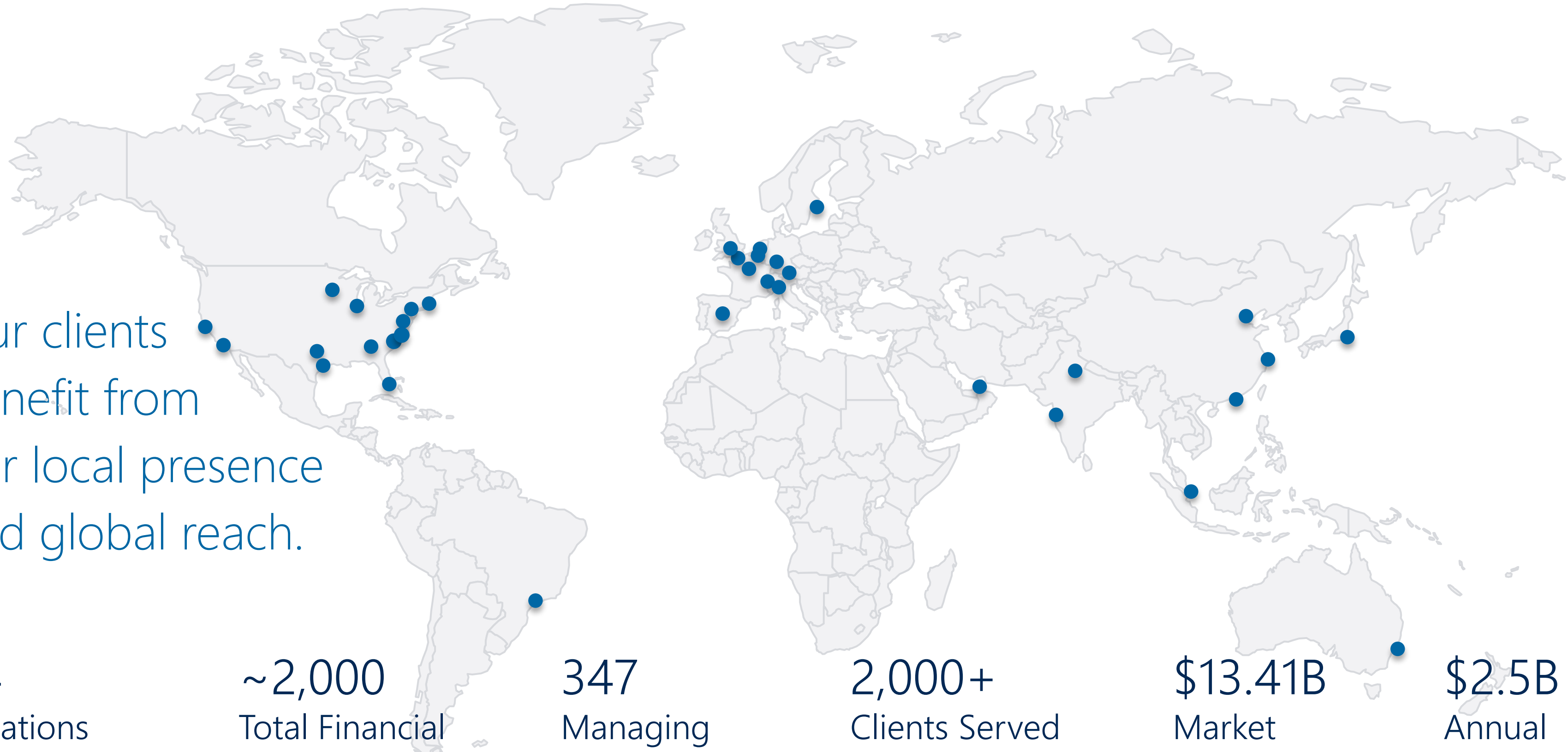
No. 1
Global M&A Fairness Opinion Advisor Over the Past 25 Years

2,000+
Annual Valuation Engagements

Learn more about how our advisors can serve your needs:

- Corporate Finance →
- Financial Restructuring →
- Financial and Valuation Advisory →
- Our Industry Coverage →

Our clients benefit from our local presence and global reach.



34 Locations Worldwide	~2,000 Total Financial Professionals	347 Managing Directors(1)	2,000+ Clients Served Annually	$13.41B Market Cap(2)	$2.5B Annual Revenue(3)

AMERICAS

Atlanta	Los Angeles
Baltimore	Miami
Boston	Minneapolis
Charlotte	New York
Chicago	San Francisco
Dallas	São Paulo
Houston	Washington, D.C.

EUROPE AND MIDDLE EAST

Amsterdam	Milan
Antwerp	Munich
Dubai	Paris
Frankfurt	Stockholm
London	Zurich
Madrid	
Manchester	

ASIA-PACIFIC

Beijing	Shanghai
Gurugram	Singapore
Hong Kong SAR	Sydney
Mumbai	Tokyo

Fully Integrated Financial Sponsor Coverage

26

Senior officers dedicated to the sponsor community in the Americas and Europe.

1,900+

Sponsors covered, providing market insights and knowledge of buyer behavior.

850+

Companies sold to financial sponsors over the past five years.

HLI LISTED NYSE

(1) *As of June 30, 2025.*
(2) *As of July 31, 2025.*
(3) *LTM ended June 30, 2025.*

About **Our Energy Group**

Houlihan Lokey provides comprehensive energy sector advisory services through its two dedicated industry groups: Power & Utilities and Oil & Gas.

These groups have earned a reputation for providing superior service and achieving outstanding results in M&A and A&D advisory, capital raising, and restructuring, as well as financial and board advisory services.

Our teams provide customized, independent advice across the rapidly evolving energy value chain. Our Energy Group is among the largest of its kind, and our clients include some of the industry's most impressive companies.

FINANCIAL AND VALUATION ADVISORY

2023 M&A Advisory Rankings
U.S. Energy & Power Transactions Under $1 Billion

	Advisor	Deals
1	**Houlihan Lokey**	**17**
2	Piper Sandler & Co	11
2	RBC Capital Markets	11
4	Barclays	9
4	Jefferies LLC	9

Source: LSEG (formerly Refinitiv).

Based on number of transactions and according to data provided by LSEG (formerly Refinitiv), Houlihan Lokey was ranked the

No. 1

investment bank for U.S. energy and power transactions under $1 billion in 2023.

Energy Industry Coverage

Industry Sector Coverage

We cover the entire energy spectrum from a dedicated subsector-specific model, with experienced senior-level finance professionals dedicated to each coverage area.

Oil and Gas

Power, Utilities, and Renewables

Featured Energy Industry Transactions

Northwoods Energy, LLC, a portfolio company of Apollo, has been acquired by OneRock Energy Holdings, LLC, an investment vehicle of Pan Capital Management
Sellside Advisor

E&B Natural Resources has divested its Wyoming assets
Sellside Advisor

Vital Energy has acquired substantially all the assets of Henry Resources, Tall City Property & Maple Energy for 9.57mm shares, 4.98mm convertible preferred shares, and $300mm of cash
Buyside Advisor

Element Petroleum III, LLC has sold its Martin County assets to High Noon Resources, LLC, a portfolio company of Juniper Capital
Sellside Advisor

Vine Energy has been acquired by Chesapeake Energy
Financial Advisor & Fairness Opinion

Equinor has sold a 28% share of the PL037 license to OKEA for a base consideration of $220mm
Sellside Advisor

Rockdale Marcellus Holdings, LLC has sold substantially all its assets, pursuant to Section 363 of the U.S. Bankruptcy code, to Repsol
Company Advisor

Falcon Minerals Corporation has combined in an all-stock merger with Desert Peak Minerals
Financial Advisor

Altamont Energy has been acquired by XCL Resources, a portfolio company of EnCap Investments
Sellside Advisor

Cube District Energy, a portfolio company of I Squared Capital, has been acquired by Fiera Infrastructure
Sellside Advisor

INGENCO, an affiliate of CCI, has been acquired by Archaea Energy
Sellside Advisor

Vital Energy, Northern Oil and Gas have acquired the assets of Point Energy Partners for $1.1bn of cash
Buyside Advisor

Sumitomo Chemical Company Limited has acquired FBSciences Holdings, Inc.
Buyside Advisor

Fundare Resources Company, a portfolio company of Woodward Diversified Capital

Term Loan and Delayed Draw Term Loan
Refinancing & Growth Capital
$250,000,000
Exclusive Placement Agent

Alpine Summit has sold its South Texas and Giddings assets to a consortium of buyers
Company Advisor

Key Facts and Figures

60+
Dedicated Financial Professionals

13
Energy Sectors Covered, Operating Out of Seven Offices Globally

Tombstones included herein represent transactions closed from 2021 forward.

About **Our Oil & Gas Group**

Houlihan Lokey's Oil & Gas Group operates within the firm's energy industry coverage, which has earned a reputation for providing superior service and achieving outstanding results in M&A and A&D advisory, capital raising, and financial recapitalization/restructuring, as well as financial and board advisory services.

The Oil & Gas Group is a cross-product, global, industry-dedicated team of 45+ highly experienced professionals with a diverse set of backgrounds, including E&P companies, midstream companies, other investment banks, investment funds, and research/brokerage shops. Our A&D/technical team is led by a group of technically focused professionals from the industry with an average of 25+ years of industry experience.

Featured Transactions

Transaction Pending
Equinor has agreed to enter into a U.K. joint venture with Shell
Financial Advisor

Rio Oil and Gas II, LLC
Rio Oil and Gas II, LLC has sold its Delaware Basin assets to EQV
Sellside Advisor

Transaction Pending
Engie SA
PTTEP has agreed to acquire a 34% interest in Touat BV from Engie SA
Buyside Advisor

Trinity Exploration & Production has been acquired by Lease Operators Limited
Sellside Advisor

Fundare Resources Company, a portfolio company of Woodward Diversified Capital
Term Loan and Delayed Draw Term Loan
Refinancing & Growth Capital
$250,000,000
Exclusive Placement Agent

Transaction Pending
Petro Rabigh
Saudi Aramco
Sumitomo Chemical has agreed to partially divest its stake in Petro Rabigh to Saudi Aramco
Sellside Advisor

Alpine Summit has sold its South Texas and Giddings assets to a consortium of buyers
Company Advisor

High Noon Resources, LLC
Element Petroleum III, LLC has sold its Martin County assets to High Noon Resources, LLC, a portfolio company of Juniper Capital
Sellside Advisor

Undisclosed Counterparty
Warren Resources has merged with an Undisclosed Counterparty
Sellside Advisor

Altamont Energy has been acquired by XCL Resources, a portfolio company of EnCap Investments
Sellside Advisor

Vital Energy, Northern Oil and Gas have acquired the assets of Point Energy Partners for $1.1bn of cash
Buyside Advisor

Stratum Energy, a portfolio company of Gemcorp and Chenavari, has been acquired by EMMA Capital
Sellside Advisor

Subsector Coverage

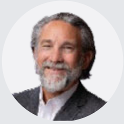
Upstream

Midstream

Downstream

Hydrocarbon-Related Alternative Energy

Leadership



J.P. Hanson
Managing Director
Global Head of Oil & Gas Group
JHanson@HL.com
+1 832.319.5115

Jeremy Low
Managing Director
Head of European Oil & Gas
JLow@HL.com
+44 20 7907 4241

Rouzbeh Fazlinejad
Managing Director
Head of Middle East and North Africa, Oil & Gas
Rouzbeh.Fazlinejad@HL.com
+971.505.117.127

Tom Carlson
Managing Director
Upstream
TCarlson@HL.com
+1 832.319.5183

Daniel Crowley
Managing Director
Upstream
DCrowley@HL.com
+1 832.319.5187

Joshua Eaves
Managing Director
Upstream
JEaves@HL.com
+1 212.497.4273

Andy Hull
Managing Director
Midstream
Andy.Hull@HL.com
+1 281.938.8701

Briklynd Briggs
Director
Head of Technical
Briklynd.Briggs@HL.com
+1 832.319.5191

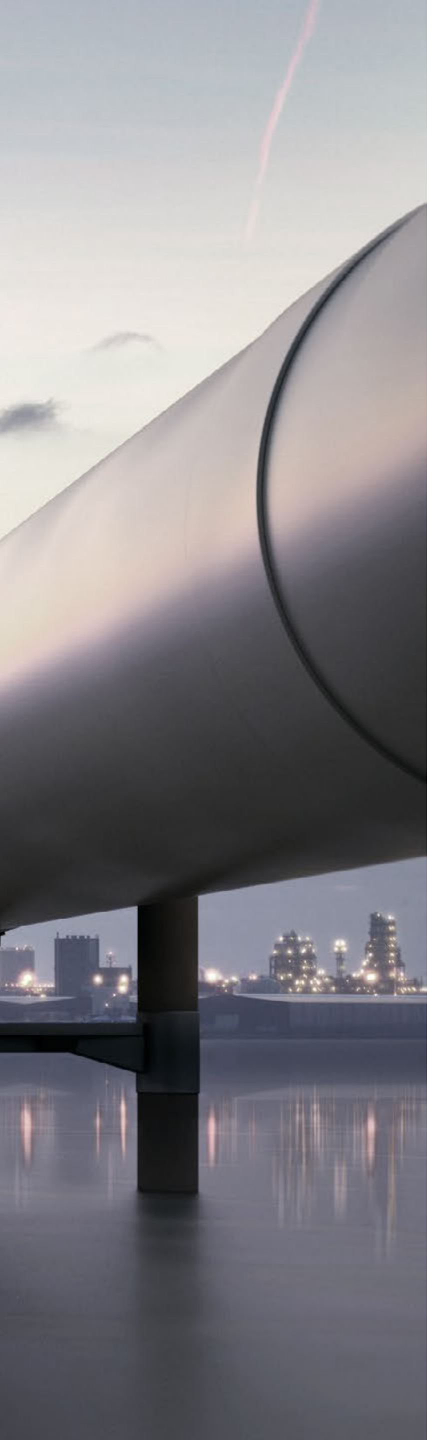
Brad Bucher
Director
BBucher@HL.com
+1 832.319.5161

Contact Us

Please reach out to us to schedule a call to discuss this quarter's market update or to explore how we can serve your business needs.

Request a Meeting

Learn More About Us



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Introduction **Oil and Gas Market Update: The Slow Build**

The commodity price volatility and macroeconomic uncertainty that impacted transaction markets starting in March 2025 continued throughout Q2 2025. The result in Q2 was the slowest global M&A&D quarter since 1996. The global historical average over the past 20 years has been 83 deals per quarter, totaling an average of $48.2 billion. In Q2 2025, there were a total of 26 deals totaling only $27.9 billion, or ~58% of the average. With that overarching data as a backdrop, a few interesting trend points emerge:

- Increased relative percentage of non-U.S. deals: Historically, transaction activity outside the U.S. has accounted for only ~22% of total industry quarterly deal value. In Q2 2025, of the $27.9 billion in aggregate transaction value, ~45% ($12.6 billion) was outside of the U.S.

- Transaction concentration: Seven of the 26 (or 27%) total global oil and gas M&A transactions in Q2 2025 accounted for ~80% (or $22.2 billion) of aggregate M&A transaction value. Additionally, of the 26 total global oil and gas transactions, only 14 (~54%) were for deal value greater than $100 million.

- Q2 was the first quarter since 2011 in which there were more natural gas-weighted upstream transactions (15) than oil-weighted (11) deals.

As various centers of natural gas demand have strengthened recently (growing industrial, commercial, and residential grid power demand; isolated power demand for data centers; LNG for export; etc.), the market has experienced an increase in capital attraction and deal activity. We expect that to continue in line with industry dynamics.

With respect to oil markets, we find ourselves in a period where geopolitical and macroeconomic headlines, rather than pure supply/demand fundamentals, are dictating the direction of oil prices. Until the financial markets find stability, oil price volatility will continue. Market volatility (both commodity price and capital markets) makes determining valuations extremely difficult as confidence in operating business plans and cash flow generation falls.

Broadly within the upstream sector, the universe of PDP buyers has expanded and, as a result, become increasingly competitive for acquisitions. As a result, we have witnessed PDP valuations tightening up in sellside processes as buyers are focused on near-term cash flow, even without significant associated undeveloped inventory.

Midstream and downstream sector activity has picked up, with significant transactions in both the U.S. and the rest of the world, particularly among traditional pipelines, terminal facilities, and LNG.

Upstream: Q2 2025 M&A&D activity was the slowest quarter in approximately 30 years due to a combination of commodity price and macroeconomic volatility. Upstream M&A&D value aggregated roughly $21.4 billion, of which $13.5 billion was in the U.S. About 85% of the total U.S. transaction value comprises three notable transactions: Viper Energy’s acquisition of Sitio Royalties for $4.1 billion; EOG Resources’ $5.6 billion acquisition of Encino Energy; and EQT’s acquisition of Olympus Energy for $1.8 billion. Outside of the U.S., notable transactions include: Strathcona Resources’ combined divestitures of three Montney packages totaling $2 billion; Prio’s $3.5 billion acquisition of the remaining 60% (including operatorship) of the Peregrino field in Brazil from Equinor; PETRONAS’ sale of its Vaca Muerta position to Vista Energy for $1.5 billion; and Repsol’s sale of its Corridor field in Indonesia to Medco Energy for $425 million, among others.

Midstream: The macroeconomic environment impacted the midstream sector similarly to the upstream, but several key industry transactions were announced, including: Devon Energy and Ridgemont Equity Partners selling their remaining stakes in the Matterhorn Express Pipeline to a consortium of ISquared Capital, MPLX and Enbridge for an implied valuation of $3 billion; Plains All American sold its Canadian pipeline business to Keyera for $3.75 billion; Western Midstream announcing FID of the Pathfinder Water Transportation System, which is expected to handle ~800 MBbls per day, among others.

Downstream: Due to weak crack spreads, refineries in the downstream sector continued a trend of malaise during Q2. The LNG subsector was more active, including Stonepeak Capital’s 40% farm-in acquisition of Louisiana LNG from Woodside for $5.7 billion; Cheniere announcing FID for Trains 8 & 9 of their Corpus Christi LNG facility; and Eni and YPF announcing an agreement to develop the 12 MTPA Argentina LNG project to leverage Vaca Muerta natural gas, among others.

OFS: In line with other oil and gas sectors, the oilfield services sector experienced a slowdown in Q2 2025 after a period of significant global consolidation in 2023 and 2024. Notable transactions included Baker Hughes’ acquisition of Continental Disc Corp. for $540 million and RPC’s acquisition of Pintail Wireline Services.

Molecule-Based Energy Expansion: Alternative energy transactions included Woodside Energy’s acquisition of OCI Clean Ammonia development project in Beaumont,[1] Texas ($2.4 billion), and Technip and Blue Point ATR reaching an agreement to develop the world’s first low-carbon ammonia plant, among others.

Sources: Wood Mackenzie, Enverus, company websites, press releases.
(1) Deal closed in September 2024.

Featured Sector News

Date	Company	Subsector	Summary	Article Link
6/25/2025	ENERGY TRANSFER	Midstream	Energy Transfer has expanded its LNG supply agreement with Chevron, adding 1 million tons per annum (mtpa) to the existing deal, now totaling 3 mtpa. The 20-year agreement supports global LNG demand and leverages Energy Transfer's Lake Charles LNG facility and infrastructure.	Read More
6/17/2025	Chevron	Upstream	Chevron has entered the domestic lithium sector by acquiring 125,000 net acres in the Smackover Formation. Using advanced direct lithium extraction technology, Chevron aims to support U.S. energy security and meet growing lithium demand for electrification.	Read More
6/3/2025	VIPER	Upstream	Viper Energy, a Diamondback Energy subsidiary, announced plans to acquire Sitio Royalties in a $4.1 billion all-equity deal. This merger will boost Viper's scale in the Permian Basin, enhance cash flow, and lower breakeven costs. The deal is expected to close in Q3 2025.	Read More
5/30/2025	eog resources	Upstream	EOG Resources announced plans to acquire Encino Acquisition Partners for $5.6 billion, expanding its Utica shale position to 1.1 million net acres. The deal boosts production, adds premium gas exposure, and is immediately accretive to financial metrics. EOG also raised its dividend by 5%.	Read More
5/28/2025	CHENIERE	Hydrocarbon-Related Alternative Energies	Cheniere Energy signed a 15-year integrated production marketing agreement with Canadian Natural Resources, securing 140,000 MMBtu/day of natural gas starting in 2030. The deal supports Cheniere's Sabine Pass Liquefaction Expansion Project, targeting 20 mtpa LNG production capacity.	Read More
5/16/2025	ExxonMobil	Upstream	ExxonMobil's 2015 oil discovery offshore Guyana transformed the nation into a global energy leader. Production grew from zero to 650,000 barrels/day in just over five years, with projections of 1.7 million barrels/day by 2030. Guyana now boasts the world's fastest-growing economy.	Read More
5/7/2025	ExxonMobil	Upstream	ExxonMobil and Marubeni have signed a deal to produce 250,000 tons of low-carbon ammonia annually from ExxonMobil's Baytown, Texas, facility. This will support Japan's decarbonization goals and global low-carbon energy supply. The facility will produce 1 million tons of low-carbon ammonia per year.	Read More
5/5/2025	SUNOCO LP	Downstream	Sunoco LP has agreed to acquire Parkland Corp. in a $9.1 billion cash and equity deal, forming a new entity, SUNCorp. The acquisition enhances Sunoco's fuel supply, diversifies its portfolio, and is expected to generate $250 million in synergies within three years.	Read More
4/21/2025	Chevron	Upstream	Chevron has begun oil and gas production from the Ballymore project in the Gulf of America. The project, tied to the Blind Faith facility, will produce up to 75,000 barrels of oil daily. Ballymore's estimated recoverable resources are 150 million barrels of oil equivalent.	Read More
4/9/2025	ENERGY TRANSFER	Midstream	Energy Transfer and MidOcean Energy have partnered to develop the Lake Charles LNG project. MidOcean will fund 30% of construction costs and receive 30% of LNG production (5 mtpa). The project leverages existing infrastructure and aims to enhance global LNG supply.	Read More

Sources: Company websites, press releases.

Featured Sector News (cont.)

Date	Company	Subsector	Summary	Article Link
4/2/2025		Downstream	Phillips 66 has completed its acquisition of EPIC Midstream's NGL business, enhancing its integrated energy portfolio. This move strengthens market access from Corpus Christi to Mont Belvieu and aligns with Phillips 66's $4.5 billion adjusted EBITDA target by 2027.	Read More
4/1/2025		Upstream	Shell has completed the sale of its Singapore Energy and Chemicals Park to CAPGC, a joint venture between Chandra Asri Capital and Glencore. This divestment aligns with Shell's strategy to optimize its Chemicals and Products business while maintaining its presence in Singapore as a regional hub.	Read More
4/1/2025		Upstream	Shell has completed its acquisition of Pavilion Energy, adding 6.5 mtpa of LNG supply contracts, regasification capacity, and an LNG bunkering business. This move supports Shell's goal of growing LNG sales by 4% to 5% annually through 2030.	Read More

Sources: Company websites, press releases.

Featured Transactions Executed by Houlihan Lokey's Oil & Gas Group

Houlihan Lokey Advises Sumitomo

Transaction Pending

Sumitomo Corporation has announced the sale of its stake in SML Isuzu to Mahindra

Sellside Advisor

- Houlihan Lokey is pleased to announce that Sumitomo Corp. has signed definitive agreements to sell its stake in SML Isuzu Ltd., a leading manufacturer and distributor of trucks and buses in India, to Mahindra & Mahindra (M&M), a leading conglomerate in India. The transaction was signed on April 26, 2025, and is likely to close next quarter.
- As part of the transaction, M&M will acquire the entire stake of ~44% held by Sumitomo Corp., and separately also acquire a 15% stake held by Isuzu Motors Ltd. M&M will also launch a mandatory open offer for acquiring an additional 26% stake from eligible public shareholders of SML Isuzu in accordance with the Takeover Regulations in India, entailing a total outlay of ~$130 million. The transaction, including the open offer, is subject to the approval of the Competition Commission of India and is expected to be completed in 2025.
- Houlihan Lokey served as the exclusive sellside advisor to Sumitomo Corp.

Houlihan Lokey Advises Rio Oil & Gas II

Oil and Gas II, LLC

Rio Oil and Gas II, LLC has sold its Delaware Basin assets to EQV

Sellside Advisor

- Houlihan Lokey is pleased to announce that Rio Oil & Gas II, LLC (Rio) has sold its Permian oil and gas assets in the Southern Delaware Basin. This transaction closed in December 2024.
- Rio, a portfolio company of Quantum Capital Group (Quantum), is an independent exploration and production company headquartered in The Woodlands, Texas. Quantum is a leading provider of private capital to the global energy and energy transition industry, having managed (together with its affiliates) more than $28 billion in equity commitments since inception.
- The purchaser was EQV, an upstream operator focused on the acquisition, management, and optimization of mature producing oil and gas assets and related infrastructure.
- Houlihan Lokey acted as the exclusive financial advisor to Rio.

Houlihan Lokey Advises PTTEP

Transaction Pending

Engie SA

PTTEP has agreed to acquire a 34% interest in Touat BV from Engie SA

Buyside Advisor

- Houlihan Lokey is pleased to announce that PTT Exploration and Production Public Co., Ltd. (PTTEP) has agreed to acquire a 34% interest in E&E Algeria Touat BV (Touat BV) from ENGIE S.A. Touat BV holds a 65% participating interest in the Touat BV gas fields in Algeria. The transaction was announced on December 20, 2024, and is subject to regulatory approvals and customary closing conditions.
- ENGIE and PTTEP entered into a sale and purchase agreement for the divestment of a 34% interest in Touat BV, the entity that owns 65% of the Touat BV gas fields in Algeria. The Touat BV gas fields are a strategic fit for PTTEP due to its early-stage gas production and future development potential, which aligns with its gas-focused corporate strategy. The fields are located in the southwestern part of Algeria and are highly productive, with early-stage production expected to plateau at approximately 75,000 BOE/D, accounting for approximately 11% of Algeria's total gas exports. In addition, with its sizable gas reserves and condensate of 1.9Tcf and 5.4mmboe, respectively, it offers a long production runway coupled with low unit costs.
- Houlihan Lokey acted as the exclusive buyside financial advisor to PTTEP.

Houlihan Lokey Advises Vital Energy

Vital Energy, Northern Oil and Gas have acquired the assets of Point Energy Partners for $1.1bn of cash

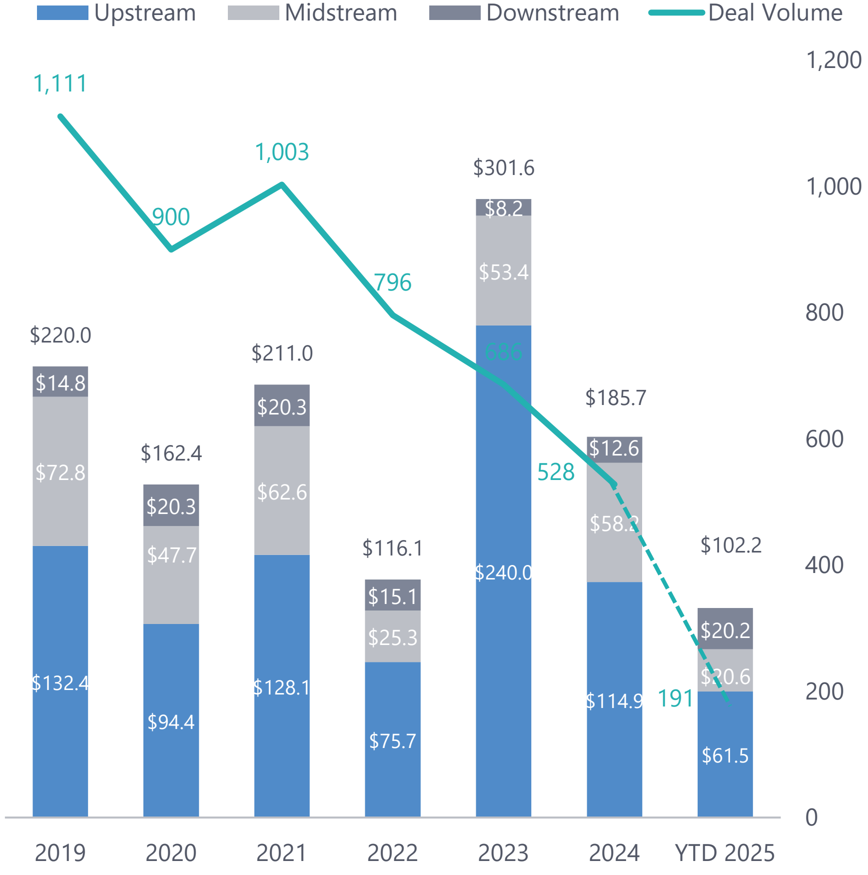
Buyside Advisor

- Houlihan Lokey is pleased to announce that Vital Energy, Inc. (VTLE) recently has acquired the assets of Point Energy Partners (Point), a Vortus Investments portfolio company. The agreement was signed in partnership with Northern Oil and Gas, Inc. (NOG), with VTLE agreeing to purchase 80% of Point's assets and NOG acquiring the remaining 20%. The total consideration for the all-cash transaction is $1.1 billion. VTLE intends to finance its portion of the transaction through the use of its credit facility, which has been expanded to $1.5 billion.
- Houlihan Lokey acted as the lead financial advisor to VTLE and NOG.

Oil and Gas M&A Highlights

Transaction Value and Deal Volume

($ in Billions)



Source: S&P Capital IQ as of June 30, 2025.

(1) The Houlihan Lokey Oil and Gas Index consists of a diversified set of companies across the oil and gas sector. See page 18 and 19 for a complete list.

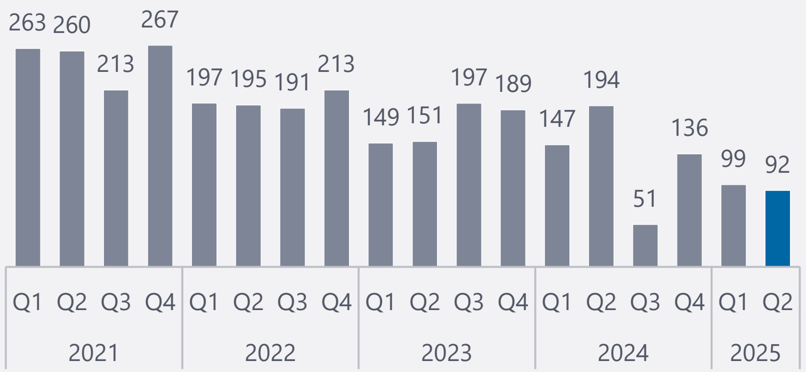
(2) Sources include Hartenergy.com, fund websites.

Quarterly Volume Breakdown

92

Transactions

Q2 2025



Performance Stats[1]

Stats	Upstream	Midstream	Downstream
M&A&D Precedents	7.9x	9.4x	8.4x
2025E EBITDA Margin	38.2%	36.1%	6.3%
Public Trading Multiples	5.8x	10.9x	9.2x

Key Takeaways

Q2 2025 closed out H1 2025 as the slowest transaction back-to-back quarters in approximately 30 years. Q2 2025 global transaction activity totaled ~$27.9 billion, representing ~58% of the historical quarterly average. That being said, as witnessed on the following pages, the industry is experiencing a return of capital, which we expect will result in increased deal activity as commodity prices and macroeconomic concerns subside.

Private equity sponsors have recently closed several large fundraises, including Quantum Energy Partners, EnCap Investments, NGP, Carnelian, and Kayne Anderson Energy[2], among others. The availability of new equity capital is expected to facilitate M&A&D activity as transaction volumes revert to historical averages.

Oil and Gas M&A Highlights: Additional Notable Transactions

Upstream

Date	Acquirer	Target
6/16/2025	ADQ, XRG, The Carlyle Group	Santos
6/3/2025	Viper	Sitio Royalties
5/30/2025	eog resources	Encino Acquisition Partners
5/14/2025	ARC Resources Ltd.	Kawka Assets of Strathcona Resources Ltd
5/8/2025	WhiteHawk	PHX Minerals
5/7/2025	Riley Permian	Silverback Exploration
4/22/2025	EQT	Upstream and Midstream Assets of Olympus Energy
4/16/2025	Vista	Petronas
4/15/2025	Gulf Energy	Tullow
4/6/2025	Stonepeak	Louisiana LNG Infrastructure LLC

Midstream

Date	Acquirer	Target
6/17/2025	Keyera	Plains Midstream Canada
5/9/2025	Plains All American Pipeline, LP	Cheyenne Pipeline LLC
5/6/2025	I Squared, MPLX, Enbridge	Matterhorn Express
4/3/2025	Brookfield Infrastructure Partners	Colonial Pipeline Company

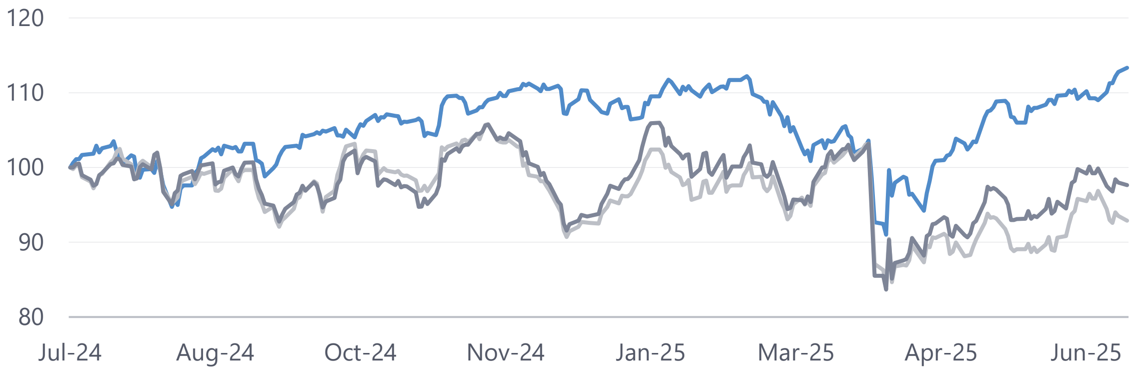
Downstream

Date	Acquirer	Target
6/3/2025	EnLink Midstream	Delaware G&P LLC
5/5/2025	Sunoco LP	Parkland

Source: S&P Capital IQ as of June 30, 2025.

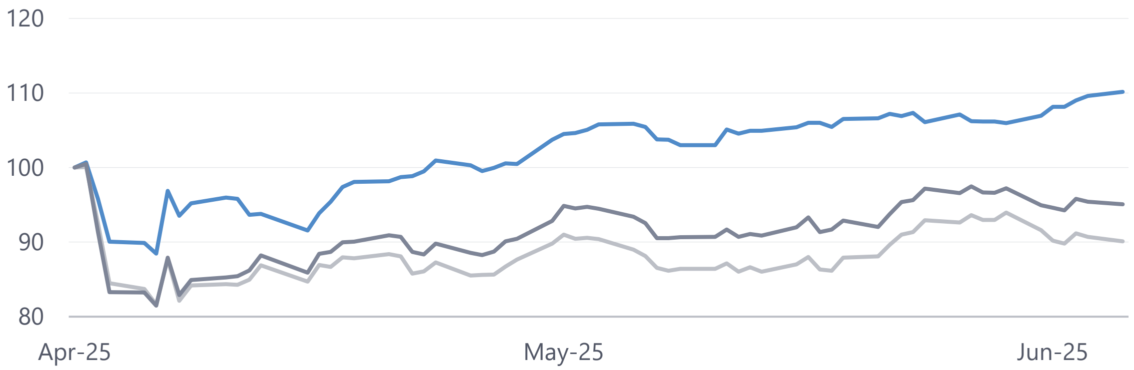
Equity Market Index Performance

LTM June 2025 Performance



S&P 500	13.3%
Houlihan Lokey Oil and Gas Index	(2.4%)
S&P 500 Energy	(7.1%)

April 2025–June 2025 Performance



S&P 500	10.2%
Houlihan Lokey Oil and Gas Index	(4.9%)
S&P 500 Energy	(9.9%)

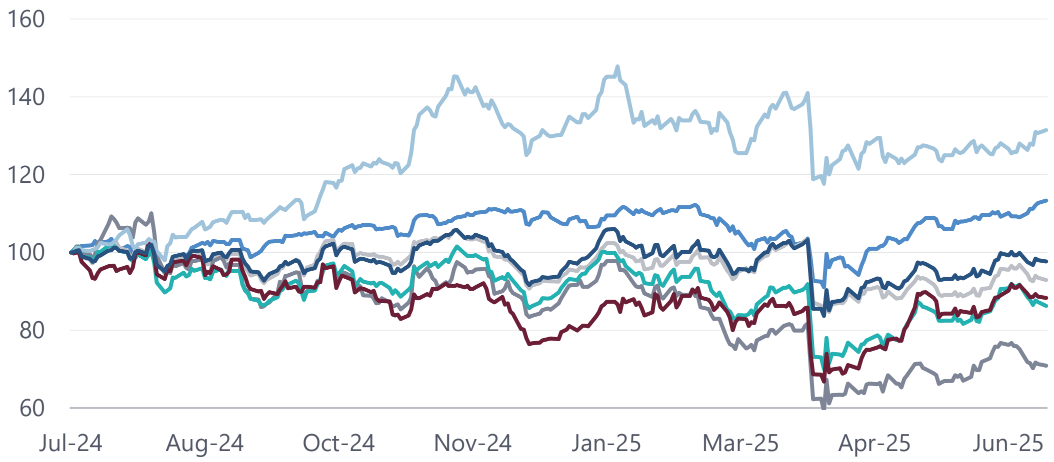
Key Takeaways

As demonstrated by the left graphs, in this period of uncertain macroeconomic direction, energy during Q2 2025 has underperformed other sectors in the S&P 500. This is especially the case as outperformance has been dominated by the group of stocks known as the Magnificent 7, which have propelled markets higher on the expectation of further technology growth, particularly related to AI.

Source: S&P Capital IQ.
Notes: Data as of June 30, 2025. All share prices are rebased to 100.
The Houlihan Lokey Oil and Gas Index consists of a diversified set of companies across the oil and gas sector. See page 18 and 19 for a complete list.

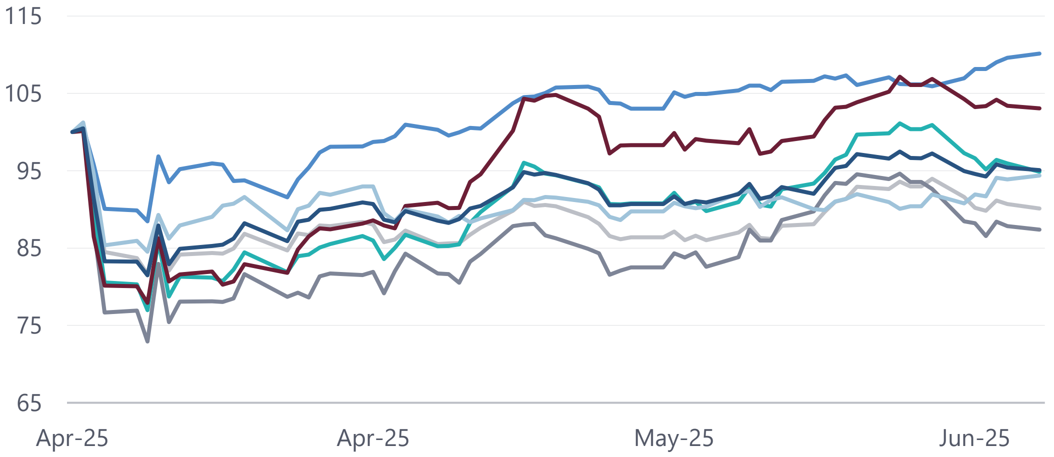
Equity Market Index Performance (cont.)

LTM June 2025 Performance



S&P 500 Oil and Gas Storage and Transportation	31.4%
S&P 500	13.3%
Houlihan Lokey Oil and Gas Index	(2.4%)
S&P 500 Energy	(7.1%)
S&P 500 Oil and Gas Refining and Marketing	(11.7%)
S&P Oil and Gas Exploration and Production Select Industry Index	(13.8%)
S&P Oil and Gas Equipment Select Industry Index	(29.1%)

April 2025–June 2025 Performance



S&P 500	10.2%
S&P 500 Oil and Gas Refining and Marketing	3.1%
Houlihan Lokey Oil and Gas Index	(4.9%)
S&P Oil and Gas Exploration and Production Select Industry Index	(5.1%)
S&P 500 Oil and Gas Storage and Transportation	(5.6%)
S&P 500 Energy	(9.9%)
S&P Oil and Gas Equipment Select Industry Index	(12.6%)

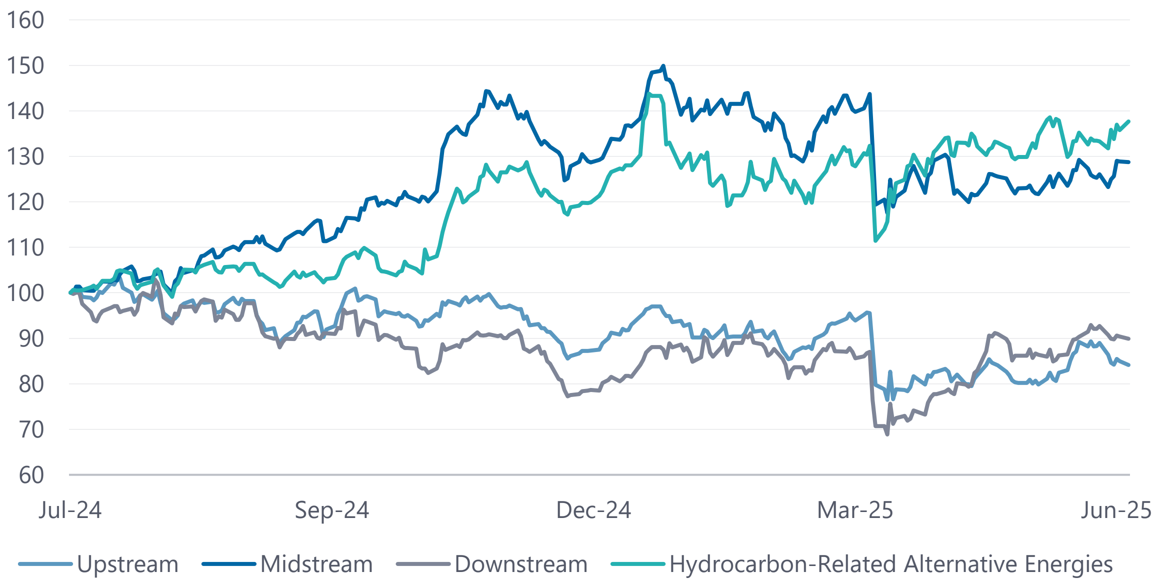
Key Takeaways

Energy and the key E&P, equipment, and refining subsectors have underperformed the S&P 500 on an LTM and Q2 2025 basis, especially as the market has over-weighted the expected growth and non-tariffed sectors in technology, particularly those related to AI.

Source: S&P Capital IQ.
Notes: Data as of March 31, 2025. All share prices are rebased to 100.
The Houlihan Lokey Oil and Gas Index consists of a diversified set of companies across the oil and gas sector. See page 18 and 19 for a complete list.

Equity Market Index Performance Oil and Gas Subsectors

LTM June 2025 Performance by Subsector



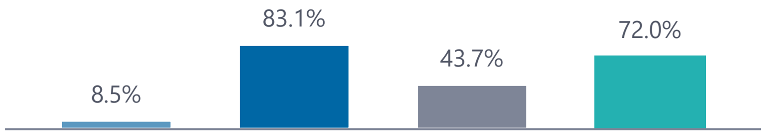
Hydrocarbon-Related Alternative Energies	37.6%
Midstream	28.7%
Downstream	(10.1%)
Upstream	(15.9%)

Key Takeaways

Energy infrastructure sectors, particularly midstream and hydrocarbon-related alternative energies, have outperformed other oil and gas sectors on an LTM basis as relatively low-cost capital has aggregated into infrastructure assets, including those serving the oil and gas industry segments.

YTD 2025 Performance

Three-Year Performance



Source: S&P Capital IQ.
Notes: Data as of June 30, 2025. All share prices are rebased to 100.

Public Company Valuations (LTM June 2025)

	EV/LTM Revenue	EV/LTM EBITDA	Forward P/E
Upstream	1.8x	5.5x	14.2x
Midstream	3.3x	13.3x	18.0x
Downstream	0.6x	10.5x	17.1x
Hydrocarbon-Related Alternative Energies	3.6x	10.7x	7.5x

Source: S&P Capital IQ.
Data as of June 30, 2025.
Note: Trading multiples are based on share price, other market data, and broker consensus future revenue and earnings estimates from S&P Capital IQ as of June 30, 2025.

Public Company Valuations (2025E)

	EV/2025E Revenue	EV/2025E EBITDA	Forward P/E
Upstream	1.9x	5.4x	14.2x
Midstream	2.5x	11.3x	18.0x
Downstream	0.6x	9.1x	17.1x
Hydrocarbon-Related Alternative Energies	2.1x	7.3x	7.5x

Source: S&P Capital IQ.
Data as of June 30, 2025.
Note: Trading multiples are based on share price, other market data, and broker consensus future revenue and earnings estimates from S&P Capital IQ as of June 30, 2025.

Public Comparables (LTM June 2025)
Oil and Gas

($ in Millions, Except per-Share Prices)						LTM					TEV/	
As of 6/30/25		Market Cap USDM	EV USDM	Net Debt USDM	Net Debt/ LTM EBITDA	Revenue USDM	EBITDA USDM	EBITDA Margin	EPS	Forward P/E	LTM EBITDA	LTM Revenue
Upstream	Exxon Mobil Corp.	$464,506.8	$492,107.8	$20,515.0	0.3x	$341,088.0	$69,215.0	20.3%	$7.5	16.8x	7.1x	1.4x
	Chevron Corp.	250,066.1	275,940.1	25,038.0	0.7x	195,113.0	38,500.0	19.7%	8.7	18.6x	7.2x	1.4x
	Shell PLC	206,684.2	252,033.5	40,910.0	0.7x	281,069.0	56,698.0	20.2%	2.2	10.4x	4.4x	0.9x
	ConocoPhillips	113,288.7	129,837.7	16,549.0	0.6x	59,090.0	25,961.0	43.9%	7.9	15.5x	5.0x	2.2x
	EOG Resources, Inc.	65,281.6	63,744.6	(1,855.0)	N/M	23,479.0	13,227.8	56.3%	10.8	12.9x	4.8x	2.7x
	Diamondback Energy, Inc.	40,143.9	55,620.9	12,207.0	1.3x	12,286.0	9,172.0	74.7%	16.4	11.9x	6.1x	4.5x
Median				$18,532.0	0.7x	$127,101.5	$32,230.5	32.1%	$8.3	14.2x	5.5x	1.8x
Mean				$18,894.0	0.7x	$152,020.8	$35,462.3	39.2%	$8.9	14.3x	5.8x	2.2x
Midstream	Energy Transfer LP	$62,218.1	$137,524.1	$59,336.0	4.0x	$82,062.0	$14,725.5	17.9%	$1.3	13.6x	9.3x	1.7x
	Enterprise Products Partners LP	50,693.8	104,091.5	41,452.7	6.8x	9,660.1	6,067.4	62.8%	2.8	18.0x	17.2x	10.8x
	TC Energy Corp.	67,257.7	99,990.7	31,371.0	3.2x	56,876.0	9,667.0	17.0%	2.7	11.3x	10.3x	1.8x
	Kinder Morgan, Inc.	65,328.8	99,763.8	33,114.0	4.9x	15,499.0	6,786.0	43.8%	1.2	22.5x	14.7x	6.4x
	Targa Resources Corp.	37,763.5	53,942.0	16,057.3	4.0x	16,380.6	4,060.0	24.8%	5.4	21.6x	13.3x	3.3x
Median				$33,114.0	4.0x	$16,380.6	$6,786.0	24.8%	$2.7	18.0x	13.3x	3.3x
Mean				$36,266.2	4.6x	$36,095.5	$8,261.2	33.3%	$2.7	17.4x	13.0x	4.8x
Downstream	Marathon Petroleum Corp.	$51,031.3	$86,025.3	$27,098.0	2.8x	$137,969.0	$9,518.5	6.9%	$7.4	17.8x	9.0x	0.6x
	Phillips 66	48,607.3	67,001.3	17,314.0	4.5x	137,772.0	3,879.0	2.8%	4.4	16.5x	17.3x	0.5x
	Valero Energy Corp.	42,101.2	51,146.2	6,220.0	1.0x	122,356.0	6,155.0	5.0%	2.9	18.9x	8.3x	0.4x
	Sunoco LP	7,306.0	15,338.0	7,501.0	5.2x	22,373.0	1,456.5	6.5%	5.2	9.1x	10.5x	0.7x
	CVR Energy, Inc.	2,699.2	4,182.2	1,223.0	9.6x	7,393.0	127.0	1.7%	(2.0)	N/M	32.9x	0.6x
Median				$7,501.0	4.5x	$122,356.0	$3,879.0	5.0%	$4.4	17.1x	10.5x	0.6x
Mean				$11,871.2	4.6x	$85,572.6	$4,227.2	4.6%	$3.6	15.6x	15.6x	0.6x
Hydrocarbon -Related Alternative Energies	PetroChina Company Ltd.	$211,396.6	$245,218.7	$6,644.8	0.1x	$396,649.6	$68,436.6	17.3%	$0.1	7.5x	3.6x	0.6x
	Cheniere Energy, Inc.	54,009.2	82,042.2	20,788.0	2.7x	16,739.0	7,698.3	46.0%	13.7	20.1x	10.7x	4.9x
	OPAL Fuels Inc.	70.1	748.8	256.8	8.2x	320.4	31.4	9.8%	0.0	3.5x	23.8x	2.3x
	Clean Energy Technologies, Inc.	15.5	20.3	4.7	N/M	1.7	(2.1)	N/M	(0.1)	N/A	N/M	11.9x
Median				$3,450.8	2.7x	$8,529.7	$3,864.8	17.3%	$0.1	7.5x	10.7x	3.6x
Mean				$6,923.6	3.7x	$103,427.7	$19,041.0	24.4%	$3.4	10.4x	12.7x	4.9x
Overall Median				$16,931.5	3.0x	$40,177.5	$8,435.1	19.7%	$3.7	16.0x	9.3x	1.7x
Overall Mean				$19,087.3	3.4x	$96,708.8	$17,569.0	26.2%	$4.9	14.8x	11.3x	3.0x

Source: S&P Capital IQ.
Data as of June 30, 2025.
Note: Trading multiples are based on share price, other market data, and broker consensus future revenue and earnings estimates from S&P Capital IQ as of June 30, 2025.

Public Comparables (2025E)
Oil and Gas

($ in Millions, Except per-Share Prices) As of 6/30/25		Net Debt/ 2024 EBITDA	EV/Revenue		EV/EBITDA		P/E		2023–2025E CAGR		EBITDA Margin		Forward P/E	
			2024	2025E	2024	2025E	2024	2025E	Revenue	EBITDA	2024	2025E	2024	2025E
Upstream	Exxon Mobil Corp.	0.3x	1.4x	1.5x	7.2x	7.3x	13.8x	16.3x	(1.6%)	(2.1%)	20.2%	20.6%	11.3x	16.8x
	Chevron Corp.	0.6x	1.4x	1.5x	6.9x	7.0x	14.7x	18.2x	(2.9%)	(3.1%)	20.5%	21.6%	10.6x	18.6x
	Shell PLC	0.7x	0.9x	0.9x	4.3x	4.6x	13.8x	10.6x	(7.7%)	(6.6%)	20.6%	20.3%	8.2x	10.4x
	ConocoPhillips	0.7x	2.3x	2.2x	5.3x	5.1x	11.5x	14.2x	1.0%	0.8%	43.7%	43.0%	9.7x	15.5x
	EOG Resources, Inc.	N/M	2.7x	2.8x	4.7x	5.4x	10.6x	12.7x	(0.6%)	(8.7%)	58.1%	51.7%	9.7x	12.9x
	Diamondback Energy, Inc.	1.6x	5.3x	4.0x	7.2x	5.5x	8.8x	10.2x	32.9%	28.8%	73.2%	71.8%	7.0x	11.9x
Median		0.7x	1.9x	1.9x	6.1x	5.4x	12.6x	13.4x	(1.1%)	(2.6%)	32.1%	32.3%	9.7x	14.2x
Mean		0.8x	2.3x	2.1x	5.9x	5.8x	12.2x	13.7x	3.5%	1.5%	39.4%	38.2%	9.4x	14.3x
Midstream	Energy Transfer LP	4.2x	1.7x	1.5x	9.5x	8.5x	14.1x	13.7x	9.6%	12.7%	17.5%	17.2%	12.4x	13.6x
	Enterprise Products Partners LP	6.8x	10.9x	9.5x	17.2x	13.0x	17.3x	18.4x	4.6%	9.5%	63.2%	73.0%	16.3x	18.0x
	TC Energy Corp.	3.3x	1.8x	1.7x	10.3x	9.8x	11.5x	11.2x	9.4%	6.4%	17.3%	17.2%	11.2x	11.3x
	Kinder Morgan, Inc.	4.8x	6.6x	6.1x	14.6x	12.0x	25.1x	23.1x	3.4%	11.9%	45.3%	50.8%	24.8x	22.5x
	Targa Resources Corp.	3.7x	3.3x	2.5x	12.5x	11.3x	30.3x	21.1x	14.9%	7.7%	26.3%	22.5%	29.5x	21.6x
Median		4.2x	3.3x	2.5x	12.5x	11.3x	17.3x	18.4x	9.4%	9.5%	26.3%	22.5%	16.3x	18.0x
Mean		4.6x	4.8x	4.2x	12.8x	10.9x	19.7x	17.5x	8.4%	9.7%	33.9%	36.1%	18.8x	17.4x
Downstream	Marathon Petroleum Corp.	2.7x	0.6x	0.7x	8.1x	8.4x	16.5x	21.5x	(7.8%)	(25.4%)	7.6%	8.1%	10.1x	17.8x
	Phillips 66	3.6x	0.5x	0.5x	14.1x	9.7x	23.9x	24.1x	(6.9%)	(19.9%)	3.3%	5.4%	9.5x	16.5x
	Valero Energy Corp.	0.8x	0.4x	0.4x	6.7x	9.1x	15.7x	20.2x	(7.9%)	(39.9%)	6.1%	4.7%	9.3x	18.9x
	Sunoco LP	6.0x	0.7x	0.6x	11.5x	7.9x	8.9x	16.8x	3.2%	52.0%	5.9%	7.9%	8.1x	9.1x
	CVR Energy, Inc.	3.3x	0.5x	0.6x	10.8x	11.0x	N/M	N/M	(12.6%)	(48.7%)	5.1%	5.4%	19.0x	N/M
Median		3.3x	0.5x	0.6x	10.8x	9.1x	16.1x	20.9x	(7.8%)	(25.4%)	5.9%	5.4%	9.5x	17.1x
Mean		3.3x	0.5x	0.6x	10.2x	9.2x	16.2x	20.7x	(6.4%)	(16.4%)	5.6%	6.3%	11.2x	15.6x
Hydrocarbon-Related Alternative Energies	PetroChina Company Ltd.	0.1x	0.6x	0.6x	3.6x	3.9x	7.0x	7.5x	(5.3%)	(5.8%)	16.8%	16.6%	6.7x	7.5x
	Cheniere Energy, Inc.	3.0x	5.3x	4.0x	10.5x	11.9x	17.1x	18.0x	2.2%	(36.2%)	50.6%	33.5%	30.5x	20.1x
	OPAL Fuels Inc.	9.1x	2.5x	2.1x	25.2x	7.3x	N/M	8.2x	18.7%	140.3%	9.9%	28.5%	2.0x	3.5x
	Clean Energy Technologies, Inc.	N/M	8.4x	N/A	N/M	N/A	N/M	N/A	N/A	N/A	N/M	N/A	N/A	N/A
Median		3.0x	3.9x	2.1x	10.5x	7.3x	12.1x	8.2x	2.2%	(5.8%)	16.8%	28.5%	6.7x	7.5x
Mean		4.1x	4.2x	2.2x	13.1x	7.7x	12.1x	11.2x	5.2%	32.8%	25.8%	26.2%	13.1x	10.4x
Overall Median		3.1x	1.7x	1.5x	9.5x	8.4x	14.1x	16.6x	1.0%	(2.1%)	20.2%	20.6%	10.1x	16.0x
Overall Mean		3.1x	2.9x	2.3x	10.0x	8.3x	15.3x	15.9x	2.5%	3.9%	26.9%	27.4%	12.9x	14.8x

Source: S&P Capital IQ.
Data as of June 30, 2025.
Note: Trading multiples are based on share price, other market data, and broker consensus future revenue and earnings estimates from S&P Capital IQ as of June 30, 2025.

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