

Listing Midstream Assets

A Resource Guide



Where to List Midstream Assets

Effective asset management is key for a company to maximize returns on assets. Divesting assets generates value and increases shareholder return, especially when that asset no longer aligns with business objectives. To determine a suitable method when listing a midstream asset, sellers should consider several specific factors to make an informed decision.

Key Considerations When Selling Midstream Assets



Marketing Platform

- Seller's resources
- Confidentiality needs
- Ability to manage identifying, qualifying, and negotiating the transaction



External Resources & Facilitation

- Transaction complexity
- Regulatory requirements
- Capabilities to support the sale process (data management, legal, regulations, etc.)



Asset Characteristics

- Asset size
- Asset location
- Industry/sector focus
- Alignment with listing method



Buyer Qualification & Management

- Ideal buyer profiles
- Buyer's operational history

WHEN SELLING AN ASSET, THERE ARE 2 MAIN AVENUES

MIDSTREAM HOLDINGS

Midstream Holdings is a secure, web-based platform catered to listing valuable assets that may not fit the traditional asset profile.

Assets with smaller sized valuations located in North America can be promoted across a broader network of qualified buyers.

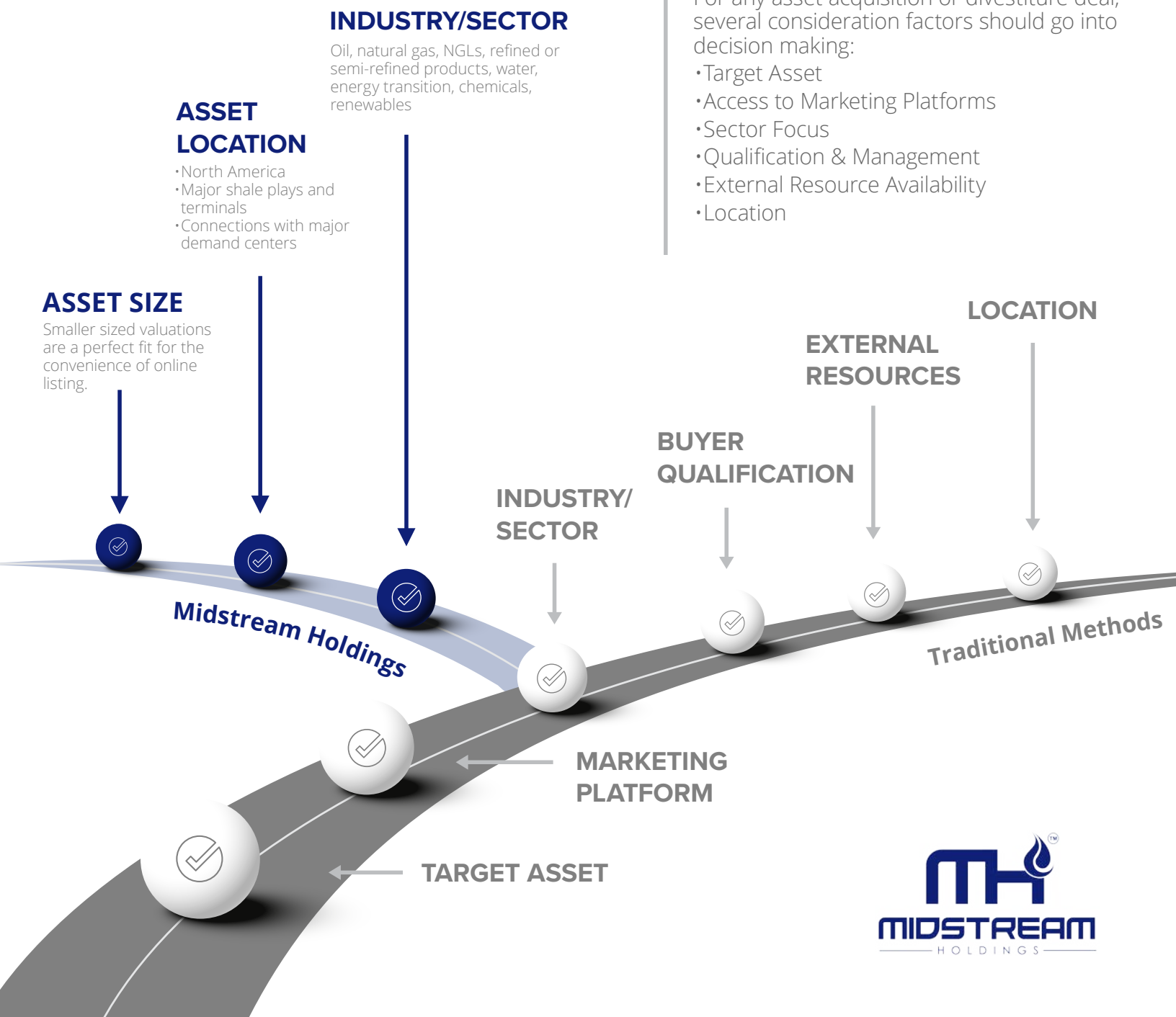
Midstream Holdings is catered to the oil and gas industry in the midstream space, including emerging fuels, chemicals, and water systems.

TRADITIONAL METHODS

Traditional methods typically involve private sales or using investment banks, which can limit the sellers and the buyer pool. Valuable assets can also be buried in larger deals, which results in sellers forfeiting the optimal return.

For any asset acquisition or divestiture deal, several consideration factors should go into decision making:

- Target Asset
- Access to Marketing Platforms
- Sector Focus
- Qualification & Management
- External Resource Availability
- Location



Expanding Horizons with Midstream Holdings

Traditional methods involve private sales and investment banks to find buyers. Midstream Holdings opens up new opportunities and avenues for certain assets, making it easier to divest and acquire based on strategic business needs.

Target Asset

Private Sale Assets of all size.

Investment Banks Must fall within a specific price range the bank sets dependent on market conditions.

- **Midstream Holdings** In-service assets that fall outside of owner/operator core business areas. Typically smaller, valuable systems.

Location

Private Sale Needs to accommodate buyer preferences.

Investment Banks Aligns with bank's existing asset base.

- **Midstream Holdings** North American assets concentrated in major shale plays and terminals or connected to major demand centers.

Sector Focus

Private Sale Needs to accommodate buyer preferences.

Investment Banks Aligns with banks existing asset base.

- **Midstream Holdings** Compatible with wide variety of focus areas, including oil, natural gas/LNG/LPG, NGLs, refined or semi-refined products, water, energy transition, chemicals, renewables.

Buyer Qualification & Management

Private Sale The company leverages its current network to find a private buyer.

Investment Banks Hands-off buyer qualifying, negotiating, and management for transactions.

- **Midstream Holdings** Buyer markets includes operators, private equity groups with sufficient capital, and compatible operational history.

Marketing Platform

Private Sale Limited to company's resources.

Investment Banks Confidential database and management of negotiation process.

- **Midstream Holdings** GIS database for visual mapping and confidential data transfer room.

External Resources

Private Sale Limited to company's and its network's resources.

Investment Banks Vetted resources focused on data and confidentiality.

- **Midstream Holdings** Vetted Allocated Resources (VARs) through network of endorsed resources, including lenders, legal resources, and regulatory and environmental contract groups.

In Action

Consider a midsize midstream company looking to divest an active storage facility that fell out of its core business focus. The company could consider selling through traditional methods or investment banks. However, the asset size may not fall within the thresholds and limitations set by investment banks, and traditional networks limit the qualified buyer pool. A risk-free option would be listing through the Midstream Holdings platform.

Through the vetted buyers network Midstream Holdings provides, the company can target qualified buyers with the financial capability and operational history to manage the asset effectively and successfully buy the asset. All information would be protected under strict confidentiality protections. The seller also would not have to sacrifice using alternative methods. Midstream Holdings is an additional option to add convenience and simplicity to asset divestitures.

By utilizing Midstream Holdings' platform, the company optimizes its asset portfolio and reallocates resources to focus on its core business operations.

Try it out with a free account



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