

# Midstream Valuation

MARCH 31, 2025

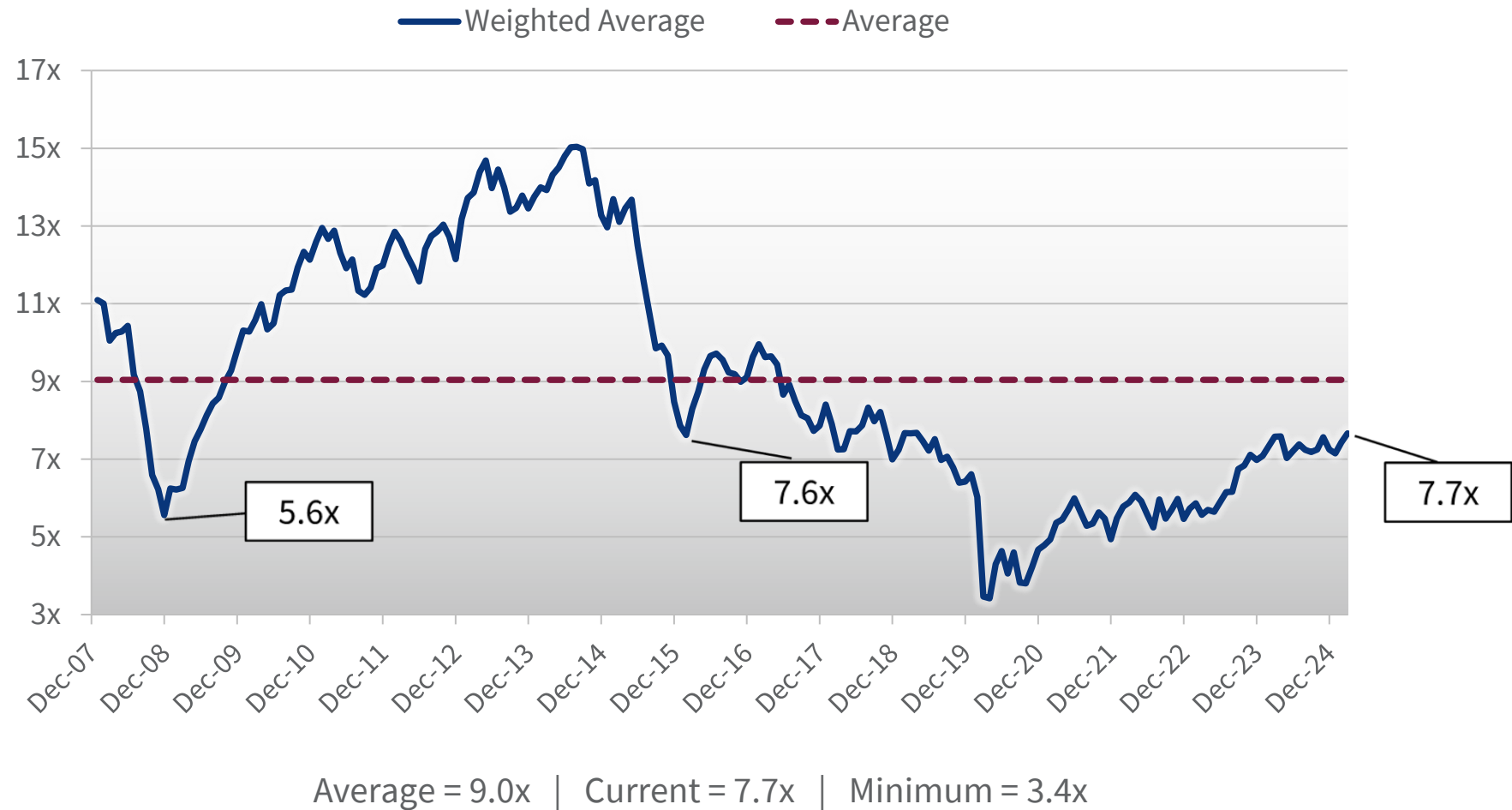


# Introduction

- Long term valuation trends of Midstream interests are analyzed using Distributable Cash Flow (DCF).
- Prices are measured versus the one year forward DCF estimate as of the date of this presentation.
  - Reflects forward sentiment
  - Avoids backward-looking ratios using prior year-end data
- Price to DCF (P/DCF) is measured at the weighted average or median, as indicated.

# Alerian Weighted P/DCF

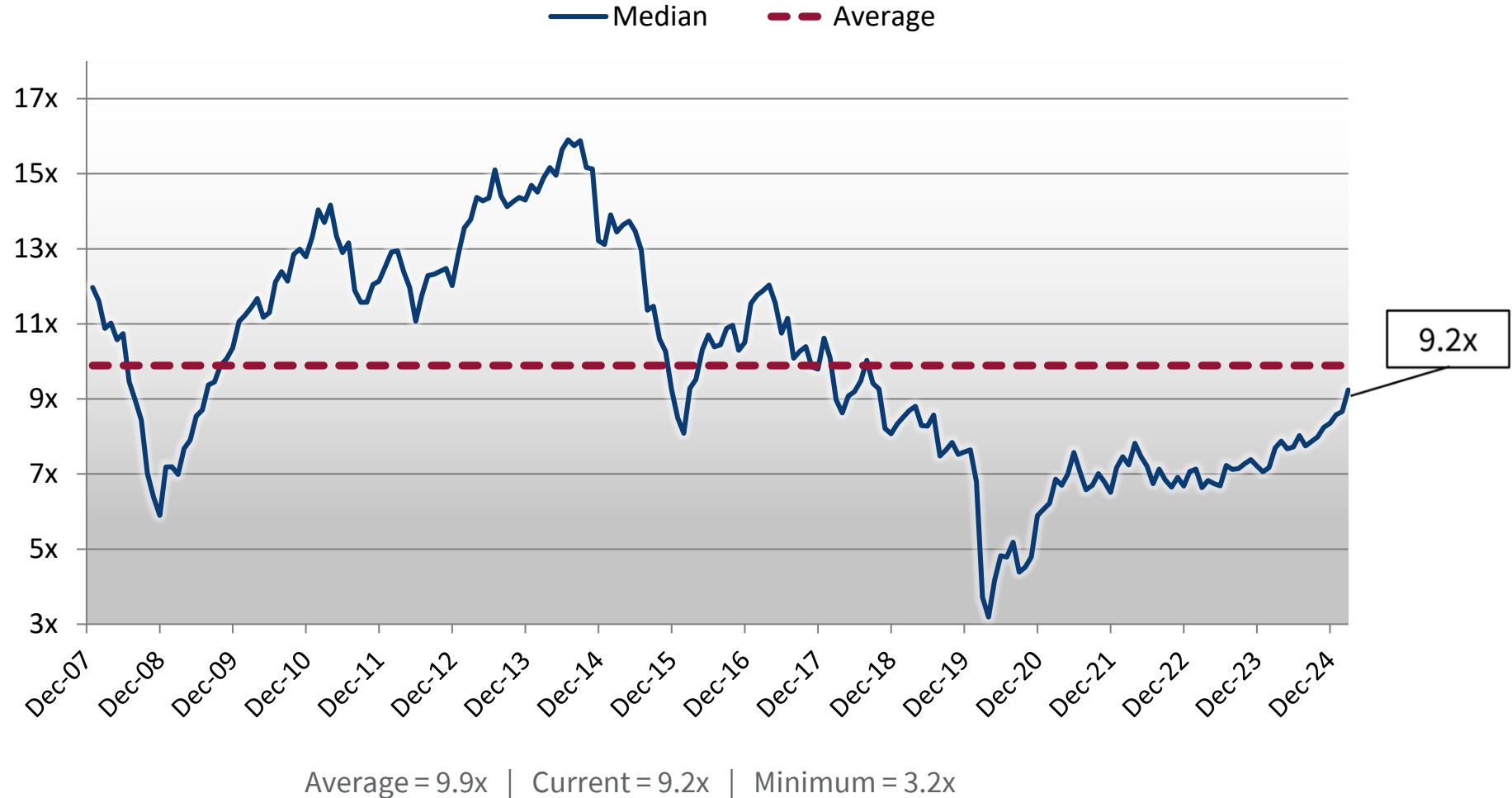
The current P/DCF ratio remains at the low end of its historic range and below the average for the historic period since 2008.



Source: Bloomberg LP, CCM

# Midstream Companies P/DCF

The current P/DCF ratio remains at the low end of its historic range and below the average for the historic period since 2008.



Source: Bloomberg LP, CCM

# Model Portfolio vs. the Alerian MLP Index (AMZ)

The Model Portfolio compares favorably to the AMZ.

\*Growth Rate refers to the estimated 2025 weighted average Distributable Cash Flow (DCF) growth rate. This is not a forecast of the portfolio's future performance. DCF growth rate for the portfolio's holdings does not guarantee a corresponding increase in the market value of the holding or the portfolio.

## Model Portfolio Characteristics

Market data as of 3/31/25

| Portfolio Attributes*      |          |
|----------------------------|----------|
| Positions                  | 17       |
| Market Capitalization (MM) | \$46,081 |
| Yield                      | 5.5%     |
| Coverage Ratio             | 2.68x    |
| Growth Rate                | 10.8%    |

| Subgroup Allocations*              |       |
|------------------------------------|-------|
| Natural Gas Pipelines              | 16.3% |
| Refined Products Pipelines         | 4.3%  |
| Crude Pipelines & Gathering        | 18.6% |
| Storage & Terminals                | 4.9%  |
| NGL Logistics                      | 20.1% |
| Other Logistics/Marketing          | 1.9%  |
| Natural Gas Gathering & Processing | 30.1% |
| Propane                            | 0.0%  |
| Exploration & Production           | 0.3%  |
| Shipping                           | 0.4%  |
| Other                              | 3.2%  |

## Alerian MLP Index Characteristics

Market data as of 3/31/25

| Portfolio Attributes*      |          |
|----------------------------|----------|
| Positions                  | 17       |
| Market Capitalization (MM) | \$26,682 |
| Yield                      | 6.8%     |
| Coverage Ratio             | 1.72x    |
| Growth Rate                | 10.4%    |

| Subgroup Allocations*              |       |
|------------------------------------|-------|
| Natural Gas Pipelines              | 10.0% |
| Refined Products Pipelines         | 4.8%  |
| Crude Pipelines & Gathering        | 21.6% |
| Storage & Terminals                | 6.4%  |
| NGL Logistics                      | 10.2% |
| Other Logistics/Marketing          | 7.8%  |
| Natural Gas Gathering & Processing | 20.6% |
| Propane                            | 3.9%  |
| Exploration & Production           | 0.0%  |
| Shipping                           | 0.9%  |
| Other                              | 13.7% |

# Chickasaw MLP SMA Composite | October 31, 2006 – February 28, 2025



| 2/28/25         | ANNUALIZED RETURN (%)  |                                       |                                   |                          |                          |                                 |   |   |   |                                  |                             |   |
|-----------------|------------------------|---------------------------------------|-----------------------------------|--------------------------|--------------------------|---------------------------------|---|---|---|----------------------------------|-----------------------------|---|
|                 | Net-of-Fees Return     |                                       | Net of Maximum 3% Wrap Fee Return |                          | Alerian MLP Total Return |                                 | S&P 500 Total Return                            |   |   |                                  |                             |   |
| Month-to-Date   | 2.65                   |                                       | 2.41                              |                          | 3.43                     |                                 | -1.30   |   |   |                                  |                             |   |
| Quarter-to-Date | 8.39                   |                                       | 8.14                              |                          | 12.53                    |                                 | 1.44  |   |   |                                  |                             |   |
| Year-to-Date    | 8.39                   |                                       | 8.14                              |                          | 12.53                    |                                 | 1.44  |   |   |                                  |                             |   |
| 1 Year          | 45.91                  |                                       | 43.10                             |                          | 28.49                    |                                 | 18.41   |   |   |                                  |                             |   |
| 3 Year          | 29.17                  |                                       | 26.60                             |                          | 25.83                    |                                 | 12.55   |   |   |                                  |                             |   |
| 5 Year          | 25.90                  |                                       | 23.35                             |                          | 23.37                    |                                 | 16.85   |   |   |                                  |                             |   |
| 10 Year         | 5.39                   |                                       | 3.18                              |                          | 5.01                     |                                 | 12.98   |   |   |                                  |                             |   |
| 15 Year         | 12.41                  |                                       | 10.00                             |                          | 8.34                     |                                 | 14.04   |   |   |                                  |                             |   |
| Inception*      | 10.15                  |                                       | 7.80                              |                          | 8.75                     |                                 | 10.46   |   |   |                                  |                             |   |
| Year            | Net-of-Fees Return (%) | Net of Maximum 3% Wrap Fee Return (%) | Alerian MLP Total Return (%)      | S&P 500 Total Return (%) | Number of Portfolios     | Annual Composite Dispersion (%) | Composite 3-Year Ex-Post Standard Deviation (%) | Alerian MLP 3-Year Ex-Post Standard Deviation (%) | S&P 500 3-Year Ex-Post Standard Deviation (%) | Total Composite Assets (USD mil) | Total Firm Assets (USD mil) | Bundled Fee Assets as a % of Total Composite Assets |
| 2025 YTD        | 8.39                   | 8.14                                  | 12.53                             | 1.44                     | 220                      | NA                              | NA  | NA  | NA  | 1005                             | 2694                        | 46.41   |
| 2024            | 44.90                  | 42.09                                 | 24.41                             | 25.02                    | 199                      | 1.22                            | 21.05   | 19.99   | 17.15   | 917                              | 2530                        | 46.75   |
| 2023            | 20.83                  | 18.46                                 | 26.56                             | 26.29                    | 225                      | 0.59                            | 20.27   | 20.16   | 17.29   | 658                              | 1972                        | 46.60   |
| 2022            | 33.96                  | 31.19                                 | 30.92                             | -18.11                   | 238                      | 0.64                            | 45.61   | 48.39   | 20.87   | 682                              | 2032                        | 40.42   |
| 2021            | 44.33                  | 41.39                                 | 40.17                             | -28.71                   | 249                      | 1.18                            | 44.36   | 46.86   | 17.17   | 749                              | 2053                        | 28.56   |
| 2020            | -31.15                 | -32.68                                | -28.69                            | 18.40                    | 257                      | 2.36                            | 44.61   | 47.18   | 18.53   | 713                              | 1881                        | 22.54   |
| 2019            | 8.99                   | 6.73                                  | 6.56                              | 31.49                    | 546                      | 0.89                            | 18.87   | 17.70   | 11.93   | 1812                             | 3472                        | 17.94   |
| 2018            | -21.08                 | -22.79                                | -12.42                            | -4.38                    | 707                      | 1.02                            | 20.70   | 18.10   | 10.80   | 1968                             | 3513                        | 18.60   |
| 2017            | -8.40                  | -10.36                                | -6.52                             | -21.83                   | 817                      | 0.72                            | 21.93   | 19.06   | 9.92  | 2272                             | 4915                        | 20.55   |
| 2016            | 25.61                  | 22.89                                 | 18.31                             | 11.96                    | 891                      | 2.02                            | 23.37   | 19.95   | 10.59   | 2490                             | 5015                        | 19.53   |
| 2015            | -31.46                 | -33.02                                | -32.59                            | 1.38                     | 421                      | 1.57                            | 20.39   | 18.50   | 10.47   | 1187                             | 3108                        | 9.14  |
| 2014            | 21.71                  | 19.03                                 | 4.80                              | 13.69                    | 251                      | 1.38                            | 14.91   | 13.54   | 8.97  | 1292                             | 3054                        | 4.74  |
| 2013            | 46.64                  | 43.39                                 | 27.58                             | 32.39                    | 166                      | 3.23                            | 13.04   | 13.43   | 11.94   | 988                              | 1933                        | 2.86  |
| 2012            | 15.87                  | 13.23                                 | 4.80                              | 16.00                    | 118                      | 2.17                            | 13.17   | 13.37   | 15.09   | 563                              | 949                         | NA  |
| 2011            | 22.30                  | 19.48                                 | 13.88                             | 2.11                     | 98                       | 2.05                            | 18.82   | 17.19   | 18.71   | 406                              | 690                         | NA  |
| 2010            | 43.59                  | 40.60                                 | 35.85                             | 15.06                    | 76                       | 4.45                            | NA  | NA  | NA  | 170                              | 393                         | NA  |
| 2009            | 111.65                 | 106.81                                | 76.41                             | 26.46                    | 18                       | NA                              | NA  | NA  | NA  | 37                               | 289                         | NA  |
| 2008            | -59.75                 | -60.54                                | -36.92                            | -37.00                   | 3                        | NA                              | NA  | NA  | NA  | 0.7                              | 224                         | NA  |
| 2007            | 4.83                   | 2.74                                  | 12.72                             | 5.49                     | 1                        | NA                              | NA  | NA  | NA  | 0.5                              | 346                         | NA  |
| 2006*           | 5.84                   | 5.32                                  | 6.03                              | 3.33                     | 1                        | NA                              | NA  | NA  | NA  | 0.4                              | 334                         | NA  |

\*2006 performance is for the period from inception date of 10/31/2006 through 12/31/2006.

**Firm and Composite Information:** Chickasaw Capital Management, LLC ("CCM") is an independent investment adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. CCM manages a variety of equity, fixed income, and balanced assets for wealthy families and institutions with a focus on master limited partnerships ("MLPs"). The Chickasaw MLP SMA Composite (the "Composite") consists of fee-based, discretionary accounts that invest in MLPs, MLP affiliates, successors to MLPs, and other companies that have the economic characteristics of MLPs, in each case that trade on U.S. stock exchanges. The Composite's inception date is October 31, 2006. The Composite was created in August 2009 and prior results contain historical data. All historical performance was constructed in accordance with the composite construction policies set forth within the firm's policies and procedures. A list of CCM's composite descriptions as available upon request. All underlying accounts were treated on a consistent basis with respect to composite inclusion. As of 5/31/2015, the minimum account size for inclusion into the Composite is \$75,000. Accounts will not be removed from the Composite if they fall below the minimum due to market fluctuations or client withdrawals.

**Benchmark:** The benchmark is the return of the Alerian MLP Total Return Index ("Alerian") and the S&P 500 Total Return Index ("S&P 500"). The Alerian is a market-capitalization weighted index composed of the most prominent energy Master Limited Partnerships. The S&P 500 is a market-capitalization weighted, broad-based securities market index containing the 500 most widely held companies chosen with respect to market size, liquidity, and industry. The index information is included merely to show the general trend in the markets for the periods indicated and is not intended to imply that a client's investment portfolio will be similar to the index either in composition or risk. The volatility of the S&P 500 and the Alerian may be materially different from that of the strategy depicted, and the holdings in the strategy may differ significantly from the securities that comprise the S&P 500 and the Alerian. The S&P 500 and the Alerian are unmanaged and are not assessed a management fee and other expenses typically associated with a managed account or an investment fund. Investments cannot be made directly in a broad-based securities index.

**Performance Calculations:** Valuations and returns are computed and stated in U.S. Dollars. The performance shown is for the stated time period only; due to market volatility, each account's current performance may be different. Returns are calculated using a time-weighted rate of return ("TWR") calculation methodology. TWR is computed by calculating a simple rate of return between each period, and linking them. Results reflect the reinvestment of dividends and other earnings. As of 6/30/13, the Composite contains portfolios with "bundled" and "non-bundled" fees. "Bundled" fees include investment management fees as well as other sponsor platform fees that include but are not limited to transaction costs, custodial fees, advisory, and other administrative fees. Pure gross performance is calculated gross of all investment management fees; gross of custodial fees in "non-bundled" portfolios; gross of all "bundled" fees charged by the platform sponsor; net of transaction costs on "non-bundled" portfolios; and net of withholding taxes. Net-of-fee returns are presented net of actual investment management fees; net of trading expenses; net of actual "bundled" fees; net of withholding taxes; and gross of custodial fees for "non-bundled" portfolios. Net of wrap fee returns are calculated by subtracting 1/12th of 3.00% from the monthly pure gross return. 3% represents the maximum wrap fee that a sponsor may charge clients seeking investment management services in the designated strategy. Actual fees may vary depending on the individual sponsor's wrap fee. The standard management fee for the MLP strategy is 1.50% per annum. Additional information regarding CCM's fees is included in its Part 2 of Form ADV. Dispersion is calculated using the asset-weighted standard deviation of all accounts included in the Composite for the entire year. Dispersion is not presented for periods less than one year or when there were five or fewer portfolios in the Composite for the entire year. Three-year ex-post standard deviation is not presented prior to 2011 as this was not required. The calculations for dispersion and three-year ex-post standard deviation use net returns. Differences in account size, timing of funding or transactions in securities and other market conditions may cause the performance of any account to differ from that of other accounts managed by CCM and/or that of the Composite. Differences in the methodology used to calculate performance might also lead to different performance results than those shown. Additional information regarding CCM's policies and procedures for valuing investments, calculating performance, and preparing GIPS reports is available upon request.

**GIPS Compliance Statement:** Chickasaw Capital Management, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. CCM has been independently verified for the periods 1/1/2006 – 12/31/2023. The verification report is available upon request.

A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report.

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The Alerian MLP Index is a composite of the most prominent energy Master Limited Partnerships that provides investors with an unbiased, comprehensive benchmark for this emerging asset class. The index, which is calculated using a float-adjusted, capitalization-weighted methodology, is disseminated real-time on a price-return basis (NYSE: AMZ), and the corresponding total-return index is disseminated daily (NYSE: AMZX). Relevant data points such as dividend yield are also published daily. For index values, constituents, and announcements regarding constituent changes, please visit [www.alerian.com](http://www.alerian.com).

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no event shall Alerian have any liability for any indirect, special, incidental, or consequential damages (including lost profits), arising out of any such standard or classification, even if notified of the possibility of such damages.

The JPMorgan Alerian MLP Index ETN (AMJB) is used herein to create a per unit index price for the Alerian MLP Index (AMZ). Alerian MLP Index Exchange Traded Notes ("ETNs") provide investors a way to gain exposure to midstream energy MLPs. The ETNs pay a variable quarterly coupon linked to the cash distributions paid on the MLPs in the index, less accrued tracking fees of 0.85% per annum. The ETNs are senior, unsecured obligations of JPMorgan Chase & Co. Note that the tracking fee of 0.85% may cause the performance of the AMJB to lag that of the AMZ, thus potentially understating the P/DCF ratio set forth in slide 3.

*Distributable Cash Flow* is calculated as net income plus depreciation and other noncash items, less maintenance capital expenditure requirements. DCF per unit estimates are the CCM-calculated consensus of Wall Street estimates. Where an estimate is not available, a zero (0) value is used. This could potentially overstate the P/DCF ratio in a given period.

*Distribution Coverage Ratio* is calculated as cash available to limited partners divided by cash distributed to limited partners. It gives an indication of an MLP's ability to make dividend payments to limited partner investors from operating cash flows. MLPs with a coverage ratio of in excess of 1.0 times are able to meet their dividend payments without external financing. The coverage ratio on slide 5 is for estimated 2025 coverage on a weighted average basis.

*Midstream companies*, as used herein, are companies engaged primarily in midstream energy infrastructure regardless of entity structure or tax status. *Midstream companies* includes master limited partnerships (MLPs) that are organized as partnerships or limited liability companies which elect to be taxed as partnerships, as well as corporations and other entities which elect to be taxed as corporations (i.e., C-corps), many of which are the successors to MLPs that have consolidated into or with a C-corp parent or subsidiary thereof. *Midstream companies*, as used herein, excludes unconsolidated general partners and managing members of MLPs. *Midstream interests*, as used herein, are securities issued by *Midstream companies*.

*Yield* refers to the cash dividend or distribution divided by the unit price at a particular point in time.

*Slides 3-4:* Prices and data as of 3/31/25; prices sourced from Bloomberg LP; Distributable Cash Flow (DCF) data is CCM-calculated consensus of Wall Street estimates. All data is current year information.

*Slide 5:*

- Prices and data as of 3/31/25; prices and distribution estimates sourced from Bloomberg LP; Distributable Cash Flow (DCF) data is CCM-calculated consensus of Wall Street estimates. All data is current year information.
  - The coverage ratio and growth rate have been adjusted to exclude companies for which there are not DCF estimates, and then re-weighted with holdings for which DCF estimate data is available.
  - For the Model Portfolio, this is ~1% and excludes: PSX
  - For the Alerian, this is ~7.8% and excludes: CAPL, GLP, MMLP, NGL, and SGU
- Market Capitalization, Portfolio Yield, Coverage Ratio (DCF/Distribution) and Distributable Cash Flow (DCF) Growth are weighted averages.
- Yield and Coverage Ratio are the consensus estimates for 2025. Distributable cash flow Growth refers to the consensus forecast from 12/31/24-12/31/25.

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