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EnLink Midstream Agrees to Acquire North Texas Gathering and Processing System

Significant operational synergies and redeployment of assets anticipated to result in leverage neutral transaction with attractive economics

DALLAS, May 25, 2022 /PRNewswire/ -- EnLink Midstream, LLC (NYSE: ENLC) (EnLink) announced today that it has entered into a definitive agreement to acquire North Texas gathering and processing assets from Crestwood Equity Partners LP (NYSE: CEQP) for \$275 million, subject to certain customary adjustments and regulatory approval. The adjacency of the assets to EnLink's North Texas footprint provides significant synergies and the opportunity to redeploy assets to EnLink's other areas of operation, resulting in significant capital avoidance and driving attractive transaction economics.



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"We are very pleased to announce the agreement to acquire this gathering and processing system in North Texas, which is composed of assets that are highly complementary to EnLink's, both in North Texas and in our other areas of operation," EnLink Chairman and CEO Barry E. Davis said. "This transaction is consistent with our strategy to execute tuck-in acquisitions adjacent to our existing footprints through which we can generate significant synergies and integrate seamlessly without incremental resources. In addition, EnLink has a proven strategy of redeploying underutilized assets to areas of high growth, thus reducing capital expenditures and achieving significantly better economics than through new build projects, and, when completed, we expect this acquisition to bring a robust set of

opportunities for our team to do just that. The resulting capital avoidance, coupled with the assets' robust cash flow profile, is expected to result in a leverage neutral transaction, preserving our balanced capital allocation plan, including the return of capital to common unitholders, and our ability to execute EnLink's other growth strategies, such as building our Carbon Solutions business."

Attractive Economics Driven by Deployment of "The EnLink Way"

The assets to be acquired are expected to provide significant synergies, minimal integration capital, and significant capital avoidance for EnLink through planned redeployment of assets to EnLink's other segments, including the Permian segment in the near-term and the Carbon Solutions business in the future. As a result, the transaction represents attractive economics of approximately 4.0x EBITDA and an unlevered return in the high teens. EnLink expects that the robust cash flow generation from the assets, in addition to the significant reduction to EnLink's 2023 capital expenditures driven by redeployment of assets, would result in significant 2023 cash flow accretion and a leverage neutral transaction.

The acquisition is also expected to improve EnLink's emission intensity profile in North Texas with a high mix of electric compression. Additionally, the assets provide the potential for incremental carbon capture, utilization, and sequestration (CCUS) opportunities aimed at meeting EnLink's carbon intensity reduction objectives.

North Texas Gathering and Processing System

The assets to be acquired would expand EnLink's position in the prolific Barnett Shale producing basin with proximity to existing and planned liquefied natural gas export facilities along the Gulf Coast. These assets include 500 miles of lean and rich gas gathering pipeline and three processing plants with 425 million cubic feet per day (MMcf/d) of capacity, which will be available for future relocation.

About EnLink Midstream

EnLink Midstream reliably operates a differentiated midstream platform that is built for long-term, sustainable value creation. EnLink's best-in-class services span the midstream value chain, providing natural gas, crude oil, condensate, and NGL capabilities, and carbon capture, transportation, and sequestration services. Our purposely built, integrated asset platforms are in premier production basins and core demand centers, including the Permian Basin, Oklahoma, North Texas, and the Gulf Coast. EnLink's strong financial foundation and commitment to execution excellence drive competitive returns and value for our employees, customers, and investors. Headquartered in Dallas, EnLink is publicly traded through EnLink Midstream, LLC (NYSE: ENLC). Visit www.EnLink.com to learn how EnLink connects energy to life.


Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the federal securities laws. Although these statements reflect the current views, assumptions, and expectations of EnLink's management, the matters addressed herein involve certain assumptions, risks, and uncertainties that could cause actual activities, performance, outcomes, and results to differ materially from those indicated herein. Therefore, you should not rely on any of these forward-looking statements. All statements, other than statements of historical fact, included in this press release constitute forward-looking statements, including but not limited to statements identified by the words "forecast," "may," "believe," "will," "should," "plan," "predict," "anticipate," "intend," "estimate," and "expect" and similar

expressions. Such forward-looking statements include, but are not limited to, statements regarding the anticipated consummation of the acquisition described above, the anticipated benefits, opportunities, and results with respect to the acquisition, including the expected synergies, capital avoidance, cash flow, reduced capital expenditures, CCUS opportunities and other anticipated impacts from the planned acquisition, as well as other aspects of the transaction, and other statements that are not historical facts. Such forward-looking statements are subject to a variety of known and unknown risks, uncertainties, and other factors that are difficult to predict and many of which are beyond management's control, including risks and uncertainties related to EnLink's business, market conditions, required approvals by regulatory agencies, the possibility that the anticipated benefits from the transaction cannot be fully realized, the possibility that costs or difficulties related thereto will be greater than expected, the impact of competition, and other risk factors included in EnLink's reports filed with the Securities and Exchange Commission. An extensive list of factors that can affect EnLink's business are discussed in EnLink's filings with the Securities and Exchange Commission, including EnLink's Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K. EnLink does not assume any obligation to update any forward-looking statements.

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