

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

**FORM 8-K/A
(Amendment No. 1)**

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported) — **October 31, 2025**

Plains All American Pipeline, L.P.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

1-14569
(Commission File Number)

76-0582150
(IRS Employer Identification No.)

333 Clay Street, Suite 1600, Houston, Texas 77002
(Address of principal executive offices) (Zip Code)

713-646-4100
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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 Units	PAA	Nasdaq

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

EXPLANATORY NOTE

On November 6, 2025, Plains All American Pipeline, L.P. (“PAA” or the “Registrant”) filed a Current Report on Form 8-K (the “Original Filing”) to report that on October 31, 2025, pursuant to that certain definitive Purchase and Sale Agreement (the “PSA”) entered into on August 30, 2025 by and among a wholly-owned subsidiary (the “Buyer”) of PAA, and subsidiaries of Diamondback Energy, Inc. and Kinetik Holdings Inc. (collectively, the “Sellers”), Buyer completed the purchase from Sellers of an aggregate 55% non-operated equity interest in EPIC Crude Holdings, LP (“EPIC Crude Holdings”), the entity that owns and operates the EPIC Crude Oil Pipeline (the “EPIC Pipeline”), and an aggregate 55% of the membership interests in EPIC Crude Holdings GP, LLC (“EPIC GP”), the general partner of EPIC Crude Holdings (the “EPIC 55% Transaction”).

Effective November 1, 2025, in a separate transaction from the EPIC 55% Transaction, Buyer also completed the purchase of the remaining 45% equity interest in EPIC Crude Holdings and the remaining 45% of the membership interests in EPIC GP from a subsidiary of Ares Management LLC (the “Ares Seller”) pursuant to that certain definitive Equity Purchase Agreement among Buyer and the Ares Seller (the “EPIC 45% Transaction,” and, together with the EPIC 55% Transaction, the “Transactions”).

As a result of the Transactions, PAA now indirectly owns 100% of the equity interests in EPIC Crude Holdings and 100% of the membership interests in EPIC GP and will serve as operator of record of the EPIC Pipeline.

This Current Report on Form 8-K/A (this “Amendment”) amends and supplements the Original Filing to provide the financial statements of EPIC Crude Holdings, LP and the pro forma financial information of PAA required by Items 9.01(a) and 9.01(b) of Form 8-K. No other modifications to the Original Filing are being made by this Amendment.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Business or Funds Acquired.

The audited consolidated financial statements of EPIC Crude Holdings, LP and Subsidiaries as of and for the years ended December 31, 2024 and 2023, including notes thereto, are filed as Exhibit 99.1 to this Current Report on Form 8-K/A and are incorporated herein by reference.

The unaudited consolidated financial statements of EPIC Crude Holdings, LP and Subsidiaries as of and for the nine months ended September 30, 2025 are filed as Exhibit 99.2 to this Current Report on Form 8-K/A and are incorporated herein by reference.

(b) Pro Forma Financial Information.

The unaudited pro forma condensed combined balance sheet of PAA as of September 30, 2025 and the unaudited pro forma condensed statement of combined continuing operations for the nine months ended September 30, 2025 and for the year ended December 31, 2024, and the notes thereto, are filed as Exhibit 99.3 to this Current Report on Form 8-K/A and are incorporated herein by reference.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
23.1	Consent of KPMG LLP.
99.1	Audited consolidated financial statements of EPIC Crude Holdings, LP and Subsidiaries as of and for the years ended December 31, 2024 and 2023, including notes thereto.
99.2	Unaudited consolidated financial statements of EPIC Crude Holdings, LP and Subsidiaries as of and for the nine months ended September 30, 2025.
99.3	Unaudited pro forma condensed combined balance sheet of Plains All American Pipeline, L.P. as of September 30, 2025 and unaudited pro forma condensed statement of combined continuing operations for the nine months ended September 30, 2025 and for the year ended December 31, 2024, including notes thereto.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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 hereunto duly authorized.
PLAINS ALL AMERICAN PIPELINE, L.P.

By: PAA GP LLC, its general partner

By: Plains AAP, L.P., its sole member

By: Plains All American GP LLC, its general partner

Date: January 15, 2026

By: /s/ Chris Herbold

Name: Chris Herbold

Title: *Senior Vice President, Finance and Chief Accounting Officer*

Consent of Independent Auditors

We consent to the incorporation by reference in the registration statements (Nos. 333-138888, 333-155673, 333-162477, 333-214778, 333-221845, 333-267725, 333-281967 and 333-281968) on Form S-3 and (Nos. 333-91141, 333-74920, 333-122806, 333-141185, 333-193139, 333-193140 and 333-256507) on Form S-8 of Plains All American Pipeline, L.P. of our report dated April 24, 2025, with respect to the consolidated financial statements of EPIC Crude Holdings, LP, which report appears in this Current Report on Form 8-K of Plains All American Pipeline, L.P. dated January 15, 2026.

/s/ KPMG LLP
San Antonio, Texas
January 15, 2026

EPIC Crude Holdings, LP and Subsidiaries

Consolidated Financial Statements

For the Years Ended December 31, 2024 and 2023

(With Independent Auditors' Report Thereon)

EPIC Crude Holdings, LP and Subsidiaries

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KPMG LLP
17802 IH-10, Suite 101
Promenade Two
San Antonio, TX 78257-2508

Independent Auditors' Report

The Board of Directors
EPIC Crude Holdings, LP:

Opinion

We have audited the consolidated financial statements of EPIC Crude Holdings, LP and its subsidiaries (the Partnership), which comprise the consolidated balance sheets as of December 31, 2024 and 2023, and the related consolidated statements of operations, changes in owners' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Partnership as of December 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Partnership and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.



In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

KPMG LLP

San Antonio, Texas
April 24, 2025

EPIC Crude Holdings, LP and Subsidiaries

Consolidated Balance Sheets

December 31, 2024 and 2023

(Dollars in Thousands)

	<u>2024</u>	<u>2023</u>
Current assets		
Cash	\$ 138,526	\$ 70,049
Restricted cash	-	2,561
Account receivable	31,373	25,583
Related party receivable	2,118	2,840
Inventory	5,965	6,614
Prepaid expenses, deposits, and other current assets	3,884	4,152
Total current assets	<u>181,866</u>	<u>111,799</u>
Property and Equipment, net	1,895,822	2,000,088
Other assets		
Right-of-use assets, net	39,037	39,708
Long-term deposits	2,200	1,700
Total assets	<u>\$ 2,118,925</u>	<u>\$ 2,153,295</u>
Current liabilities		
Accounts payable	\$ 2,368	\$ 9,536
Related party payable	9,241	22,176
Accrued expenses and other liabilities	57,097	36,207
Current portion of long-term debt	12,000	11,750
Other current liabilities	700	684
Total current liabilities	<u>81,406</u>	<u>80,353</u>
Long term liabilities		
Long-term debt, net of debt issuance costs	1,165,320	1,152,645
Other long-term liabilities	32,529	33,229
Total long-term liabilities	<u>1,197,849</u>	<u>1,185,874</u>
Total liabilities	<u>1,279,255</u>	<u>1,266,227</u>
Owners' equity		
Owners' equity	839,670	887,068
Total liabilities and owners' equity	<u>\$ 2,118,925</u>	<u>\$ 2,153,295</u>

Notes to the consolidated financial statements form an integral part of these statements.

EPIC Crude Holdings, LP and Subsidiaries

Consolidated Statement of Operations

Years Ended December 31, 2024 and 2023

(Dollars in Thousands)

	<u>2024</u>	<u>2023</u>
Transportation and terminal fees	\$ 260,850	\$ 225,502
Sales of crude oil	<u>122,108</u>	<u>121,934</u>
Total operating revenues	382,958	347,436
Operating expenses:		
Cost of goods sold	\$ 73,380	\$ 76,389
Operations and maintenance	77,325	72,795
Loss on disposal of assets	1,355	333
Inventory writedowns and project abandonments	190	1,743
Depreciation	111,379	113,308
General and administrative	<u>27,175</u>	<u>27,038</u>
Total operating expenses	290,804	291,606
Operating Income	<u>92,154</u>	<u>55,830</u>
Other income (expense)		
Interest expense - net	(139,081)	(128,621)
Unrealized (loss) gain on derivatives	-	(5,081)
Other income - net	<u>36</u>	<u>47</u>
Total other expense	<u>(139,045)</u>	<u>(133,655)</u>
Net Loss before taxes	(46,891)	(77,825)
Income tax expense	<u>(507)</u>	<u>-</u>
Net Loss	<u>\$ (47,398)</u>	<u>\$ (77,825)</u>

Notes to the consolidated financial statements form an integral part of these statements.

EPIC Crude Holdings, LP and Subsidiaries
Consolidated Statement of Changes in Owners' Equity
Years Ended December 31, 2024 and 2023
(Dollars in Thousands)

Balance at December 31, 2022	\$ 964,893
Net loss	(77,825)
Balance at December 31, 2023	\$ 887,068
Net loss	(47,398)
Balance at December 31, 2024	\$ 839,670

Notes to the consolidated financial statements form an integral part of these statements.
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EPIC Crude Holdings, LP and Subsidiaries

Consolidated Statement of Cash Flows

Years Ended December 31, 2024 and 2023

	<u>2024</u>	<u>2023</u>
Cash flow from operating activities		
Net loss	\$ (47,398)	\$ (77,825)
Reconciling items:		
Depreciation of property and equipment	111,379	113,308
Amortization of debt issue costs	8,796	9,873
Inventory writedowns and project abandonments	190	1,743
Loss on disposal of assets	1,355	333
Loss on extinguishment of debt	14,301	-
Loss on derivative instruments	-	5,081
Cash received from settlement of derivatives	-	8,213
Changes in operating assets and liabilities:		
Accounts receivable	(5,790)	(4,431)
Related party receivable	723	(1,168)
Prepaid expenses, deposits and other current assets	1,281	(3,628)
Accounts payable and accrued expenses	12,413	5,276
Related party payable	(12,935)	17,403
Long-term deposits	(500)	(400)
Long-term inventory	-	14,697
Other	(12)	128
Net cash provided by operating activities	<u>83,803</u>	<u>88,603</u>
Cash flows from investing activities		
Capital expenditures	(8,124)	(6,473)
Proceeds from disposal of assets	317	7
Net cash used in investing activities	<u>(7,807)</u>	<u>(6,466)</u>
Cash flows from financing activities		
Proceeds from borrowings	1,200,000	-
Repayments of borrowings	(1,136,813)	(11,750)
Proceeds from credit facilities	-	50,000
Repayments of credit facilities	(50,000)	(75,000)
Proceeds from short term note payable	2,914	2,811
Repayments of short term note payable	(2,822)	(2,412)
Deferred financing charges	(23,359)	(2,816)
Net cash used in financing activities	<u>(10,080)</u>	<u>(39,167)</u>
Net increase in cash	65,916	42,970
Cash, including restricted cash, at beginning of year	72,610	29,640
Cash, including restricted cash, at end of year	<u>\$ 138,526</u>	<u>\$ 72,610</u>
Supplemental Disclosures		
Cash paid for interest	<u>\$ 111,902</u>	<u>\$ 130,145</u>
Supplemental Disclosures for Noncash Investing and Financing Activities		
Accounts payable and accrued capital expenditures	<u>\$ 1,765</u>	<u>\$ 609</u>

Notes to the consolidated financial statements form an integral part of these statements.

EPIC Crude Holdings, LP and Subsidiaries

Notes to the Consolidated Financial Statements

1. Operations and Nature of Business Presentation

Reporting Entity and Nature of Operations

EPIC Crude Holdings, LP (the "Partnership," "Company," "we," "our," or "us") is a Delaware limited partnership formed in September 2017. In 2019, Rattler Midstream, LLC, Dos Rios Crude Holdings, LLC and Altus Midstream Processing, LP all became limited partners in the Partnership and members of EPIC Crude Holdings GP, LLC, which is the general partner of EPIC Crude Holdings, LP. In 2024, Dos Rios Crude Holdings, LLC sold its partnership interest to Rattler OMOG LLC and Kinetik EC Holdco LLC and exited the Partnership. Refer to *Footnote # 9 Equity* for additional details.

The Partnership and its subsidiaries, EPIC Crude Marketing, LP; EPIC Crude Terminal Company, LP; EPIC Crude Pipeline, LP; and EPIC Crude Services, LP were created to acquire, construct, and operate crude oil midstream assets necessary to fulfill customer contracts to transport crude oil from the Permian and Eagle Ford basins to downstream infrastructure near Corpus Christi, Texas.

The Partnership owns and operates nearly 900-miles of large diameter transportation pipeline originating near Orla, Texas and terminating at multiple delivery points near Corpus Christi, Texas. The pipeline is connected to gathering systems and storage terminals in the Permian and the Eagle Ford basins and export terminals, refineries and storage facilities near Corpus Christi, Texas. The Partnership completed the majority of its construction activities on the mainline pipeline, onshore terminals and our marine export facility in 2019 and 2020. The crude pipeline is supported by short-term and long-term contracts with shippers that include firm commitments and acreage dedications.

2. Estimates and Significant Accounting Policies

Basis of Presentation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America and include the accounts of the Partnership and its subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

Prior Period Adjustments

Certain prior period presentations and disclosures were reclassified to ensure comparability with current period classifications.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires certain amounts included in or affecting our consolidated financial statements and related disclosures which must be estimated and requires us to make certain assumptions with respect to values or conditions which cannot be known with certainty at the time our consolidated financial statements are prepared. These estimates and assumptions affect the amounts we report for assets and liabilities, our revenues and expenses during the reporting period, and our disclosures, including as it relates to contingent assets and liabilities at the date of our consolidated financial statements. We evaluate these estimates on an ongoing basis, utilizing historical experience, consultation with experts, and other methods we consider reasonable in the particular circumstances. Nevertheless, actual results may differ significantly from our estimates. Any effects on our business, financial position or results of operations resulting from revisions to these estimates are recorded in the period in which the facts that give rise to the revision become known.

EPIC Crude Holdings, LP and Subsidiaries

Notes to the Consolidated Financial Statements

In preparing our consolidated financial statements and related disclosures, examples of certain areas that require more judgment relative to others include, but are not limited to, our use of estimates in determining: (i) timing of certain transactions, (ii) economic useful lives of our assets for depreciation and amortization, (iii) net realizable value of inventory, (iv) provisions for uncollectible accounts receivable, (v) revenue recognition and (vi) contingency reserves related to environmental or litigation claims.

Cash and Cash Equivalents

Cash includes bank deposits and all overnight cash sweep short-term investments. All overnight cash sweep investments have an original maturity of less than 3 months. We maintain our cash deposits with high credit quality financial institutions. At times, our cash may be uninsured or in deposit accounts that exceed the Federal Deposit Insurance Corporation insurance limits. The Partnership has not experienced any losses in such accounts.

Restricted Cash

Restricted cash is restricted as to withdrawal or use under the terms of certain financial credit agreements including cash held to meet certain reserve requirements under the terms of our credit agreements. Cash balances consisted of the following (in thousands):

	December 31, 2024	December 31, 2023
Cash	\$ 138,526	\$ 70,049
Restricted Cash	-	2,561
Total cash, including restricted cash, shown in the Consolidated Statement of Cash Flows	<u>\$ 138,526</u>	<u>\$ 72,610</u>

Accounts Receivable and Allowance for Expected Credit Losses

These amounts primarily consist of amounts due from customers net of allowance for doubtful accounts. The allowance for doubtful accounts is established as losses are estimated to have occurred through a provision for bad debts charged to earnings. Losses are charged against the allowance when management believes, based on available customer-specific information and circumstances, the receivable is determined to be uncollectible. Subsequent recoveries, if any, are credited to the allowance. The allowance for doubtful accounts is evaluated on a regular basis by management and is based on historical experience and specifically identified questionable receivables.

The Partnership establishes an allowance for expected credit losses on trade receivables based on the expected ultimate recovery of these receivables and considers many factors including historical customer collection experience, general and specific economic trends, and known specific issues related to individual customers, sectors, and transactions that might impact collectability. Increases in the allowance are recorded as a component of other expenses; reductions in the allowance are recorded when receivables are subsequently collected or written-off. Past-due receivable balances are written-off when the Partnership's efforts have been unsuccessful in collecting the amount due. There was no allowance for expected credit losses as of December 31, 2024 and 2023.

EPIC Crude Holdings, LP and Subsidiaries

Notes to the Consolidated Financial Statements

Inventory

Inventory consists principally of crude oil, pipe, materials and spare parts. The pipe, materials and spare parts are primarily held in two warehouse locations in south Texas and valued at the lower of cost or net realizable value. Crude oil inventory is valued at the lower of cost or net realizable value utilizing the weighted-average cost method. The Partnership recognized inventory write-offs of \$0.2 million and \$1.7 million during the years ended December 31, 2024 and 2023, respectively, primarily related to obsolescence and scrapping excess inventory.

Inventories as of December 31, 2024 and 2023 consisted of the following (in thousands):

	December 31,	
	2024	2023
Materials and spare parts	\$ 4,039	\$ 3,412
Linefill and crude oil inventory	1,926	3,202
Inventory	\$ 5,965	\$ 6,614

The Partnership liquidated nearly all of its crude oil inventory, including amounts classified as Long term inventory, in April 2023 in conjunction with a debt reduction and refinancing transaction for our Revolving Credit Facility. See *Footnote #8 Long-Term Debt* for further discussion of the refinancing transaction. The Partnership has no inventory classified as long term as of December 31, 2024 or 2023.

Property, Plant and Equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Renewals and betterments that substantially extend the useful lives of the assets are capitalized. Maintenance and repairs that do not extend the useful life or add capacity are expensed when incurred. Additionally, we capitalize certain costs directly related to the construction of assets including internal labor costs, engineering costs and right-of-way easement costs. Depreciation expense is calculated on the straight-line method over the following estimated useful lives of the assets:

Furniture, fixtures, and office equipment	2 -10 years
Right of Way	10 – 30 years
Machinery, equipment, and buildings	10 – 50 years
Vessels, towers, and tanks	25 – 30 years
Pipelines	30 years

Property, plant and equipment is evaluated for impairment whenever events or changes in business circumstances and market conditions indicate that the carrying amount of assets may not be recoverable. If such a review should indicate that the carrying amount of long-lived assets is not recoverable, we reduce the carrying amount of such assets to fair value and record a charge to operations. Upon disposition of an asset, we remove the costs and related accumulated depreciation from the balance sheet and report the resulting gain or loss, if any, in the Consolidated Statements of Operations.

EPIC Crude Holdings, LP and Subsidiaries

Notes to the Consolidated Financial Statements

Lease Accounting

At the inception of each lease arrangement, we determine if the arrangement is a lease or contains an embedded lease and review the facts and circumstances of the arrangement to classify lease assets as operating or finance leases. The Partnership has elected not to record any leases with terms of 12 months or less on the balance sheet.

Balances related to operating leases are included in operating lease Right-of-Use (“ROU”) assets, accrued and other current liabilities, operating lease current liabilities and non-current operating lease liabilities in our Consolidated Balance Sheets. The ROU assets represent the Partnership’s right to use an underlying asset for the lease term and the lease liabilities represent the obligation of the Partnership to make minimum lease payments arising from the lease for the duration of the lease term.

At the inception of a lease, all renewal options reasonably certain to be exercised are considered when determining the lease term. The exercise of lease renewal options is typically at the sole discretion of the Partnership and lease extensions are evaluated on a lease-by-lease basis. Leases containing early termination clauses typically require the agreement of both parties to the lease. The depreciable life of lease assets and leasehold improvements are limited by the expected lease term.

To determine the present value of future minimum lease payments, we use the implicit rate when readily determinable. Presently, because many of our leases do not provide an implicit rate, the Partnership applies its incremental borrowing rate based on the information available at the lease commencement date to determine the present value of minimum lease payments. The ROU assets include any lease payments made and exclude lease incentives.

Minimum rent payments are expensed on a straight-line basis over the term of the lease. In addition, some leases require additional contingent or variable lease payments, which are based on the factors specific to the individual agreement. The Partnership’s variable lease payments typically include payment of real estate taxes, maintenance expenses and insurance.

For short-term leases (leases that have term of twelve months or less upon commencement), lease payments are recognized on a straight-line basis and no ROU assets are recorded.

Debt Issuance Costs

Debt issuance costs related to a recognized debt liability are presented in the balance sheet as a direct deduction from the carrying amount of that debt liability. Debt issuance costs are being amortized to interest expense using the effective interest method over the term of the related debt. The Partnership recorded losses on extinguishment of debt of \$14.3 million during the year ended December 31, 2024. These have been recorded in Interest Expense, net on the Consolidated Statements of Operations. There were no losses on extinguishments of debt during the year ended December 31, 2023.

Asset Retirement Obligations

We have determined that we are obligated by contractual or regulatory requirements to remove facilities or perform other remediation upon retirement of certain assets. The fair value of any asset retirement obligation (“ARO”) is determined based on estimates and assumptions related to retirement costs, which the Partnership bases on historical retirement costs, future inflation rates and credit-adjusted risk-free interest rates.

EPIC Crude Holdings, LP and Subsidiaries

Notes to the Consolidated Financial Statements

An ARO is required to be recorded when a legal obligation to retire an asset exists and such obligation can be reasonably estimated. We will record an asset retirement obligation in the periods in which management can reasonably estimate the settlement dates.

Management was not able to reasonably measure the fair value of asset retirement obligations as of December 31, 2024 and 2023, in most cases because the settlement dates were indeterminable. Although some of our assets are subject to agreements or regulations that give rise to an ARO upon the discontinued use of these assets, AROs were not recorded because these assets have an indeterminate removal or abandonment date given the expected continued use of the assets with proper maintenance or replacement. The retirement obligations for these assets cannot be measured at this time.

Individual component assets have been and will continue to be replaced, but the pipelines and the terminal facilities will continue in operation as long as supply and demand for crude oil exists. Based on the widespread use of crude oil in industrial and refining activities, management expects supply and demand to exist for the foreseeable future. We have in place a continuous repair and maintenance program that keeps the pipelines and the terminal facilities in good operational condition. Therefore, although some of the individual assets may be replaced, the pipelines and the facilities themselves will remain intact indefinitely.

Revenue Recognition

The Partnership accounts for revenue from contracts with customers in accordance with ASU No. 2014-09, *Revenue from Contracts with Customers*, and a series of related accounting standard updates included in Accounting Standards Codification ("Topic 606"). The principles for recognizing revenue under Topic 606 is an entity should recognize revenue as that entity satisfies its performance obligations which are represented by a promise in contract to transfer to a customer either a distinct good or service or a series of distinct goods or services over a period of time. Topic 606 requires that a contract's transaction price, which is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, is to be allocated to each performance obligation in the contract based on relative standalone selling prices and recognized as revenue when control of the goods or services transfers to the customer and the performance obligation is satisfied, whether that is a point in time or over a period of time.

Our customer service contracts primarily include two distinct services: (i) transportation services, and (ii) terminaling services. We provide disaggregated data for these two distinct services in *Footnote # 14 Revenue Recognition*. The contract structure for these services is discussed in further detail below. For the majority of these contracts, our promise is to transfer a distinct good or service (or bundle of goods or services) over a period of time, which represents a single performance obligation. The transaction price includes fixed and/or variable consideration which is generally determinable at contract inception and/or upon our right to invoice for the standalone value of services provided to the customer during the preceding time period which is commonly at month end or upon completion of services if the services were transferred over a period of time that is less than one month. If upon evaluation, we determined the contract contained multiple performance obligations we would identify and allocate the total contract consideration we expect to be entitled to, to each distinct performance obligation. The transaction price is recognized as revenue over the service period specified in the contract, either based on the passage of time or a units-based method for quantifying the transfer of services and satisfaction of our performance obligation over the service period or at a point in time.

EPIC Crude Holdings, LP and Subsidiaries

Notes to the Consolidated Financial Statements

We provide services on both a firm and interruptible basis. These particular type of services are distinct from one another in that the Partnership must stand ready to perform the services under firm customer contracts regardless of whether that customer actually requires us to perform the service. Firm service contracts are a promise to make capacity available to the customer at all times during the period(s) covered by the contract. As consideration for us making capacity available, firm service contracts are typically structured with a minimum volume commitment, which requires a customer to pay for a minimum quantity even if they choose not to use the capacity/service in the specified service period (referred to as “deficiency payments”). We typically recognize the portion of the transaction price associated with making capacity available that was unused by the customer (“volume shortfall”), which required a deficiency payment, as revenue depending on whether the contract allows the customer to deliver excess volumes in subsequent periods and “make-up” the volume shortfall. If contractually the customer cannot make up volume shortfalls in future periods, our performance obligation is satisfied, and revenue associated with any deficiency payments is immediately recognized. Consequently, if the customer can acquire the promised service in a future period and make-up the volume shortfall in a future period, we have a performance obligation to transfer services at the customer’s request in the future. As the Partnership’s performance obligation has not yet been satisfied, we defer any consideration received as deficiency payments as a liability, and will recognize a proportionate amount as revenue once either: (i) the customer makes-up the volume shortfall and we have fully satisfied our obligation thru performance or (ii) the customer becomes unable to exercise their right to make-up the volume shortfall (e.g., there is insufficient capacity to make-up the volumes or the service period expires).

For interruptible service contracts, where the Partnership performs transportation or terminaling services over a period of time or on a units based method we recognize the transaction price as revenue as those units of service are transferred to the customer over the specified service period, generally a period of one month. The performance obligation with respect to interruptible service contracts is made on a case-by-case basis at the time the customer requests the service and/or product and we accept the customer’s request.

Our crude oil sales contracts generally represent a separate performance obligation for each individual unit of crude oil, as our promise is to sell a distinct unit(s) at a point in time. The transaction price can be fixed or variable consideration, which amount is determinable each month end based on our contractual right for the value of commodity sold to the customer in that period. The transaction price is allocated to each performance obligation based on the product’s standalone selling price and recognized as revenue upon delivery of the commodity, which is the point in time when the customer obtains control of the crude oil and our performance obligation is satisfied.

Our sales and purchases of crude oil were primarily accounted for on a gross basis as sales of crude oil, as applicable, and cost of sales. At times, the Partnership enters into purchase and sale contracts in contemplation of one another (“buy-sell” agreements) typically for the purpose of facilitating short-term transportation services. These contracts are not separable and distinct in nature as the performance obligation pertains to both sides of the buy-sell transaction, and neither the purchase nor sale of product can occur independently from the other. These transactions are accounted for on a net basis.

Operating Costs and Expenses

Operating expenses include all costs incurred to provide customers with transportation services and maintain Partnership assets, including compensation for operations personnel, vehicle expenses, fuel, cathodic protection, chemicals, utilities required for operations and maintenance and repair activities.

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General and administrative expenses include all partnership related expenses, insurance, and compensation for executive and administrative personnel.

Accounting for Price Risk Management Activities – Interest

The Partnership engaged in price risk management activities for nontrading purposes to manage forward interest rate risk. The Partnership does not engage in speculative trading.

Under ASC 815, as amended, all derivative instruments are recorded in the Consolidated Balance Sheets at their fair values. Changes in the derivative instrument's fair value are recorded currently in earnings, unless the derivative qualifies as a cash flow hedge under ASC 815.

Following the provisions of ASC 815, changes in the fair value of derivative instruments designated as cash flow hedges, to the extent they are effective in offsetting cash flows attributable to the hedged risk, are recorded in other comprehensive income until the hedged item is recognized in earnings. The Partnership did not have any derivative instruments that were designated as cash flow hedges during the years ended December 31, 2024 or 2023.

During 2022, the Partnership entered into nine interest rate cap agreements with an aggregate notional value of \$978.9 million associated with our outstanding Term Loan Credit Agreement. The interest rate caps effectively capped our LIBOR exposure on a portion of our Term Loan Credit Agreement at a weighted average rate of 3.41%. The Partnership paid an initial premium amount of \$8.2 million to enter into these interest rate caps. We recognized \$5.3 million of interest income relating to these derivatives during the year ended December 31, 2023, which is recorded in Interest Expense, net on the Consolidated Statement of Operations. In April 2023, the Partnership terminated its interest rate caps with an aggregate notional value of \$978.9 million. The Partnership received cash proceeds during the year ended December 31, 2023 of \$13.5 million, net of early termination fees.

Income Taxes

For U.S. federal income tax purposes, the Partnership's income is not directly subject to income tax and the Partnership is treated as a pass-through entity. Limited Partnerships (LPs) are formed in accordance with the laws of the state in which they are organized. LPs, such as the Partnership, are treated as partnerships or disregarded entities for federal income tax purposes, depending upon the structure. All income, expenses, gains and losses are passed through to and reported by its owner and ultimately flow to individual taxpayers. Accordingly, no provision has been made for federal income taxes in the accompanying consolidated financial statements. The Partnership is subject to the Texas franchise tax. The Partnership recognized a provision for the Texas franchise tax of \$0.5 million for the year ended December 31, 2024 and included in Income tax expenses in the Consolidated Statement of Operations. There was no provision for the year ended December 31, 2023.

Certain transactions may be subject to accounting treatment for income tax that differs from the presentation under GAAP. Accordingly, items of net income or loss and balances in the member's capital accounts may differ between the balances presented in the accompanying consolidated financial statements and the balances shown in the respective income tax returns.

The Partnership has evaluated tax positions taken or expected to be taken and concluded that there are no uncertain tax positions requiring adjustment to the consolidated financial statements for the years ended December 31, 2024 and 2023. The Partnership tax years are open to income tax examinations by

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U.S. federal, state or local tax authorities for tax years 2019 through 2023. Conclusions regarding the evaluation are subject to review and may change based on factors including, but not limited to, ongoing analysis of tax laws, regulations and interpretations thereof.

The Partnership accounts for deferred income taxes using the asset and liability method. Under this method, deferred tax assets and liabilities are recognized for the future taxes attributable to the difference between financial statement carrying amounts of assets and liabilities and their respective tax basis. Deferred tax assets are also recognized for the future tax benefits attributable to the expected utilization of tax net operating loss carryforwards. In the event future utilization is determined to be unlikely, a valuation allowance is provided to reduce the tax benefits from such assets. There were no deferred tax assets or liabilities recorded as of December 31, 2024 or 2023.

Contingencies

Certain conditions may exist as of the date the consolidated financial statements are issued, which may result in a loss to the Partnership, but which will only be resolved when one or more future events occur or fail to occur. The Partnership's management assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Partnership or unasserted claims that may result in such proceedings, the Partnership evaluates the perceived merits of any legal proceedings or unasserted claims, as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Partnership's consolidated financial statements based on the available facts and circumstances surrounding the matter in question. If the estimated loss has a range of possible outcomes and all outcomes are equally possible, we accrue the lowest amount within the possible range. If the assessment indicates that a potentially material loss contingency is not probable, but is reasonably possible, or is probable, but cannot be estimated, then the nature of the contingent liability, together with an estimate of the range of possible loss, if determinable and material, would be disclosed. Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed.

Risks and Uncertainties

The Partnership's future financial condition and results of operations are highly dependent on throughput volumes being transported through the Partnership's pipeline. Customer demand is based on the demand and prices received by customers for their oil, gas and natural gas liquids production. Commodity prices are subject to wide fluctuation in response to relatively minor changes in the supply of and demand for oil, natural gas and natural gas liquids, and market uncertainty, and a variety of additional factors beyond the Partnership's control. These factors include the supply of oil and gas reserves in our areas of operations, the level of consumer demand, weather conditions, government regulations and taxes, the price and availability of alternative fuels, and overall economic conditions. A decline in oil, natural gas and natural gas liquids prices may adversely affect the Partnership's cash flow, liquidity, and profitability as customers reduce the amount of drilling activity in our areas of operations, which could impact our throughput volumes.

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3. Accounts Receivable

Accounts receivable consist of the following (dollars in thousands):

	December 31, 2024	December 31, 2023
Trade receivables	\$ 31,263	\$ 25,278
Related party receivables	2,118	2,840
Other receivables	110	305
Accounts Receivable	<u>\$ 33,491</u>	<u>\$ 28,423</u>

Trade receivables arise from the transportation of crude oil, terminal and storage services and the sale of crude oil to third party customers. There is \$33.3 million of total trade receivables due as of December 31, 2024 from transportation, terminal services and crude oil sales of which \$2.1 million is included in Related Party Receivables.

Related party receivables primarily represent amounts owed to the Partnership for transportation of crude oil and terminaling services. See *Footnote # 15 Related Party Transactions* for further discussion of these transactions.

4. Property, Plant and Equipment

Property, plant and equipment is comprised primarily of office equipment, furniture, and fixtures and crude oil transportation pipelines and associated facilities that were placed in-service in 2021 and 2020. The Partnership has placed in service nearly 900-miles of pipelines originating near Orla, Texas and terminating near Corpus Christi, Texas at waterborne crude loading facilities, various refineries, and third-party terminals in the Corpus Christi, Texas region. The Partnership placed \$7.8 million and \$5.7 million, of assets into service during the years ended December 31, 2024 and 2023, respectively, primarily related to pump station and pipeline reliability in 2024 and upgrading pump stations in 2023.

Property, plant and equipment, net as of December 31, 2024 and 2023 consisted of the following (dollars in thousands):

	December 31, 2024	December 31, 2023
Land	\$ 21,356	\$ 8,858
Office equipment, furniture and fixtures	3,816	3,282
Pipeline	1,453,030	1,451,895
Machinery, equipment and buildings	388,854	383,138
Vessels, towers and tanks	235,650	236,104
ROW	292,475	305,016
Construction in progress - pipeline	36,509	36,290
Property, plant and equipment, gross	\$ 2,431,690	\$ 2,424,583
Less: Accumulated depreciation and amortization	(535,868)	(424,495)
Property and equipment, net	<u>\$ 1,895,822</u>	<u>\$ 2,000,088</u>

Depreciation expense for the year ended December 31, 2024 and 2023, was \$111.4 million and \$113.3 million, respectively.

The Partnership did not recognize any impairments during the years ended December 31, 2024 or 2023.

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5. Leases

The Partnership leases a terminal facility and dock in Corpus Christi under non-cancelable operating leases, whose initial terms were approximately 38.5 years. At present, the Partnership does not have any leases that are classified as financing leases in accordance with Topic 842.

The components of operating lease amounts recognized in the accompanying Consolidated Balance Sheets as of December 31, 2024 and 2023 were as follows (dollars in thousands):

Assets	December 31, 2024	December 31, 2023
Right-of-use assets, net	\$ 39,037	\$ 39,708
Liabilities	December 31, 2024	December 31, 2023
Lease liabilities ⁽¹⁾	\$ 700	\$ 684
Long term lease liabilities	32,529	33,229

⁽¹⁾ Presented in Other current liabilities on the Consolidated Balance Sheets

The components of lease expense for the year ended December 31, 2024 and 2023 were as follows (dollars in thousands):

Component of Lease Expense	Income Statement Location	Year ended December 31, 2024	Year ended December 31, 2023
Operating Lease Cost	Operating Expense	\$ 1,638	\$ 1,630

The weighted average remaining lease terms and weighted average discount rates as of December 31, 2024 and 2023 were as follows:

	December 31, 2024	December 31, 2023
Weighted-average remaining lease term (years):		
Operating leases	33	34
Weighted-average discount rate (%):		
Operating leases	2.39%	2.39%

Cash flows and non-cash activity related to leases for the year ended December 31, 2024 and 2023 were as follows (dollars in thousands):

	Year ended December 31, 2024	Year ended December 31, 2023
Operating cash flows from operating leases	\$ (12)	\$ 130

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Maturities of the lease liabilities for each of the five succeeding years are as follows (dollars in thousands):

Years Ending December 31,	Operating leases	
2025	\$	1,500
2026		1,500
2027		1,500
2028		1,500
2029		1,500
Thereafter		40,500
Total lease payments		48,000
Less: present value discount		(14,771)
Present value of lease liabilities	\$	<u>33,229</u>

6. Accrued expenses and other liabilities

Accrued expenses and other liabilities consist of the following (dollars in thousands):

	December 31, 2024	December 31, 2023
Accrued ad-valorem taxes	\$ 18,161	\$ 6,603
Accrued interest	19,650	11,678
Short-term notes payable	2,630	2,537
Other liabilities	16,656	15,389
Accrued expenses and other liabilities	<u>\$ 57,097</u>	<u>\$ 36,207</u>

As of December 31, 2024, other liabilities consisted primarily of accruals for employee related labor costs and operating expenses totaling \$11.5 million and \$2.8 million, respectively.

As of December 31, 2023, other liabilities consisted primarily of accruals for employee related labor costs and operating expenses totaling \$11.7 million and \$3.0 million, respectively.

7. Long-Term Debt

Our outstanding long-term debt obligations consisted of the following (dollars in thousands):

	December 31, 2024	December 31, 2023
2024 Term Loan due 2031	\$ 1,200,000	\$ -
2019 Term Loan due 2026	-	1,136,813
2019 Revolving Credit Facility	-	50,000
Less: Deferred debt issuance costs	(22,680)	(22,418)
Total Debt	\$ 1,177,320	\$ 1,164,395
Less: Current Maturities	(12,000)	(11,750)
Total Long-term debt, less current maturities	<u>\$ 1,165,320</u>	<u>\$ 1,152,645</u>

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Term Loan Credit Agreements

Term Loan and Revolving Credit Facility Amendments and Refinancing

In 2019, EPIC entered into a Term Loan Credit Agreement dated March 1, 2019 (“2019 Term Loan Credit Agreement”) which provides secured financing in an aggregate principal amount of up to \$1 billion due 2026 (“2019 Term Loan”) and a \$75 million secured revolving credit facility commitment due 2024 (“2019 Revolving Credit Facility”). The 2019 Term Loan proceeds were used to pay off outstanding indebtedness and fund continued project construction costs. The 2019 Term Loan Credit Agreement was amended twice in February 2020 to provide for an additional \$175 million Incremental Term Loan, which are due in 2026.

In May 2023, the Partnership amended the 2019 Revolving Credit Facility to extend the maturity date to 2026, reduce the availability to \$50 million, and convert from LIBOR to SOFR-based borrowings. Subsequently, borrowings under the 2019 Revolving Credit Facility bear interest at SOFR plus the Benchmark Replacement Adjustment plus an applicable margin or a base rate, as defined in the 2019 Term Loan Credit Agreement, as amended.

In August 2023, the Partnership amended the 2019 Term Loan to convert from LIBOR to SOFR-based borrowings. Subsequently, borrowings under the 2019 Term Loans bear interest at the SOFR plus the Benchmark Replacement Adjustment plus an applicable margin or a base rate as defined in the 2019 Term Loan Credit Agreements, as amended.

On October 15, 2024, the Partnership entered into a new Credit Agreement (“2024 Credit Agreement”), which provided a Term Loan in the aggregate principal amount of \$1.2 billion due October 15, 2031 (“2024 Term Loan”) and a revolving credit facility up to \$125 million due October 10, 2029 (“2024 Revolving Credit Facility”).

2019 Term Loan and 2019 Revolving Credit Facility

In October 2024, the Partnership paid off the balance of the 2019 Term Loan and the 2019 Revolving Credit Facility in conjunction with the issuance of the 2024 Credit Agreement.

The Benchmark Replacement Adjustment ranges from 0.10% to 0.43%, as defined in the 2019 Term Loan Credit Agreements, as amended. The weighted average interest rate on the total amount outstanding under the 2019 Term Loan as of December 31, 2023 was 10.91%.

As of December 31, 2023, we had \$50.0 million borrowings and \$0.0 million of letters of credit issued under the 2019 Revolving Credit Facility. The interest rate on the total amount outstanding on the 2019 Revolving Credit Facility as of December 31, 2023 was 10.23%

2024 Term Loan and 2024 Revolving Credit Facility

Borrowings under the 2024 Term Loan bear interest at the SOFR plus an applicable margin. The interest rate on the total amount outstanding on the 2024 Term Loan as of December 31, 2024 was 7.66%.

As of December 31, 2024, we had \$0.0 million borrowings and \$0.0 million of letters of credit issued under the 2024 Term Loan and Revolving Credit Facility. There was \$125 million available under the 2024 Revolving Credit Facility as of December 31, 2024.

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The commitment rate on the undrawn amount on the 2024 Revolving Credit Facility as of December 31, 2024 was 0.50% when net leverage is greater than 4.5x and 0.375% when net leverage is less than or equal to 4.50x. As of December 31, 2024 the commitment fee was 0.375%. As there were no borrowings or letters of credit issued under the 2024 Revolving Credit Facility, the interest rate was 0.0%.

Covenants

Substantially all of our assets and equity are pledged as collateral under the 2024 Credit Agreement. The 2024 Credit Agreement contains customary representations and warranties and various covenants that limit the Partnership's ability to, among other things, incur indebtedness, grant liens, enter into mergers, dispose of assets, or enter sales-leaseback transactions. In addition, the 2024 Credit Agreement requires the Partnership to maintain the following financial covenants commencing the 1st full fiscal quarter occurring after the Close Date:

- Minimum debt service coverage ratio of 1.10x
- Maximum superpriority leverage ratio of 1.00x. The superpriority leverage ratio is calculated using only superpriority debt. As of December 31, 2024, only the 2024 Revolving Credit Facility was considered superpriority debt as defined by the 2024 Credit Agreement.

The Partnership was in compliance with financial covenants related to our debt agreements as of December 31, 2024.

Maturities

Maturities of the 2024 Term Loan for each of the five succeeding years are as follows (dollars in thousands):

Years Ending December 31,	
2025	12,000
2026	12,000
2027	12,000
2028	12,000
2029	12,000
Thereafter	1,140,000
Total	<u>\$ 1,200,000</u>

8. Short-Term Notes Payable

The Partnership entered into a short-term notes payable during the year ended December 31, 2024 and 2023 for financing of its insurance policies. The balance of the short-term notes payable at December 31, 2024 and 2023 is \$2.6 million and \$2.5 million, respectively, which is included in Accrued expense and other liabilities on the Consolidated Balance Sheets. The interest rate for the short-term notes payable at December 31, 2024 and 2023 were 6.79% and 7.49%, respectively.

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9. Owners' Equity

Class A Equity

Owners' equity is composed of Class A units which represent limited partner interests in the Partnership. The holders of our Class A units are entitled to participate in our distributions (to the extent distributions are made) and are entitled to exercise the rights and privileges available to limited partners under our partnership agreement. No other class of units is issued and outstanding as of December 31, 2024.

In 2019, EPIC Crude Parent, LP, sold: (i) a 10% equity stake in the Partnership to Rattler Midstream, LLC (a subsidiary of Diamondback Energy, Inc.), (ii) a 30% equity stake in the Partnership to Dos Rios Crude Holdings, LLC, and (iii) a 15% equity stake in the Partnership to Altus Midstream Processing, LP (a subsidiary of Kinetic Holdings, Inc.). The transactions noted herein reduced EPIC Crude Parent, LP's overall ownership of the Partnership to 45%.

In July 2024, Dos Rios Crude Holdings, LLC sold its 30% equity stake to subsidiaries of Diamondback Energy, Inc. and Kinetic Holdings, Inc., at which point each of these companies have equity stakes in the Partnership of 27.5%.

General Partner Interests

As defined by the partnership agreement, our general partner has a 0% economic ownership interest in the Partnership. However, the general partner continues to maintain all the rights afforded under the partnership agreement as it relates to managing the Partnership's normal business activities.

10. Commitments and Contingent Liabilities

The Partnership is subject to various regulatory, civil and legal claims and proceedings covering a wide range of matters that arise in the ordinary course of our business activities. Although no assurances can be given, management believes any liability that may ultimately result from the resolution of these matters will not have a material adverse effect on the consolidated financial condition or results of operations of the Partnership. When we determine a loss is probable of occurring and is reasonably estimable, we accrue a liability for that specific matter based on our best estimate at the time based on the available facts and circumstances surrounding the matter in question. If the estimated loss has a range of possible outcomes and all outcomes are equally possible, we accrue the lowest amount within the possible range. We disclose contingencies where an adverse result may be material, or in the decision of management, we conclude the matter should be disclosed.

Litigation Claims

The Partnership had \$0.2 million of contingent liabilities recorded as of December 31, 2024 associated with the below litigation. There were no contingent liabilities recorded as of December 31, 2023.

Mercado Lawsuit

In August 2020, Nancy and Antonio Mercado (the "Mercados") sued EPIC Crude Pipeline, LP in Duval County, Texas for breach of contract, negligence, and gross negligence relating to the construction of two pipelines across their property. At trial in January 2025, the Mercados amended their original petition to add new claims of trespass, fraud and unjust enrichment, and the jury found in favor of the Mercados on all claims and the Mercados entered a Motion for Judgment of \$28.5 million. We will challenge the verdict by filing certain post-trial motions and commence the appeals process if the motions are denied by the

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trial court. We have evaluated the exposure for each individual claim's probability of occurring, and if deemed reasonably possible of occurring, if the claim is covered under our insurance policy. Based on our assessment, we have recorded a legal reserve of \$0.2 million primarily related to uninsurable right-of-way damages.

11. Derivative Financial Instrument

The Partnership entered into nine interest rate caps during 2022. The cash settlements for the interest rate caps are recognized in interest expense, net on the Consolidated Statement of Operations and the remaining change in fair value for the Interest rate caps is recognized as Unrealized gains or losses on the Consolidated Statement of Operations. The interest rate caps were terminated in April 2023.

The following table details the location of gains (losses) on the Partnership's derivatives recognized in the accompanying Consolidated Statements of Operations for the year ended December 31, 2023. There were no gains or losses recorded during the year ended December 31, 2024 (dollars in thousands):

	Statement of Comprehensive Income (Loss) Location	Derivative designation	December 31, 2023
Interest rate caps	Interest Expense, net	Not designated as hedging instruments	\$ 5,254
Interest rate caps	Other income - Unrealized (loss) gain on derivatives	Not designated as hedging instruments	\$ (5,081)

12. Fair Value Measurements and Disclosures

The requirements of ASC 820, *Fair Value Measurements and Disclosures*, apply to all financial instruments and all nonfinancial assets and nonfinancial liabilities that are being measured and reported on a fair value basis. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 also establishes a fair value hierarchy that prioritizes the inputs used in valuation methodologies into the following three levels:

- Level 1 Inputs – Unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2 Inputs – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, or other inputs that can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 Inputs – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or other valuation techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The fair value of the Partnership's cash, cash equivalents, and trade accounts receivable and payable approximates the carrying amounts of such instruments due to their short maturity. The fair value of the Partnership's debt approximates the carrying amounts of such instrument due to the variable interest rate.

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The Partnership obtains fair value measurements for derivative instruments from reputable pricing services. The fair value measurements are based on option pricing and discounted cash flow models which consider observable data that include forward market prices, volatilities and risk-free interest rates. The general classification of such instruments pursuant to the valuation hierarchy is set forth below. As all of the interest rate caps were terminated during 2023, no fair value measurement was necessary at December 31, 2024 or 2023.

13. Major Customers

At December 31, 2024, the Partnership's trade receivables balance was related to over 25 customers. Of those, five customers made up approximately 77% of the trade receivables balance as of December 31, 2024 and 62% of total revenues for the year ended December 31, 2024.

At December 31, 2023, the Partnership's trade receivables balance was related to over 27 customers. Of those, five customers made up approximately 73% of the trade receivables balance as of December 31, 2023 and 72% of total revenues for the year ended December 31, 2023.

14. Revenue Recognition

We provide pipeline transportation and terminaling services, which includes product storage and export dock loading, on a firm and interruptible basis. For our firm transportation service, we typically promise to transport on a stand-ready basis the customer's minimum volume commitment amount. The customer is obligated to pay for its volume commitment amount, regardless of whether the customer flows volumes into our pipeline. The customer pays a transaction price typically based on a per-unit rate for quantities transported, including amounts attributable to deficiency quantities, or can be structured as a purchase and sale that contain fixed differential between the purchase and sale price to capture a margin relative to the service being performed. These transactions are included in our revenues on a net basis. Our firm terminal services generally follow the same recognition principles; however, the nature of the contracted service is different in that we are not transporting volume for the customer but are delivering/loading product onto an ocean-going vessel at our waterborne terminal facility or providing crude oil storage. Non-firm transportation and terminaling services are provided to our customers when and to the extent we determine the requested capacity is available in our pipeline system and/or terminal facilities. The customer pays a per-unit rate for actual quantities of product transported, loaded onto a vessel or stored within our facilities. Firm and interruptible services, ultimately have the same end goal by our customers which is transporting product from origin to destination and loading product across our dock and/or storing volumes for future consumption.

Our sales and purchases of crude oil are primarily accounted for on a gross basis as sales of crude oil and cost of sales, except in circumstances where the Partnership is (i) not a principal in the transaction and does not have price risk or control of the goods prior to transfer to the customer or (ii) the purchase and sale are completely dependent on one another and carry the same performance obligation. In these instances, the revenue is recognized on a net basis. These customer contracts generally provide for the nomination of a specified quantity of products to be delivered and sold to the customer at specified delivery points. The customer pays a contractually agreed upon price typically based on a market indexed per-unit rate for the product and quantities sold and transferred to the customer during the period. Ultimately, the goal of purchasing and selling crude oil is to capture the marginal difference between the

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purchase and sale transaction prices that represent the value of transporting crude oil and does not generally seek to capture arbitrage or market timing differentials.

Additionally, our crude oil pipeline generates physical crude oil gains, either contractually or as the result of normal operations, that are sold to third party customers at prevailing market prices.

Disaggregation of Revenues

The following table present our revenues disaggregated by source of revenue for the years ended as indicated (dollars in thousands).

	Year ended December 31, 2024	Year ended December 31, 2023
Revenues from contracts with customers		
Services		
Pipeline transportation	\$ 245,384	\$ 207,538
Terminaling and storage	15,466	17,964
Total services revenues	<u>260,850</u>	<u>225,502</u>
Crude oil sales	122,108	121,934
Total revenues from contracts with customers	<u>\$ 382,958</u>	<u>\$ 347,436</u>
Other revenues (1)	36	47
Total revenues	<u>\$ 382,994</u>	<u>\$ 347,483</u>

(1) Amounts recognized as revenue under guidance prescribed in Topics of Accounting Standards Codification (other than in Topic 606) and is composed of rental fees and an insurance settlement.

The Partnership recorded revenues of \$11.0 million and \$5.6 million, associated with minimum volume commitments in which the customer did not fulfill their obligation to transport, load or store the entirety of their reserved capacity during the years ended December 31, 2024 and 2023, respectively. Of the total minimum volume commitment revenue, we recognized minimum volume commitments for pipeline transportation services of \$8.8 million and \$1.0 million for the years ended December 31, 2024 and 2023, respectively. We recognized minimum volume commitments for terminaling related services of \$2.3 million and \$4.6 million for the years ended December 31, 2024 and 2023, respectively.

Contract Balances

Contract assets and contract liabilities are the result of timing differences between revenue recognition, invoicing, and cash collections. We recognize contract assets in those instances where billing occurs subsequent to revenue recognition, and our right to invoice the customer is conditioned on something other than the passage of time. Conversely, we recognize contract liabilities when invoicing precedes the recognition of revenue as a future performance obligation exists. As of December 31, 2024 and 2023 we had no amounts recorded as deferred revenue for consideration received, or invoiced and due, for which we have an enforceable obligation to perform in the future.

15. Related Party Transactions

The Partnership distinguishes the following related party transactions as either occurring with a) an entity in which a common control relationship exists due to our ownership or operating structure or b) the transaction is directly with an equity owner of the Partnership or with one of our equity owner partner's directly, or indirectly, owned subsidiaries.

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The Partnership paid common control and equity partner affiliated related parties approximately \$2.2 million and \$2.3 million, for certain operating expenses and general and administrative expenses including leak detection and communication services and control room services during the years ended December 31, 2024 and 2023, respectively.

In 2021, the Partnership made \$1.3 million in payments to a common control related party to cover future payroll funding requirements of which \$1 million is recorded as Long-term deposits and the \$0.3 million is recorded as Prepaid expenses, deposits, and other current assets on the Consolidated Balance Sheets as of December 31, 2024, and 2023, respectively.

The Partnership provided \$23.9 million and \$18.9 million for transportation and terminaling services to equity partner affiliates which are reflected in the Partnership's revenues for the year ended December 31, 2024 and 2023, respectively. See *Footnote # 14 Revenue Recognition* for more disaggregated information related to the Partnership's revenues.

The Partnership paid \$0.4 million and \$0.0 million to common control related parties for capital projects during the year ended December 31, 2024 and 2023, respectively. The Partnership received \$1.3 million and \$0.0 million for contracts in aid of construction from a common control related party for the year ended December 31, 2024 and 2023, for costs incurred for property plant and equipment expansion projects. The Partnership sold property, plant, and equipment to a common control related party and an equity partner affiliate for \$0.3 million during the year ended December 31, 2024. There were no property, plant, and equipment sales to related parties during the year ended December 31, 2023.

The Partnership paid an equity partner affiliate approximately \$0.0 million and \$5.3 million for purchases of crude oil during the year ended December 31, 2024 and 2023, respectively. The Partnership paid a common control related party \$72.1 million and \$52.3 million for purchases of crude oil during the year ended December 31, 2024 and 2023, respectively. See *Footnote # 14 Revenue Recognition* for more disaggregated information related to the Partnership's revenues.

The Partnership paid a common control related party approximately \$0.4 million and \$0.5 million during 2024 and 2023, respectively, for project management, reimbursement of costs incurred to acquire multi-line rights-of-way easements, land purchases, and certain capital project related property, plant and equipment. Rights-of-way easements were assigned to the Partnership by the related party upon documentation of fully executed and properly recorded easements and submission for reimbursement of costs by the related party.

16. Subsequent Events

The Partnership has evaluated subsequent events through April 24, 2025, the date the consolidated financial statements were available to be issued.

EPIC Crude Holdings, LP and Subsidiaries

Consolidated Financial Statements

For the Nine Months Ended September 30, 2025
(unaudited)

EPIC Crude Holdings, LP and Subsidiaries

Consolidated Balance Sheets

September 30, 2025 and December 31, 2024

(Dollars in Thousands)

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
	<i>(unaudited)</i>	
Current assets		
Cash	118,352	138,526
Account receivable	33,774	33,491
Inventory	7,851	5,965
Other current assets	1,177	3,884
Total current assets	<u>161,154</u>	<u>181,866</u>
Property and Equipment - net	<u>1,823,694</u>	<u>1,895,822</u>
Other assets		
Right of use assets, net	39,174	39,037
Long-term deposits	3,500	2,200
Total assets	<u>2,027,522</u>	<u>2,118,925</u>
Current liabilities		
Accounts payable	4,550	11,609
Accrued expenses and other liabilities	47,486	57,097
Current portion of long-term debt	11,170	12,000
Derivative liability	75	-
Other current liabilities	1,305	700
Total current liabilities	<u>64,586</u>	<u>81,406</u>
Long term liabilities		
Long-term debt, net of debt issuance costs	1,089,150	1,165,320
Derivative liability, long term	27	-
Other long-term liabilities	33,491	32,529
Total long-term liabilities	<u>1,122,668</u>	<u>1,197,849</u>
Total liabilities	<u>1,187,254</u>	<u>1,279,255</u>
Owners' equity		
Owners' equity	840,268	839,670
Total liabilities and owners' equity	<u>2,027,522</u>	<u>2,118,925</u>

EPIC Crude Holdings, LP and Subsidiaries

Consolidated Statements of Operations

Nine Months Ended September 30, 2025 and 2024

(Dollars in Thousands)

	<u>2025</u>	<u>2024</u>
	(unaudited)	
Transportation and terminal fees	\$ 217,560	\$ 192,409
Sales of crude oil	77,390	91,641
Total operating revenues	294,950	284,050
Cost of goods sold	46,492	50,554
Operating Margin	248,458	233,496
Operating expenses:		
Operations and maintenance	\$ 57,082	\$ 57,790
Loss on disposal of assets	42	1,152
Depreciation	85,742	84,583
General and administrative	17,319	19,340
Total operating expenses	160,185	162,865
Operating Income	88,273	70,631
Other income (expense)		
Interest expense - net	(67,321)	(100,320)
Unrealized loss on derivatives	(102)	-
Other income	118	27
Total other expense	(67,305)	(100,293)
Income (Loss) before taxes	20,968	(29,662)
Income tax expense	(370)	(227)
Net Income (Loss)	<u>\$ 20,598</u>	<u>\$ (29,889)</u>

EPIC Crude Holdings, LP and Subsidiaries

Consolidated Statements of Operations

Three Months Ended September 30, 2025 and 2024

(Dollars in Thousands)

	<u>2025</u>	<u>2024</u>
	(unaudited)	
Transportation and terminal fees	\$ 66,409	\$ 66,161
Sales of crude oil	23,864	31,354
Total operating revenues	90,273	97,515
Cost of goods sold	12,572	18,972
Operating Margin	77,701	78,543
Operating expenses:		
Operations and maintenance	\$ 16,006	\$ 19,125
Loss on disposal of assets	12	(39)
Depreciation	28,635	27,802
General and administrative	6,248	6,603
Total operating expenses	50,901	53,491
Operating Income	26,800	25,052
Other income (expense)		
Interest expense - net	(24,215)	(30,133)
Unrealized loss on derivatives	197	-
Other income	39	9
Total other expense	(23,979)	(30,124)
Income (Loss) before taxes	2,821	(5,072)
Income tax expense	(150)	(87)
Net Income (Loss)	<u>\$ 2,671</u>	<u>\$ (5,159)</u>

EPIC Crude Holdings, LP and Subsidiaries

Consolidated Statements of Changes in Equity

As of September 30, 2025

(Dollars in Thousands)

Balance at December 31, 2023	\$ 887,068
Net loss	(47,398)
Balance at December 31, 2024	\$ 839,670
Net Income	20,598
Distributions	(20,000)
Balance at September 30, 2025 (unaudited)	\$ 840,268

EPIC Crude Holdings, LP and Subsidiaries

Consolidated Statements of Cash Flows

Nine Months Ended September 30, 2025 and 2024

(Dollars in Thousands)

	2025	2024
	(unaudited)	
Cash flow from operating activities		
Net Income (loss)	\$ 20,598	\$ (29,889)
Reconciling items:		
Depreciation of property and equipment	85,742	84,583
Amortization of debt issue costs	2,369	7,702
Loss on disposal of assets	42	1,152
Unrealized loss on derivatives	102	-
Loss on extinguishment of debt	4,854	-
Changes in operating assets and liabilities:		
Accounts receivable	(283)	(2,436)
Prepaid expenses, deposits and inventory	1,092	3,147
Other long term assets	(1,300)	(500)
Accounts payable and accrued expenses	(15,141)	(25,838)
Other	843	1,078
Net cash provided by operating activities	<u>98,918</u>	<u>38,999</u>
Cash flows from investing activities		
Capital expenditures	(12,252)	(7,705)
Proceeds from disposal	12	255
Net cash used in investing activities	<u>(12,240)</u>	<u>(7,450)</u>
Cash flows from financing activities		
Repayments on credit facilities	-	(10,000)
Repayments of borrowings	(83,000)	(11,336)
Repayments of short term note payable	(2,630)	(2,537)
Deferred financing costs	(1,222)	(295)
Distributions to partners	(20,000)	-
Net cash used in financing activities	<u>(106,852)</u>	<u>(24,168)</u>
Net increase / (decrease) in cash	(20,174)	7,381
Cash, including restricted cash, at beginning of period	<u>138,526</u>	<u>72,610</u>
Cash, including restricted cash, at end of period	<u>\$ 118,352</u>	<u>\$ 79,991</u>

PLAINS ALL AMERICAN PIPELINE, L.P. AND SUBSIDIARIES
UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

On November 6, 2025, Plains All American Pipeline, L.P. (“PAA”, “we”, “us”, “our”, or the “Company”) filed a Current Report on Form 8-K (the “Original Filing”) to report that on October 31, 2025, pursuant to a Purchase and Sale Agreement (the “PSA”) entered into on August 30, 2025 by and among a wholly-owned subsidiary (the “Buyer”) of PAA, and subsidiaries of Diamondback Energy, Inc. and Kinetik Holdings Inc. (collectively, the “Sellers”), the Buyer completed the purchase from Sellers of an aggregate 55% non-operated equity interest in EPIC Crude Holdings, LP (“EPIC Crude Holdings”), the entity that owns and operates the EPIC Crude Oil Pipeline (the “EPIC Pipeline”), and an aggregate 55% of the membership interests in EPIC Crude Holdings GP, LLC (“EPIC GP”), the general partner of EPIC Crude Holdings (the “EPIC 55% Transaction”).

Effective November 1, 2025, in a separate transaction from the EPIC 55% Transaction, the Buyer also completed the purchase of the remaining 45% equity interest in EPIC Crude Holdings and the remaining 45% of the membership interests in EPIC GP from a subsidiary of Ares Management LLC (the “Ares Seller”) pursuant to that certain definitive Equity Purchase Agreement (the “EPA”) among the Buyer and the Ares Seller (the “EPIC 45% Transaction,” and, together with the EPIC 55% Transaction, the “Transactions”).

As a result of the Transactions, PAA now indirectly owns 100% of the equity interests in EPIC Crude Holdings and 100% of the membership interests in EPIC GP and will serve as operator of record of the EPIC Pipeline. PAA is reporting the Transactions in aggregate as a singular transaction (the “Transaction”) for purposes of the unaudited pro forma condensed combined financial information below due to EPIC Crude Holdings being managed by a common management team despite varying equity ownership.

The Transaction is accounted for as a business combination and thus the Transaction Accounting Adjustments presented in the unaudited pro forma condensed combined financial information have been prepared using the acquisition method of accounting in accordance with Financial Accounting Standards Board Accounting Standards Codification 805, Business Combinations (“ASC 805”). The unaudited pro forma condensed combined financial information is based on assumptions that we believe are reasonable under the circumstances and are intended for informational purposes only. They reflect management’s preliminary estimates of the values of the assets acquired and liabilities assumed, pending the completion of valuation procedures. A change in pro forma adjustments of the purchase price for the Transaction would primarily result in an adjustment to the determined fair values assigned to tangible and intangible assets. The income statement effect of any such changes will depend on the nature and amount of the adjustments.

The following unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of SEC Regulation S-X and includes pro forma adjustments that are directly attributable to the Transaction and factually supportable. Certain adjustments have been reflected in the unaudited pro forma condensed statement of combined continuing operations for the year ended December 31, 2024 to give effect to the removal of the results of our natural gas liquids business in Canada (the “Canadian NGL Business”), which is presented as discontinued operations. Accordingly, these adjustments have been included to provide consistent presentation and enhance comparability between periods. See Note 4 for additional information. Additionally, certain reclassifications have been made to the historical presentation of EPIC Crude Holdings’ financial statements to conform to our presentation and to the presentation of the unaudited pro forma condensed combined financial information contained herein. See Note 6 for additional information.

The unaudited pro forma condensed combined financial information has been derived from and should be read in conjunction with the following historical financial statements and accompanying notes of PAA and EPIC Crude Holdings:

- audited consolidated financial statements and related notes of PAA included in PAA’s Annual Report on Form 10-K for the year ended December 31, 2024;
- unaudited condensed consolidated financial statements and related notes of PAA included in PAA’s Quarterly Report on Form 10-Q for the nine months ended September 30, 2025;
- audited consolidated financial statements and related notes of EPIC Crude Holdings, LP and Subsidiaries for the year ended December 31, 2024, included in Exhibit 99.1 to this Current Report on Form 8-K/A; and
- unaudited condensed consolidated financial statements of EPIC Crude Holdings, LP and Subsidiaries for the nine months ended September 30, 2025, included in Exhibit 99.2 to this Current Report on Form 8-K/A.

The unaudited pro forma condensed combined financial information should also be read together with the accompanying notes to the unaudited pro forma condensed combined financial information. The pro forma adjustments are preliminary and are based upon available information and certain assumptions, as described in the accompanying notes to the unaudited pro forma condensed combined financial information, which PAA believes are reasonable under the circumstances.

PLAINS ALL AMERICAN PIPELINE, L.P. AND SUBSIDIARIES
UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following unaudited pro forma condensed statements of combined continuing operations for the nine months ended September 30, 2025 and for the year ended December 31, 2024 have been prepared as if the Transaction described above had taken place on January 1, 2024. The unaudited pro forma condensed combined balance sheet as of September 30, 2025 assumes the Transaction was consummated on September 30, 2025.

The unaudited pro forma condensed combined financial information was prepared to reflect transaction accounting adjustments that PAA believes are necessary to present a fair statement of the combined company's financial position and results of operations following the Transaction. They do not reflect any anticipated synergies, integration costs, cost savings, or other potential impacts of combining the businesses. The unaudited pro forma condensed combined financial information is presented for illustrative purposes only and are based on preliminary estimates and assumptions that are subject to change.

The unaudited pro forma condensed combined financial information is not necessarily indicative of the results of the actual or future operations or financial condition that would have been achieved had the Transaction occurred at the dates assumed (as noted above). The actual results in the periods following the Transaction may differ significantly from those reflected in the unaudited pro forma condensed combined financial information for a number of reasons including, but not limited to, differences between the assumptions used to prepare the unaudited pro forma condensed combined financial information and the actual amounts and the completion of a final valuation of the Transaction.

PLAINS ALL AMERICAN PIPELINE, L.P. AND SUBSIDIARIES
 UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

PLAINS ALL AMERICAN PIPELINE, L.P. AND SUBSIDIARIES
 UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
 September 30, 2025
 (in millions)

	PAA Historical	EPIC Historical As Adjusted (Note 6)	Pro Forma Adjustments (Note 3)	PAA Pro Forma Combined
ASSETS				
CURRENT ASSETS				
Cash and cash equivalents	\$ 1,180	\$ 118	\$ —	\$ 1,298
Trade accounts receivable and other receivables, net	3,623	34	—	3,657
Inventory	184	8	—	192
Current assets of discontinued operations	434	—	—	434
Other current assets	162	1	—	163
Total current assets	5,583	161	—	5,744
PROPERTY AND EQUIPMENT, NET	14,143	1,824	913 (a)	16,880
OTHER ASSETS				
Investments in unconsolidated entities	2,873	—	—	2,873
Intangible assets, net	1,570	—	278 (a)	1,848
Linefill	933	—	—	933
Long term operating lease right of use asset, net	184	39	—	223
Long-term inventory	227	—	—	227
Long-term assets of discontinued operations	2,479	—	—	2,479
Other long-term assets, net	109	4	(1) (a)	112
Total assets	\$ 28,101	\$ 2,028	\$ 1,190	\$ 31,319
LIABILITIES AND PARTNERS' CAPITAL				
CURRENT LIABILITIES				
Trade accounts payable	\$ 3,584	\$ 15	\$ 7 (b)	\$ 3,606
Short-term debt	1,010	11	—	1,021
Current liabilities of discontinued operations	283	—	—	283
Other current liabilities	488	38	—	526
Total current liabilities	5,365	64	7	5,436
LONG-TERM LIABILITIES				
Senior notes, net	8,371	—	—	8,371
Other long-term debt, net	68	1,089	1,901 (c)	3,072
			14 (a)	
Long-term operating lease liabilities	188	34	—	222
Long-term liabilities of discontinued operations	597	—	—	597
Other long-term liabilities and deferred credits	523	1	115 (d)	639
Total long-term liabilities	9,747	1,124	2,030	12,901
COMMITMENTS AND CONTINGENCIES				
PARTNERS' CAPITAL				
Series A Preferred	1,247	—	—	1,247
Series B Preferred	787	—	—	787
Common unitholders	7,729	840	(840) (a)	7,722
			(7) (b)	
Total partners' capital excluding noncontrolling interests	9,763	840	(847)	9,756
Noncontrolling interests	3,226	—	—	3,226
Total partners' capital	12,989	840	(847)	12,982
Total liabilities and partners' capital	\$ 28,101	\$ 2,028	\$ 1,190	\$ 31,319

The accompanying notes are an integral part of this Unaudited Pro Forma Condensed Combined Financial Information.

PLAINS ALL AMERICAN PIPELINE, L.P. AND SUBSIDIARIES
 UNAUDITED PRO FORMA CONDENSED STATEMENT OF COMBINED CONTINUING OPERATIONS
 For the Nine Months Ended September 30, 2025
 (in millions, except per unit data)

	PAA Historical	EPIC Historical As Adjusted (Note 6)	Pro Forma Adjustments (Note 3)	PAA Pro Forma Combined
REVENUES	\$ 33,698	\$ 181	\$ —	\$ 33,879
COSTS AND EXPENSES				
Purchases and related costs	30,862	(68)	—	30,794
Field operating costs	873	57	—	930
General and administrative expenses	251	17	—	268
Depreciation and amortization	696	86	(86) (f) 43 (g)	777
			38 (g)	
Gain on asset sales, net	(64)	—	—	(64)
Total costs and expenses	32,618	92	(5)	32,705
OPERATING INCOME	1,080	89	5	1,174
OTHER INCOME/(EXPENSE)				
Equity earnings in unconsolidated entities	292	—	—	292
Gain on investments in unconsolidated entities, net	31	—	—	31
Interest expense	(395)	(67)	(80) (h)	(542)
Other income, net	70	—	—	70
INCOME FROM CONTINUING OPERATIONS BEFORE TAX	1,078	22	(75)	1,025
Current income tax expense from continuing operations	(11)	—	—	(11)
Deferred income tax expense from continuing operations	(6)	—	—	(6)
INCOME FROM CONTINUING OPERATIONS, NET OF TAX	1,061	22	(75)	1,008
Net income attributable to noncontrolling interests from continuing operations	(249)	—	—	(249)
NET INCOME ATTRIBUTABLE TO PAA FROM CONTINUING OPERATIONS	<u>\$ 812</u>	<u>\$ 22</u>	<u>\$ (75)</u>	<u>\$ 759</u>
NET INCOME PER COMMON UNIT:				
Net income allocated to common unitholders - Basic and Diluted				
Net income allocated to common unitholders from continuing operations - Basic and Diluted	\$ 599			\$ 546
Basic and diluted weighted average common units outstanding	704			704
Basic and diluted net income per common unit				
Basic and diluted net income per common unit from continuing operations	<u>\$ 0.85</u>			<u>\$ 0.78</u>

The accompanying notes are an integral part of this Unaudited Pro Forma Condensed Combined Financial Information.

PLAINS ALL AMERICAN PIPELINE, L.P. AND SUBSIDIARIES
UNAUDITED PRO FORMA CONDENSED STATEMENT OF COMBINED CONTINUING OPERATIONS
For the Year Ended December 31, 2024
(in millions, except per unit data)

	PAA Historical As Adjusted for Continuing Operations (Note 4)	EPIC Historical As Adjusted (Note 6)	Pro Forma Adjustments (Note 3)	PAA Pro Forma Combined
REVENUES	\$ 48,889	\$ 235	\$ —	\$ 49,124
COSTS AND EXPENSES				
Purchases and related costs	45,162	(75)	—	45,087
Field operating costs	1,471	77	3 (e)	1,551
General and administrative expenses	328	27	4 (e)	368
			9 (b)	
Depreciation and amortization	901	111	(111) (f)	1,024
			57 (g)	
			66 (g)	
Loss on asset sales, net	159	1	—	160
Total costs and expenses	48,021	141	28	48,190
OPERATING INCOME	868	94	(28)	934
OTHER INCOME/(EXPENSE)				
Equity earnings in unconsolidated entities	452	—	—	452
Gain on investments in unconsolidated entities, net	15	—	—	15
Interest expense	(430)	(139)	(121) (h)	(690)
Other income, net	64	—	—	64
INCOME (LOSS) FROM CONTINUING OPERATIONS BEFORE TAX	969	(45)	(149)	775
Current income tax expense from continuing operations	(82)	—	—	(82)
Deferred income tax expense from continuing operations	(5)	—	—	(5)
INCOME (LOSS) FROM CONTINUING OPERATIONS, NET OF TAX	882	(45)	(149)	688
Net income attributable to noncontrolling interests from continuing operations	(341)	—	—	(341)
NET INCOME (LOSS) ATTRIBUTABLE TO PAA FROM CONTINUING OPERATIONS	\$ 541	\$ (45)	\$ (149)	\$ 347
NET INCOME PER COMMON UNIT:				
Net income allocated to common unitholders - Basic and Diluted				
Net income allocated to common unitholders from continuing operations - Basic and Diluted	\$ 283			\$ 89
Basic and diluted weighted average common units outstanding	702			702
Basic and diluted net income per common unit				
Basic and diluted net income per common unit from continuing operations	\$ 0.40			\$ 0.13

The accompanying notes are an integral part of this Unaudited Pro Forma Condensed Combined Financial Information.

PLAINS ALL AMERICAN PIPELINE, L.P. AND SUBSIDIARIES
NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

Note 1 - Basis of Presentation

The unaudited pro forma condensed combined financial information was prepared in accordance with Article 11 of SEC Regulation S-X (“Article 11”). The unaudited pro forma condensed combined financial information includes adjustments that depict the accounting for the Transaction using Transaction Accounting Adjustments (as defined in Article 11). Adjustments depicting synergies and dis-synergies of the Transaction (“Management Adjustments”) are not presented herein.

The unaudited pro forma condensed combined financial information and underlying pro forma adjustments are based upon currently available information and certain estimates and assumptions that management believes are factually supportable; therefore, actual results could differ materially from the unaudited pro forma condensed combined financial information. However, we believe the assumptions provide a reasonable basis for presenting the significant effects of the Transaction noted herein. We believe the pro forma adjustments give appropriate effect to those assumptions and are properly applied in the unaudited pro forma condensed combined financial information.

Note 2 - Purchase Price Allocation

We purchased an aggregate 55% equity interest in EPIC Crude Holdings for approximately \$1,568 million, subject to certain adjustments and inclusive of approximately \$600 million of debt assumed. We also agreed to a potential earnout payment of \$193 million contingent upon the formal sanctioning before the end of 2027 of one or more expansions of EPIC Pipeline that in the aggregate will increase the capacity of the pipeline to at least 900,000 barrels per day. In a separate transaction, effective November 1, 2025, we acquired the remaining 45% equity interest in EPIC Crude Holdings for approximately \$1,327 million, subject to certain adjustments and inclusive of approximately \$500 million of debt assumed. We also agreed to a potential earnout payment to the seller of up to \$157 million depending on the timing and amount of incremental expansion capacity up to 300,000 barrels per day in excess of 650,000 barrels per day that is formally sanctioned before the end of 2028. The aggregate cash consideration also includes closing cash and working capital of approximately \$106 million. The estimated fair value of the aggregate earnout consideration recorded in connection with the Transaction was approximately \$115 million. The fair value of the aggregate earnout consideration was determined based on weighted-average probabilities of certain capacity expansion scenarios and the related timing thereof.

The Transaction is accounted for as a business combination in accordance with ASC 805. As the majority owner and the controlling entity, PAA is considered the acquirer and as such the PAA predecessor business is accounted for at historical cost, while the EPIC Crude Holdings predecessor business is accounted for at fair value. In accordance with ASC 805, the following table presents the fair value of the consideration in the Transaction (in millions):

Consideration:

Cash consideration	\$	1,901
Contingent consideration		115
Total consideration	\$	2,016

The Transaction has been accounted for using the acquisition method of accounting and the determination of the fair value of the assets acquired and liabilities assumed has been estimated in accordance with ASC 805. The following table shows our preliminary determination of the fair value of those assets and liabilities as of September 30, 2025 (in millions):

Description	Amount	Average Depreciable Life (in years)
Working capital and other assets, net	\$ 139	n/a
Land	21	n/a
Property and equipment, net	2,716	47
Intangible assets (included within Intangible assets, net)	278	10
Other long-term debt, net	(1,103)	n/a
Long-term operating lease liability	(34)	n/a
Other long-term liabilities and deferred credits	(1)	n/a
Total	<u>\$ 2,016</u>	

PLAINS ALL AMERICAN PIPELINE, L.P. AND SUBSIDIARIES
NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

This preliminary purchase price allocation has been used to prepare the Transaction Accounting Adjustments in the unaudited pro forma condensed combined financial information. The analysis was performed based on estimates that are reflective of market participant assumptions. The determination of the fair value of the assets acquired and liabilities assumed is preliminary pending the completion of valuation procedures and other potential adjustments. The final allocation is expected to be completed as soon as practicable and could differ materially from the preliminary allocation used in the Transaction Accounting Adjustments.

Intangible Assets are comprised of favorable contracts with useful lives from 5 to 10 years. Amortization of these intangible assets is through the declining balance amortization method and is estimated to be approximately \$13 million for the remaining three months of 2025 and approximately \$32 million, \$27 million, \$19 million, \$12 million and \$10 million, respectively, for each of the five years thereafter.

Note 3 - Pro Forma Adjustments

- (a) Reflects adjustments to fair value of the assets acquired and liabilities assumed in the Transaction based on the acquisition method of accounting. Reflects the elimination of EPIC Crude Holdings' historical Partners' capital balance.
- (b) Reflects transaction costs that are directly attributable to the Transaction of \$9 million. As of September 30, 2025, \$2 million of such costs had been accrued and were reflected in the Company's historical balance sheet. The remaining \$7 million of transaction costs are reflected as an adjustment to Trade accounts payable on the unaudited pro forma condensed combined balance sheet, with the offset to Partners' capital. The total of \$9 million of transaction costs has been recorded as an adjustment to General and administrative expense in the unaudited pro forma condensed statement of combined continuing operations for the year ended December 31, 2024.
- (c) Reflects the adjustment of \$1,901 million as of September 30, 2025 in connection with the borrowings to finance the Transaction.
- (d) Reflects the estimated fair value of earnout payments of \$115 million pursuant to the PSA and EPA. See Note 2 for additional information regarding the earnout payments.
- (e) Reflects transition service agreement costs directly attributable to the Transaction of \$7 million. As these costs are expected to be incurred after the acquisition date, they are not reflected on the unaudited pro forma condensed combined balance sheet. These amounts have been recorded as adjustments to Field operating costs and General and administrative expense in the unaudited pro forma condensed statement of combined continuing operations for the year ended December 31, 2024.
- (f) Reflects the elimination of EPIC Crude Holdings' historical depreciation and amortization of \$86 million and \$111 million for the nine months ended September 30, 2025 and the year ended December 31, 2024, respectively.
- (g) Reflects the depreciation on the acquired property and equipment under the straight-line method of depreciation over a blended average useful life of 47 years resulting in depreciation expense of \$43 million and \$57 million for the nine months ended September 30, 2025 and the year ended December 31, 2024, respectively. Also reflects the amortization of the intangible assets under the declining balance method resulting in amortization expense of \$38 million and \$66 million for the nine months ended September 30, 2025 and the year ended December 31, 2024, respectively.
- (h) Represents the interest expense on the \$1,901 million of financing as if such financing was obtained on or prior to January 1, 2024, and was outstanding for the entire year ended December 31, 2024 and nine months ended September 30, 2025. The interest rate assumed for purposes of preparing this unaudited pro forma condensed combined financial information was based off the one-month SOFR plus 1.125% as of the Closing Date. The amortization of debt issuance costs is not considered material to the unaudited pro forma condensed combined financial information.

Note 4 - Canadian NGL Business Adjustments

On June 17, 2025, we entered into a definitive Share Purchase Agreement (“SPA”) with Keyera Corp. (“Keyera”), an Alberta corporation, pursuant to which Keyera agreed to acquire all of the issued and outstanding shares of Plains Midstream Canada ULC, our wholly-owned subsidiary that owns substantially all of the Canadian NGL Business, for cash consideration of approximately CAD\$5.15 billion (approximately \$3.75 billion), subject to certain post-closing adjustments, as defined in the SPA. As of the date of filing of this Current Report on Form 8-K/A, the sale of the Canadian NGL Business has not yet closed. Beginning with the Company’s Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2025 the Canadian NGL business was presented as discontinued operations for all periods presented in accordance with Financial Accounting Standards Board Accounting Standard Codification (“ASC”) 205, Presentation of Financial Statements.

The Company’s historical results of operations for the year ended December 31, 2024 do not reflect the Canadian NGL Business as discontinued operations, whereas the statements of operations for the nine months ended September 30, 2025 already reflects the Canadian NGL Business as discontinued operations. Certain adjustments have been reflected in the unaudited pro forma condensed statement of combined continuing operations for the year ended December 31, 2024 to give effect to the removal of the results of the Canadian NGL Business, which is presented as discontinued operations. Accordingly, these adjustments have been included to provide consistent presentation and enhance comparability between periods.

The table below presents the Company’s historical results of operations for the year ended December 31, 2024, the adjustments to remove the results of the Canadian NGL Business as discontinued operations, and the resulting amounts as adjusted.

PLAINS ALL AMERICAN PIPELINE, L.P. AND SUBSIDIARIES
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CONTINUING OPERATIONS
For the Year Ended December 31, 2024
(in millions, except per unit data)

	PAA Historical	Canadian NGL Business	PAA Historical As Adjusted for Continuing Operations
REVENUES	\$ 50,073	\$ (1,184)	\$ 48,889
COSTS AND EXPENSES			
Purchases and related costs	45,560	(398)	45,162
Field operating costs	1,768	(297)	1,471
General and administrative expenses	381	(53)	328
Depreciation and amortization	1,026	(125)	901
Loss on asset sales, net	160	(1)	159
Total costs and expenses	48,895	(874)	48,021
OPERATING INCOME	1,178	(310)	868
OTHER INCOME/(EXPENSE)			
Equity earnings in unconsolidated entities	452	—	452
Gain on investments in unconsolidated entities, net	15	—	15
Interest expense	(430)	—	(430)
Other income, net	65	(1)	64
INCOME FROM CONTINUING OPERATIONS BEFORE TAX	1,280	(311)	969
Current income tax expense from continuing operations	(195)	113	(82)
Deferred income tax (expense)/benefit from continuing operations	28	(33)	(5)
INCOME FROM CONTINUING OPERATIONS, NET OF TAX	1,113	(231)	882
Net income attributable to noncontrolling interests from continuing operations	(341)	—	(341)
NET INCOME ATTRIBUTABLE TO PAA FROM CONTINUING OPERATIONS	<u>\$ 772</u>	<u>\$ (231)</u>	<u>\$ 541</u>
NET INCOME PER COMMON UNIT:			
Net income allocated to common unitholders - Basic and diluted			
Net income allocated to common unitholders from continuing operations - Basic and diluted	\$ 514		\$ 283
Basic and diluted weighted average common units outstanding	702		702
Basic and diluted net income per common unit			
Basic and diluted net income per common unit from continuing operations	<u>\$ 0.73</u>		<u>\$ 0.40</u>

The accompanying notes are an integral part of these Unaudited Pro Forma Condensed Combined Financial Information.

Note 5 - Pro Forma Net Income Per Common Unit

Pro forma basic and diluted net income per common unit is determined by dividing the pro forma net income attributable to PAA (after deducting amounts allocated to preferred unitholders and participating securities) by the basic and diluted weighted average number of common units outstanding during the applicable periods. The Transaction did not involve the issuance or redemption of securities. For purposes of this calculation, we assumed that distributions were equal to historical PAA distributions for the respective periods; all remaining excess earnings were assumed to be allocated to our common unitholders and participating securities in accordance with the contractual terms of our partnership agreement. Because our partnership agreement requires us to distribute available cash rather than earnings reflected in our statement of operations and the pro forma net income per unit calculation has been prepared on an annual basis in lieu of a quarterly basis, actual cash distributions declared and paid by us may vary significantly from reported pro forma net income per common unit.

Note 6 - Reclassification of EPIC Crude Holdings' Historical Financial Statements

Reclassification adjustments were made to EPIC Crude Holdings' historical balance sheet as of September 30, 2025, and the statements of operations for the nine months ended September 30, 2025 and the year ended December 31, 2024. Certain balance sheet and income statement line items presented by EPIC Crude Holdings under GAAP have been reclassified to align with the presentation used by PAA under GAAP. In addition, EPIC Crude Holdings' historical presentation of margin related to inventory exchanges has been conformed to PAA's accounting policy, which results in a reclassification from Revenue to Purchases and related costs. The amount of reclassification was \$114 million for the nine months ended September 30, 2025 and \$148 million for the year ended December 31, 2024. These reclassification adjustments are shown in the tables below:

EPIC CRUDE HOLDINGS, LP AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEET
September 30, 2025
(in millions)

	EPIC Historical (unaudited)	Reclassification Adjustments	EPIC Historical As Adjusted
CURRENT ASSETS			
Cash	\$ 118	\$ (118)	\$ —
Accounts receivable	34	(34)	—
Inventory	8	—	8
Other current assets	1	—	1
Cash and cash equivalents	—	118	118
Trade accounts receivable and other receivables, net	—	34	34
	<u>161</u>	<u>—</u>	<u>161</u>
Property and equipment - net	1,824	—	1,824
Right of use assets	39	(39)	—
Long-term deposits	4	(4)	—
Long term operating lease right of use asset, net	—	39	39
Other long-term assets, net	—	4	4
TOTAL ASSETS	<u>\$ 2,028</u>	<u>\$ —</u>	<u>\$ 2,028</u>
CURRENT LIABILITIES			
Accounts payable	\$ 5	\$ (5)	\$ —
Accrued expenses and other liabilities	47	(47)	—
Right of use liabilities	1	(1)	—
Short-term debt	11	—	11
Other current liabilities	—	38	38
Trade accounts payable	—	15	15
Other current liabilities	<u>64</u>	<u>—</u>	<u>64</u>
LONG-TERM LIABILITIES			
Long-term debt, net of debt issuance cost	1,089	(1,089)	—
Right of use liabilities	34	(34)	—
Long-term derivative liability	1	(1)	—
Other long-term debt, net	—	1,089	1,089
Long-term operating lease liabilities	—	34	34
Other long-term liabilities and deferred credits	—	1	1
TOTAL LIABILITIES	<u>1,188</u>	<u>—</u>	<u>1,188</u>
MEMBER'S EQUITY	840	—	840
TOTAL LIABILITIES AND MEMBER'S EQUITY	<u>\$ 2,028</u>	<u>\$ —</u>	<u>\$ 2,028</u>

EPIC CRUDE HOLDINGS, LP AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
For the Nine Months Ended September 30, 2025
(in millions)

	EPIC Historical (unaudited)	Reclassification Adjustments	EPIC Historical As Adjusted
REVENUE	\$ 295	\$ (114)	\$ 181
EXPENSES			
Cost of goods sold	46	(46)	—
Operations and maintenance	57	(57)	—
Depreciation and amortization	86	—	86
General and administrative	17	(17)	—
Purchases and related costs	—	(68)	(68)
Field operating costs	—	57	57
General and administrative expenses	—	17	17
	<u>206</u>	<u>(114)</u>	<u>92</u>
INCOME FROM OPERATIONS	<u>89</u>	<u>—</u>	<u>89</u>
OTHER INCOME (EXPENSE)			
Interest expense	(67)	—	(67)
INCOME BEFORE TAXES	<u>22</u>	<u>—</u>	<u>22</u>
NET INCOME	<u>\$ 22</u>	<u>\$ —</u>	<u>\$ 22</u>

EPIC CRUDE HOLDINGS, LP AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
For the Year Ended December 31, 2024
(in millions)

	EPIC Historical (unaudited)	Reclassification Adjustments	EPIC Historical As Adjusted
REVENUE	\$ 383	\$ (148)	\$ 235
EXPENSES			
Cost of goods sold	73	(73)	—
Operations and maintenance	77	(77)	—
Loss on disposal of assets	1	(1)	—
Depreciation	111	(111)	—
General and administrative	27	(27)	—
Purchases and related costs	—	(75)	(75)
Field operating costs	—	77	77
Loss on asset sales, net	—	1	1
Depreciation and amortization	—	111	111
General and administrative expenses	—	27	27
Total Operating expenses	289	(148)	141
INCOME FROM OPERATIONS	94	—	94
OTHER INCOME (EXPENSE)			
Interest expense	(139)	—	(139)
NET LOSS BEFORE TAXES	(45)	—	(45)
NET LOSS	\$ (45)	\$ —	\$ (45)