

Jefferies

PRIVATE CAPITAL ADVISORY – REAL ASSETS

JEF Energy Conference CV Panel

MARCH 2026 | CONFIDENTIAL



What is a CV and What Benefits Does it Provide?

Continuation Vehicle Overview

- Continuation vehicles are used as a monetization tool for sponsors across all sectors, especially in situations where companies and their underlying shareholders want to **continue their growth trajectory, harvest free cash flow, and/or bridge to an ultimate M&A or IPO exit**
- With market depth and investor sophistication increasing over the last several years, there have been many cases where the valuations achieved in the CV process **have been in-line with or even exceeded the M&A outcome**

Benefits for GPs

- ✓ Retain control of trophy asset
- ✓ Crystallize track record and accrued carried interest
- ✓ Reset management fee stream and carried interest waterfall
- ✓ Cultivate new LP relationships

Benefits for Management

- ✓ Crystallize existing MIP and take partial liquidity
- ✓ Secure unfunded capital to supplement growth
- ✓ Provide more runway to optimize for future exit
- ✓ Maintain existing governance / continue partnership with GP

All Parties Benefit from CV Transactions

Benefits for LPs

- ✓ Provides full cash liquidity option at a market-driven valuation
- ✓ Retains optionality to roll existing exposure

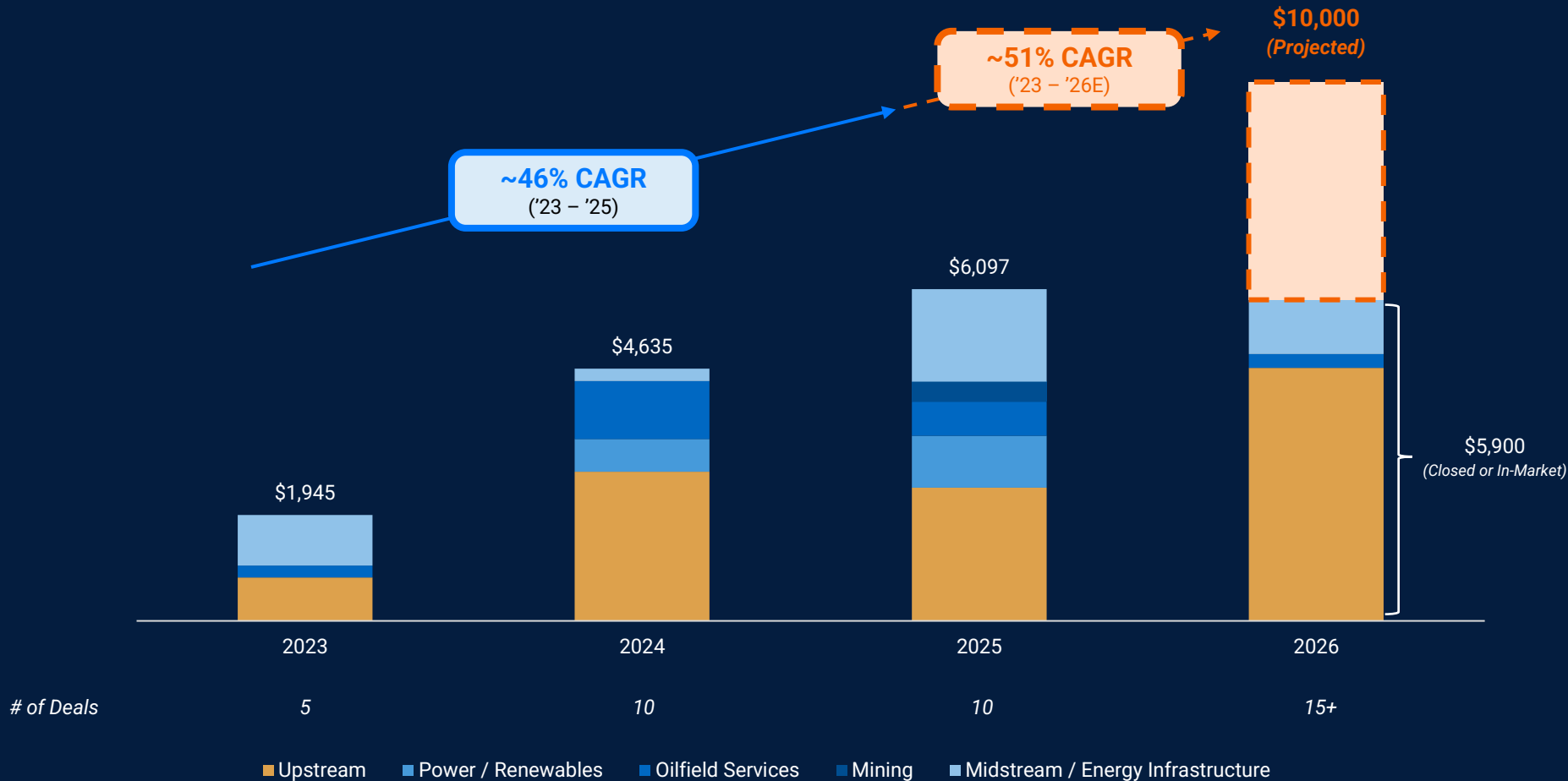
Benefits for Buyers

- ✓ Invest in a de-risked asset with limited blind-pool risk
- ✓ Partner with established sponsors and management teams with robust alignment

Energy CV Market Continues to Gain Significant Momentum

~\$14Bn of capital has been raised in energy CVs since 2023, with another ~\$4.5Bn currently in market

ENERGY & POWER GP-LED SECONDARIES GROWTH (\$MM)



Source: Internal Jefferies tracking, public disclosure, and Preqin.

The CV market has been increasingly utilized by energy sponsors, driven by a **scarcity of scaled, high-quality assets, a deepening investor pool, and broad acceptance by LPs**

Asset Quality

Scaled, high-quality assets are hand-picked for CVs to capitalize on continued growth and cash flow generation

Deepening Investor Pool

The universe of anchor investors has broadened in terms of sophistication, capital availability, and general acceptance of the transaction structure

Optional Liquidity

CVs are now seen as a "win-win", whereby sponsors can provide a liquidity solution to their funds' LPs while at the same time retaining AUM

Broad LP Acceptance

90%+ of LPs have elected the liquidity option on the heels of highly competitive auction processes, increasing transaction certainty