

# Upstream Oil and Gas Target Analysis and M&A Support

Identified potential deal options for upstream investments

Recommended deal structuring mechanism

Valuation range for each asset class

Valuation range for the firms

## CLIENT CHALLENGES

- The client wanted to identify strategic targets for potential investment in the UK North Sea, including both E&P [assets and firms](#)

## OUR APPROACH

- Based on the client's potential investment plan, prepared a list of small cap E&P firms operating in the UK North Sea and also a list of last six years' historical E&P transactions
- Conducted [financial research](#), performed comparable trading analysis, generated key financial and operational trading multiples, and came out with a valuation range for the firms
- Also, analysed comparable transactions, generated key transaction multiples based on the type of transaction (corporate vs assets) and the asset life cycle (producing, under development, exploration), and came out with a valuation range for each asset class
- Compared the historical Brent price with transaction multiples over the years for each asset class type
- Performed outside-in [diligence](#) by reviewing annual reports, investor documents, press releases, financial performance, strategic moves and futuristic statements for each firm

## IMPACT DELIVERED

- Recommended options to the client for potential investment
- Based on the inference gathered from analysing the historical transactions, suggested the client on the deal structuring mechanism that would suit its strategy

## About Acuity Knowledge Partners

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*We empower our clients to drive revenues higher. We innovate using our proprietary technology and automation solutions. We enable our clients to transform their operating model and cost base.*

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