

# M&A Support on an Upstream Oil and Gas Deal

## For an M&A Advisory Firm

Supported live  
M&A deal

Provided value added  
products and analysis

Post merger  
strategies

### CLIENT CHALLENGES

- » The client wanted us to support it on the execution of one of its M&A advisory mandates
- » The work involved: providing support on valuing the companies involved in the merger and analysing the impact the merger will bring on the new company formed as well as preparation of investment presentations for the deal

### OUR APPROACH

- » Analysed the business activities of both the firms undergoing merger. Reviewed the assets held by both the firms and the key operational parameters such as reserves, resources, upside potential, interests held, development plans, production profiles, profit shares, etc.
- » Analysed the gas monetisation options by understanding the Nigerian and Ghanaian gas market potential, pricings, demand and supply dynamics, regulations, gas policies, consumer markets, etc.
- » Reviewed the local gas players in both the countries that could act as potential buyers for gas out of the assets and can undergo a gas purchase agreement
- » Analysed the debt restructuring process for the merged firm and determined the impact on debt after merging and restructuring
- » Determined the valuations of the merged firms using discounted cash flow analysis as well as trading and transaction comparables
- » Analysed pro forma operational, financial and market values and synergies as a result of the acquisition
- » Analysed the various deal funding options and the impact on the new firm after merger

### IMPACT DELIVERED

- » Supported the client during the deal execution
- » Provided team support with high caliber and experienced O&G professionals
- » Provided the client financial analysis capabilities that helped it in creating value added products and analysis for the deal
- » Provided investment rationale for acquiring company; provided basis for high growth potential, strong earnings and financials, debt financing capabilities, geographical expansion, diverse asset portfolio, fund raising capacities, management team capabilities, partners/stakeholder strengthening, etc.
- » Provided views on various post merger strategies, such as management structure and shareholding structure

#### About Acuity Knowledge Partners

Acuity Knowledge Partners, formerly part of Moody's Corporation, is a leading provider of bespoke research, analytics, staffing and technology solutions to the financial services sector.

Headquartered in London, Acuity Knowledge Partners has nearly two decades of transformation experience in servicing over 300 clients with a specialist workforce of over 2,500 analysts and delivery experts across its global delivery network.

We provide our clients with unique assistance not only to innovate, implement transformation programmes and increase operational efficiency, but also to manage costs and improve their top lines.

These services are supported by our proprietary suite of Business Excellence and Automation Tools (BEAT) that offer domain-specific contextual technology.

Acuity Knowledge Partners is assisted by Equistone Partners Europe, a leading private equity organisation that backs specialist growth businesses and management teams.