



Date:
27-28th May, 2024

Venue:
Rosewood Hotel, Abu Dhabi

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P PELICAN ENERGY — P A R T N E R S —

Pelican Energy Partners (“Pelican” or the “Firm”) is a highly experienced private equity firm with a successful track record of investing in North American-based oilfield service and equipment (“OFSE”) companies. Experienced energy service executives founded Pelican in 2011 and the firm is based in Houston, Texas. The Firm’s principals have over 100 years of collective energy industry operating and investing experience and maintain deep and longstanding investment sourcing relationships. Pelican has raised and deployed three OFSE-focused private equity funds throughout the Firm’s history, generating strong returns for investors of 1.9x net Multiple of Money (“MoM”) and 16% net Internal Rate of Return (“IRR”).

Pelican has a proven ability to invest across economic and commodity price cycles and across the lifecycle of oil and natural gas wells (drilling, completion and production). The Firm has invested via a variety of transaction structures, including buyouts, recapitalizations, growth equity infusions and corporate carve-outs. Pelican’s investment strategy is centered around being active business builders, not asset managers, as the firm utilizes a systematic approach to build its portfolio companies into a large scale, highly profitable enterprises through its proven Value Creation Toolbox.

Pelican has identified a highly compelling investment opportunity in the North American OFSE sector and is raising a USD \$1.0 billion pool of capital via the Pelican 2024 Opportunity Fund (the “Opportunity Fund”) to take advantage of this unique market dislocation. The OFSE sector in North America is currently out of favor with both public and private investors.

This dynamic is driven by a combination of factors, including the COVID-induced downturn, perceptions of declining demand for oil and natural gas, ESG / social activism and lack of debt availability for energy companies. As a result of this negative investor sentiment, capital availability for both public companies and private equity firms in the sector has been reduced drastically. OFSE private equity capital today is down by over 95% since 2014, while public company equity issuances (initial public offerings and follow-on equity raises) are down over 70% in the 5-year period ending 2023 versus the prior 5-year period. This dynamic has created the ability for the Opportunity Fund to acquire strategically viable, scaled OFSE companies with strong market positions at highly attractive valuations.

The Opportunity Fund will be structured for rapid deployment into a robust set of identified investment opportunities and will target entry valuations of ~3.0x to 4.0x EBITDA in companies generating \$25 to \$75 million of EBITDA with strong cash flow characteristics. The Opportunity Fund will invest via all-equity capital structures, allowing for immediate quarterly cash distributions to investors, with a target annual cash yield of 15-20% on invested capital and a total return target of 3.0x Mom and >20% IRR. After a 5- to 7-year hold period, exits will be pursued opportunistically to maximize value. The Opportunity Fund will have highly favorable terms for investors, including a shorter 12-month investment period, no management fees payable directly by investors (fees paid via cash flow from portfolio companies), and a reduced 10% deal-by-deal carry structure.

Key Attributes:

- Longstanding Track Record of Successfully Investing Through Cycles
- Experienced Team Comprised of Energy Service Veterans
- Active and Proven Business Builders
- Highly Compelling North American OFSE Investment Backdrop
- Attractive Projected Returns and Investor Friendly Fund Terms



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Mike Scott

Founder and Chief Investment Officer
Pelican Energy Partners



Mike Scott has over 24 years of private equity and energy industry experience. Mike founded Pelican Energy Partners in 2012 by bringing together a unique team of operationally-focused executives with deep experience in oilfield manufacturing and service companies. He also assembled a group of investors that consists of over thirty former CEOs and twenty former energy company business owners, providing a rich resource for deal flow, relationships and industry expertise.

Prior to founding Pelican, Mike spent four years as a principal at Sorenson Capital Partners, a private equity firm in Salt Lake City, Utah with \$650MM under management. During this time, he led three platform transactions in the energy services sectors and several transactions in other industry sectors. He served as chairman of the board of NCS Energy Services and a board director of Southeast Directional Drilling and M&M Pipeline.

Prior to joining Sorenson Capital Partners, Mike worked at Cameron International Corporation, a multi-national oilfield equipment company, where he worked in corporate development and reported directly to the CFO. He also held various other management positions in global sourcing, project management and lean manufacturing, and played a key role in implementing lean manufacturing techniques in manufacturing plants throughout the U.S. and Europe.

Prior to attending business school, Mike spent six years in engineering roles at Valtek International Ltd. and AlliedSignal Inc., where he worked in product development and designed several new products for gas turbine based industrial power generation. He holds five patents and has received several design and technical achievement awards.

Mike received a BS and MS in Mechanical Engineering from Brigham Young University and received an MBA from Harvard Business School. Mike enjoys mentoring youth and young adults. He also enjoys hiking and sailing.