Growth Investments in Oil & Gas

SPE DSATS Symposium

Stavanger, Houston, Aberdeen – October 2017
EV is the Global Oil & Gas Specialist

- 5 Funds raised with more than $750 in AUM
- 45+ Investments into O&G service companies
- 25+ Exits to companies like HAL, SLB, FMC, Oceaneering
- 90+ Years of combined private equity experience
- 500+ Senior VP / CEO-level OFS specialists in direct network
- 100+ Technologies commercialized
- 15+ Co-investments with major E&P companies such as BP, Total, ConocoPhillips, Chevron and Statoil
From Energy Ventures to EV Private Equity

The Value and Risk Paradox

Focus on high growth energy technology companies with proven commerciality

- **Fund V investment focus**
  - First value inflexion: Successful field trial
  - Second value inflexion: Proven commerciality

Harder to predict → Easier to predict

VENTURE  GROWTH
How we create value

Partner with owners to **build** fundamentally better companies

Differentiated companies gain market share in a downturn and gain margins in upturn.

EVPE focuses on building companies with significant **TECHNOLOGY** differentiation AND access to large customer base and geographic footprint.

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**Origination**
- Moderate sized companies
- Differentiated technologies or business models
- Benefit from key market themes
- Positive EBITDA (USD 0 to 10m)

**Stewardship**
- IP enhancement
- Professionalization
- Geographic expansion
- EBITDA growth
- Multiple arbitrage
- Financial structuring
- Exit preparation

**Exit**
- Greater stability with EBITDA > USD 10m
- Broader geographical presence
- Generate strategic premium at exit
- Significant IP and technology differentiation
- Exit preparation
What EV is looking for in an opportunity

...and what early stage technology companies need to consider when pitching to an investor

**Technology**
- Proprietary software/technology
- Barriers to entry/competitive advantage
- IP protection

**Business Model**
- Scalable business
- Clear organic or inorganic growth path
- Product/offering to address market need

**Management Team**
- Strong team with deep sector knowledge
- Track record

**Financials**
- Positive or visibility of positive EBITDA
- Diverse customer base

**Investment Strategy**
- Technology commercialisation
- Internationalization & Organic growth
- Buy and Build

**Transaction**
- Board position and influence a pre-requisite
- Agreement on growth plan
- Clear exit visibility

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**Diagram**
- **Lower Cost**
- **Reduce Risk**
- **Improve Performance**
**Investments to date**

Broad expertise enables investments across the industry

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Building world-class companies