

UK-Based Twelve Seas to Acquire UAE's Brooge Petroleum For \$1 Billion

The UK-Based Twelve Seas Investment Company has agreed to acquire the UAE company Brooge Petroleum and Gas Investment Company "BPGIC" in a deal valued at about \$1 billion.

As per the deal, which is expected to close this year at the end of the second quarter or early third quarter, Twelve Seas will engage in a merger involving a newly formed Cayman Islands holding company and the combined company will acquire 100% of the issued and outstanding shares of the UAE company.

The shareholders of the UAE company will sell 100% of its equity interests to Twelve Seas in exchange for a total consideration of 100 million Twelve Seas ordinary shares, provided that at the election of the UAE company, up to 40% of the Closing Proceeds may be paid as cash consideration instead of Twelve Seas shares.

At the closing of the deal, Brooge Petroleum will become a wholly-owned subsidiary of Twelve Seas and all cash remaining in Twelve Seas is expected to be used for the UAE company's growth.

Founded in 2013, BPGIC is an independent oil storage provider, strategically located in the Emirate of Fujairah within the UAE. The UAE company is developing terminals in phases and aims to have a total capacity of a million cubic meters by late Q2 or early Q3 in 2020.

If no Twelve Seas shareholders elect to redeem their shares, and there is no election by the UAE company for cash consideration in lieu of shares, then current shareholders of the UAE company will hold approximately 78% of the issued and outstanding shares, and current shareholders of Twelve Seas will hold about 22% of the issued and outstanding shares.

The investments in the UAE oil and gas industry are gaining momentum. The deal follows the \$4 billion investment from BlackRock and KKR in the UAE Oil giant ADNOC Oil Pipelines last February.

<https://forbesmiddleeast.com/uk-based-twelve-seas-to-acquire-uaes-brooge-petroleum-for-1-billion>