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**THE NORWEGIAN COMPETITION ACT SECTION § 18
SIMPLIFIED NOTIFICATION ("FORENKLET MELDING") OF CONCENTRATION**

Vår Energi ASA' acquisition of sole control in Neptune Energy Norge AS

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1. CONTACT DETAILS

1.1 The notifying party

Name: Vår Energi ASA
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4313 Sandnes, Norway
Org.no.: 919 160 675

1.2 The notifying party's representative

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1.3 Target company

Name: Neptune Energy Norge AS
Address: Vestre Svanholmen 6
4313 Sandnes, Norway
Org.no.: 983 426 417

1.4 Target company's representative

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2. THE TRANSACTION

2.1 Introduction

- (1) The transaction entails that Vår Energi ASA (hereinafter "**Vår**" or "**Notifying Party**") acquires 100% of the shares in Neptune Energy Norge AS (hereinafter "**Neptune Norge**" or "**Target**") (collectively hereinafter the "**Parties**") from Neptune Energy Group Holdings Limited ("**NEGHL**"), a company organised and incorporated under the laws of England and Wales with company number 10647966.

2.2 Description of the transaction

- (2) Vår and NEGHL entered into a share purchase agreement (the "**SPA**"), dated 22 June 2023, whereby Vår will acquire 100% of the shares in, and thereby sole control over, Neptune Norge for a cash consideration (the "**Transaction**"). In parallel to the Transaction, Eni International B.V. ("**Eni**") entered into a share purchase agreement, dated 22 June 2023, to acquire 100% of the shares in Neptune Energy Group Limited, which owns, indirectly, 100% of the Shares in NEGHL, with the shareholders of Neptune Energy Group Limited (the "**Eni Transaction**").
- (3) Even though the two transactions are linked by conditionality by both the Eni/Sellers SPA and the Vår/Sellers SPA provide that the implementation of one transaction is conditional upon the implementation of the other, the two transactions must be considered as separate concentrations as ultimate control is not acquired by the same undertaking. Eni (the acquiring party of the second transaction) does no longer jointly control Vår together with the other significant shareholder, Point Resources Holding AS ("**Hitec**"), despite holding 63,04% and 20,70% of the shares respectively.
- (4) Eni's and Hitec's loss of control was a direct result of Vår's deconsolidation after its IPO in February 2022. Vår was then listed on the Oslo Stock Exchange as a publicly listed company. Eni and Hitec reduced their respective stakes from 69,85% to 64,3% and 30,15% to 24,6% (with a further reduction in June 2022, to 63,04% and 20,70%, respectively¹). Additionally, the original shareholders agreement affording Eni and Hitec joint control was terminated and Vår undertook several corporate changes. This has led to a situation with shifting majorities whereby no individual shareholder has the ability to veto strategic decisions of the company. Neither Eni nor Hitec appoint a majority of the Board members, enjoy a casting vote in the Board as this is given to the independent Chair of the Board, and shifting majorities are possible within the Board to pass a resolution of a strategic nature for the company.² In addition, a qualified majority of 2/3 of the share capital is required to pass a resolution at the General Shareholders Meeting.
- (5) Accordingly, Vår is no longer jointly controlled by Eni and Hitec, hence ultimate control is not acquired by the same undertaking (i.e., in the Transaction the acquiring party is Vår, while in the Eni Transaction the acquiring party is Eni), and the transactions constitute two separate concentrations, cf. EC's consolidated jurisdictional notice para 43. This view has also been confirmed by the EC through the pre-notification carried out by Eni.
- (6) The Transaction is otherwise primarily subject to customary conditions covering mandatory regulatory approvals. In accordance with the SPA, the acquisition is considered completed

¹ Available at <https://investors.varenergi.no/share-info/largest-shareholders/default.aspx>.

² Based on the current Vår's Articles of Association ("AoA"), the Board of Directors is composed of 12 board members, of which ENI is entitled to appoint 4 members, 4 members are elected by other shareholders than Eni holding ordinary shares and 4 members are elected by and among employees in accordance with the Norwegian Public Limited Companies Act.

after the necessary merger clearances have been obtained from the relevant competition authorities.

2.3 The rationale for the transaction

(7) The rationale for the Transaction is

(8) More specifically, the Transaction will

3. MERGER FILING OBLIGATION

(9) Vår's acquisition of 100% of the shares in, and sole control over, Neptune Norge triggers an obligation to notify the Transaction to the Norwegian Competition Authority, since the Parties have an individual and combined turnover in Norway exceeding the turnover thresholds, cf. the Norwegian Competition Act (the "NCA") Section 18, cf. Section 17, and item 5 below.

(10) Further, the requirements for notifying the Transaction by way of simplified notification is met, as even though both Parties are active on the markets for upstream production and wholesale of crude oil, natural gas and production and sale of natural gas liquids ("NGL") (horizontal overlap), the combined market share of the Parties is below 20%, regardless of market definition, cf. the Norwegian regulation for the notification of mergers ("the regulation on notifications") § 3(1) no. 3 b). This will be elaborated further under item 6 below.

(11) The Transaction does not give rise to vertical overlaps, as neither of the Parties are active on any downstream or upstream market in relation to the product markets on which the other party operates, cf. the regulation on notifications § 3(1) no. 3 c).

4. THE PARTIES

4.1 The notifying party – Vår Energi ASA

(12) Vår Energi ASA was established in 2018 through the merger between HitecVision's Point Resources AS and Eni Norge AS.³ The company underwent an IPO in 2022, whereby it became a company listed on the Oslo Stock Exchange. In connection to this, Eni and Hitec, as mentioned above, reduced their stakes from 69,85% to 63,04% and 30,15% to 20,70%, respectively. In combination with the changes in the corporate governance, Vår is no longer controlled by Eni and Hitec. Thus, Vår cannot be regarded as one of Eni's or Hitec's portfolio companies.

(13) Vår is a full profile exploration and production ("E&P") company, that is active within exploration, field development and production on the NCS, and operate fields in the Barents

³ COMP/M.9579 – Eni/HitecVision/Norwegian Upstream Assets of ExxonMobil.

Sea, the Norwegian Sea and the North Sea. Vår has approximately 950 employees, onshore and offshore, and is headquartered in Sandnes.

- (14) Vår is a next generation oil and gas operator, that is a leading independent player on the NCS, with over 50+ years of experience with a diverse and robust portfolio and positioned for value-adding growth. It currently has 39 oil and gas fields in production, producing on average approximately 220,000 barrels of oil equivalents per day.
- (15) Four fields are operated by the company on the NCS; located in the Barents Sea, the Norwegian Sea and the North Sea:
- **Goliat:** The Goliat field is located in PL 229 in the Barents Sea. Vår is the operator with 65% participating interest, while Equinor as a partner holds 35%. Goliat was discovered in 2000 and the plan for development and operation ("**PDO**") was approved in 2009. When operations started in March 2016, it was the first producing oil field in the northernmost area of the NCS. Goliat is developed with a fully winterized production unit, including subsea systems.
 - **Marulk:** The Marulk field is located in PL 122 in the Norwegian Sea. It is a subsea gas field located 25 kilometres southwest of the Norne field. Vår is the operator of Marulk with 20% participating interest, while Equinor (33%), PGNiG Upstream Norway AS (30%) and DNO (17%) are field partners. Marulk was discovered in 1992 and the PDO was approved in 2010. The field was developed with a subsea template tied into the Norne floating production, storage and offloading vessel ("**FPSO**"), with production start in 2012.
 - **Balder:** The Balder field is located mainly in PL 001 on the Utsira High in the North Sea. It was the first license awarded on the NCS and the site of the first exploration drilling and oil discovery offshore Norway. Vår is the operator with 90% participating interest, while the partner Kistos Energy (Norway) holds 10%. The Balder field is developed with a FPSO tied to several subsea production systems. Production started in 1999. Natural gas produced at Balder is exported to Statpipe. Vår plans to extend the Balder area production towards 2045, and is progressing a field life extension project which includes upgrades to Balder FPSO (2030), relocation and upgrades to the Jotun FPSO, new seismic surveys and further drilling programs (The Balder Future Project).
 - **Ringhorne and Ringhorne East:**
 - The *Ringhorne* field is mainly located in PL 027 in the North Sea, about nine kilometres northeast of the Balder FPSO. Vår is the operator of Ringhorne with 90% participating interest, with Kistos Energy (Norway) AS as partner (10%). The field is developed with a platform with initial processing and water injection capabilities. Production of oil and gas is routed to the Balder FPSO for final processing, storage and export. Production started in 2003.
 - *Ringhorne East* is located in PL 027 and 169E and developed with four wells from the Ringhorne platform with production start in 2006. A new drilling campaign from the Ringhorne platform commenced in November 2019 and is still ongoing. Vår is the operator of Ringhorne East with 69,98% participating interest. The other Ringhorne East partners are DNO Norge AS (22,62%) and Kistos Energy (Norway) AS (7,4%).

(16) In addition to the operated fields, Vår currently holds participating interests in 35 partner-operated fields on the NCS:

- North Sea:
 - **Brage** (12,2%)
 - **Bøyla** (20%)
 - **Snorre** (18.6%)
 - **Ekofisk** (12,4%)
 - **Eldfisk** (12,4%)
 - **Embla** (12,4%)
 - **Fram** (25%)
 - **Frosk** (20%)
 - **Grane** (28.3%)
 - **Gungne** (13%)
 - **Sigyn** (40%)
 - **Sleipner Vest** (17,2%)
 - **Sleipner Øst** (15,4%)
 - **Statfjord** (21,3%)
 - **Statfjord Nord** (25%)
 - **Statfjord Øst** (20,5%)
 - **Svalin** (13%)
 - **Sygna** (20,9%)
 - **Tor** (10,8%)
 - **Tordis** (16,1%)
 - **Vigdis** (16,1%)
- Norwegian Sea:
 - **Bauge** (17,5%)
 - **Åsgard** (22,1%)

- **Morvin** (30%)
- **Mikkel** (48,4%)
- **Fenja** (45%)
- **Kristin** (16,7%)
- **Tyrihans** (18%)
- **Norne** (6,9%)
- **Ormen Lange** (6,3%)
- **Heidrun** (5,2%)
- **Hyme** (17,5%)
- **Urd** (11,5%)
- **Skuld** (11,5%)
- **Trestakk** (40,9%)

- (17) Several expansion projects on partner-operated fields are in the planning and execution phase, which will increase oil recovery and the lifespan of the producing assets. Some of these are subject to low pressure projects, others are greenfield development projects.
- (18) Vår also owns a share of EXL 003, which is an exploration license for storage of CO₂ covering an area in the Barents Sea.⁴ The license is granted jointly to Vår, Equinor ASA and Horisont Energi AS, with shares of respectively 30%, 40% and 30%. Equinor ASA is the operator. In July 2023, Vår purchased Feinstein CCS, a company specialized in large-scale, cost efficient CO₂ storage opportunities.
- (19) For further details regarding Vår, please visit: <https://varenergi.no/no/>

4.2 Target company – Neptune Energy Norge AS

- (20) Neptune Energy Norge AS is an independent E&P company that is a wholly-owned subsidiary of Neptune Energy Group Limited, which has operations across Europe, North Africa and Asia Pacific. As described under item 2.2., the Transaction only encompasses Neptune Norge, with its energy operations in Norway within production, development and exploration, whereas Neptune Energy Group Limited's business in other jurisdictions, with the exception of the Germany business (to be retained by the current shareholders of Neptune Energy Group Limited), will be acquired by Eni in a parallel transaction.
- (21) Neptune Norge is headquartered in Sandnes in Norway, and has approximately 300 employees. The company has interests in seven producing fields for oil and gas, from Snøhvit in the Barents Sea to Gudrun in the southern part of the North Sea, of which three are operated

⁴ https://factpages.npd.no/no/bsns_arr_area/PageView/CO2Licences/40889715.

by the company. In end of 2022, the company had 2P reserves of 265 mmboe. In Q1 2023, it had an average daily production of 67 kboepd, of which 62% was gas.

(22) The three production fields where Neptune Norge is the operator are the following:

- **Fenja:** The field is placed in a key production area in the Norwegian Sea (Njord Area) and is a tie-back to Njord-A platform, along with Bauge and Hyme, through the world's longest electrically trace-heated pipe-in-pipe subsea development. Fenja was discovered in 2014 and the PDO was approved in April 2018, with production commencing in April 2023. Neptune Norge's participating interest is 30%, whilst partners Vår Energi, Sval Energi and DNO have 45%, 17,5% and 7,5%, respectively.
- **Gjøa:** An oil and gas field in the northern part of the North Sea, powered by hydroelectric energy generated sustainably onshore. Gjøa is the first floating production platform to be powered sustainably by onshore facilities. Discovery year of the Gjøa field was 1989 and production start was in 2010. The Gjøa P1 and Duva fields were brought onstream in 2021 as subsea tie-backs. In 2022, new discoveries were made at Ofelia and Hamlet. Further drilling is planned in 2023. The participating interest of Neptune Norge is 30%. The other partners are Petoro (30%), Wintershall Dea (28%) and Okea (12%).
- **Duva:** The Duva oil and gas field, which is located 14 km northeast of Gjøa, is a four-well subsea tie-back to Gjøa, which was brought online in August 2021. Neptune Norge's participating interest is also 30% in this field, partnering with INPEX Idemitsu (30%), PGNiG Upstream (30%) and Sval Energi (10%).

(23) The partner-operated fields where Neptune Norge holds participating interest are:

- **Snøhvit** (incl. Melkøya LNG) (12%) (gas and condensate) (operator: Equinor Energy AS (“Equinor Energy”))
- **Njord** (22,5%) (oil and gas) (operator: Equinor Energy)
- **Bauge** (12,5%) (oil and gas) (operator: Equinor Energy)
- **Hyme** (12,5%) (oil and gas) (operator: Equinor Energy)
- **Vega** (3,3%) (gas condensate fields, partly overlain by an oil zone) (operator: Wintershall Dea)
- **Fram** (15%) (oil and gas) (operator: Equinor Energy)
- **Byrding** (15%) (oil and gas) (operator: Equinor Energy)
- **Gudrun** (25%) (oil and gas) (operator: Equinor Energy)

(24) Neptune Norge also has a portfolio of exploration and appraisal assets in Norway.

- (25) Further, Neptune Norge has recently accepted a license for the exploration of areas in the North Sea for the storage of CO₂, together with Sval Energi AS and Storegga Norge AS, with shares of 30%, 40% and 30%, respectively.⁵ Sval Energi AS is the operator.
- (26) For further details regarding Neptune Norge, please visit: <https://www.neptuneenergy.com/>

5. TURNOVER

- (27) Vår and Neptune Norge's turnover in Norway in 2022 were as follows⁶:

Involved undertakings	Turnover in Norway in 2022 ⁷
Vår	MNOK [REDACTED]
Neptune Norge	MNOK [REDACTED]
Total	MNOK [REDACTED]

6. THE CRITERIA FOR SUBMITTING A SIMPLIFIED NOTIFICATION ARE MET

6.1 No affected markets with a combined market share over 20%

6.1.1 The relevant markets

- (28) As mentioned under item 4, both Vår and Neptune Norge are full profile E&P companies, that are active within exploration, field development and production of oil and gas on the NCS.
- (29) The EU Commission has in previous cases segmented the upstream oil and gas sector into several product and geographic markets, supported by industry practice, where Vår Energi and Neptune Norge's activities seem to overlap horizontally in the following markets: (i) the global market for exploration of crude oil and natural gas, (ii) the global market for upstream production and wholesale of crude oil, (iii) the EEA/UK-wide market for development, production and upstream wholesale supply of natural gas, and (iv) the EEA/UK-wide market for the production, development and sale of NGLs.⁸
- (30) Additionally, both Vår and Neptune Norge have recently been granted exploration licenses for the exploration of areas in the North Sea for the storage of CO₂. Neither the EU Commission nor the Norwegian Competition Authority have in competition law proceedings defined a market relating to the process of carbon capture and storage ("CCS"). However, in past State

⁵ [Tre selskap får tilbud om areal for lagring av CO₂ - Oljedirektoratet \(npd.no\)](#).

⁶ The turnover information is gathered from the Parties annual accounts for 2022.

⁷ Vår and Neptune Norge's turnover, amounting to MUSD [REDACTED] and MUSD [REDACTED] respectively, has been converted into NOK based on the average exchange rate for the 2022 calendar year of Norges Bank, whereby 1 USD equals 9,6245 NOK.

⁸ See COMP/M.6801 - Rosneft/TNK-BP para. 16-20; COMP/M.7318 - Rosneft/Morgan Stanley Global Oil Merchanting Unit para. 11; COMP/M.9175 - Total/Chevron Denmark para. 26; and M.4545 Statoil/Hydro para. 29.

Aid decisions, the EU Commission has defined an overall market for CCS services.⁹ The market may be considered as either national or EEA-wide.

- (31) The Parties agree that the relevant markets may be defined in accordance with past decisional practice from the EU Commission. As the following sections will explain, none of the relevant markets can be regarded as affected by the Transaction, due to the Parties' low combined market shares on each of the markets. Thus, the Transaction does not give rise to competition concerns on any market and the criterion for submitting a simplified notification is met, cf. regulation on notifications § 3(1) no. 3 b).

6.1.2 The global market for exploration of crude oil and natural gas

Based on the EU Commission's previous decisional practice, the exploration of crude oil and natural gas constitutes a distinct product market, which encompasses the activity of finding new crude oil and natural gas reserves.¹⁰ Since the contents of underground reservoirs cannot be known at the exploration stage, the EU Commission has not distinguished between the exploration of crude oil and the exploration of natural gas. The exploration market has been defined as global, since the companies engaged in exploration do not usually limit their activities to a specific geographic area.

- (32) Both parties are active on the global market for exploration of crude oil and natural gas. Whilst Vår's proven reserves of crude oil and natural gas in 2022 was █████ mmboe¹¹, constituting a market share of █████%, Neptune Norge's had proven reserves in 2022 amounting to █████ mmboe, and a market share of █████%.¹² Thus, the Parties combined market share is █████%, which is far below 20%, meaning that the global market for exploration of crude oil and natural gas is not affected by the Transaction.

6.1.3 The global market for upstream production and wholesale supply of crude oil

- (33) The EU Commission has in previous decisions continuously defined a market for upstream production and wholesale supply crude oil as a separate market from the development, production and wholesale supply of natural gas, due to crude oil and gas having different applications and being subject to varying pricing behaviour and cost restraints.¹³

- (34) The suppliers on the market sell their crude oil primarily to large international oil producers and commodity trading companies, who subsequently sell the crude oil onwards on a global basis.¹⁴ Given oil is shipped all over the world, global supply and demand thus determines the price of oil. The Parties agree that the market is global in scope. The Notifying Party has in this relation emphasised that, due to the embargo of Russian oil, there has been shifts in the worldwide flow of oil, and that as from 2 May 2023 Platts incorporated US WTI Midland crude oil into Platts

⁹ European Commission, decision of 27 October 2010, case N 381/2010 – *Aid for a CCS Project in the Rotterdam Harbour Area*, para. 80; European Commission, decision of 8 April 2009, case N 74/2009 – *United Kingdom CCS Demonstration Competition – FEED*, para. 35; European Commission, decision of 20 March 2013, case SA.35050 – *United Kingdom Aid Scheme for CCS Commercialization Programme FEED Studies*, paras. 77 et seq.; ESA, decision of 16 March 2017, case 80135 – *Concept and FEED Studies Norway*, paras. 90, 92.

¹⁰ M.10941 – *Eni / Sonatrach / Equinor / In Salah JV* para. 24 and 46-48; M.9175 – *Total / Chevron Denmark* para. 19; M.6910 – *Gazprom / Wintershall / Target Companies* para. 46; M.3230 – *Statoil / BP / Sonatrach / In Salah JV* para. 10.

¹¹ Vår's proven reserves can be found both in its published SEC report (https://s29.g4cdn.com/674042470/files/doc_financials/2022/ar/Cover_note_and_2022YE_SEC_report.pdf) and Annual Statement of Reserves (https://s29.g4cdn.com/674042470/files/doc_financials/2022/ar/0684v00000bVeVMAA0.pdf)

¹² The size of the total market for exploration of crude oil and natural gas in 2022 was 1 639 550 mmboe, based on the Wood Mackenzie Report 2022.

¹³ COMP/M.9175 - *Total/Chevron Denmark*, para. 21.

¹⁴ COMP/M.6801 - *Rosneft/TNK-BP* para. 17.

Dated Brent and related benchmark assessments. This indicates that crude oil produced in the North Sea are competing with oil produced from the US and OPEC.

- (35) Vår's total upstream production and sale of crude oil in 2022 was █████ kboe, constituting a market share of █████%.¹⁵ Meanwhile Neptune Norge's total production and sale in 2022 was █████ kboe, and its market share thus █████%. The Parties combined market share is therefore █████%, which is below 20%, which means that the Transaction will not affect the global market for upstream production and wholesale supply of crude oil.

6.1.4 The EEA/UK-wide market for development, production and upstream wholesale supply of natural gas

- (36) The EU Commission has also found that there is a separate market for the development, production and upstream wholesale supply of natural gas.¹⁶
- (37) In previous decisions, the Commission has considered whether the market may be segmented based on the divide between liquefied natural gas ("LNG") and piped gas. In some cases, the Commission has also distinguished between high-calorific gas (H-gas) and low-calorific gas (L-gas) at each level of the gas supply chain. However, none of these segmentations are relevant in this case since the Transaction would not affect competition on any product market for natural gas.
- (38) The EU Commission has indicated that the geographic scope of the market, from a demand perspective, could include the EEA, Algeria and Russia.¹⁷ On the other hand, the Commission has also considered that, from a supply perspective, the geographic market in some instances might be defined more narrowly (i.e. regional, covering several Member States, or national), depending on the level of the supply chain where the supply takes place, or due to limited interconnecting infrastructure or lack of available cross-border capacity.¹⁸
- (39) The Notifying Party is of the opinion that the market must at least be defined as EEA/UK-wide. The establishment of additional LNG regasification terminals in several European countries have enabled customers access to purchase pipeline gas from Norway as well as LNG from US, Qatar, Russia, Algeria, Trinidad & Tobago, Nigeria, Norway, Peru etc, in addition to domestic UK and EU gas production and pipeline gas from areas such as North Africa and Russia. Most of the gas from Norway is delivered via pipeline with exit points in UK, France, Belgium and Germany, and Norwegian LNG has mainly been sold within EEA/UK, due to the geographical proximity, which indicates that the market at least encompasses the EEA/UK.¹⁹
- (40) Both Vår and Neptune Norge are active on an EEA/UK-wide market for development, production and upstream wholesale supply of natural gas, holding participating interests in several gas fields. Vår and Neptune Norge had production and sale of natural gas amounting to respectively █████ bcm and █████ bcm, constituting individual market shares of █████% and

¹⁵ The size of the global market for the upstream production and wholesale of crude oil is 36 463 500 kboe in 2022, according to Oil Market Report 2023 from the IEA (see Exhibit 1).

¹⁶ COMP/M.9175 - Total/Chevron Denmark para. 23; M.5585 - Centrica / Venture Production para. 10; and M.1532 - BP Amoco/Arco para. 14.

¹⁷ M.1383 - Exxon / Mobil para. 18 and M.1532 - BP-Amoco / Arco para. 16-17

¹⁸ M.6801 - Rosneft / TNK-BP para. 12 and M.4545 - Statoil / Hydro para. 13-16.

¹⁹ The aforementioned decisional practice from the EU Commission involved the UK as part of the EEA, due to proceeding Brexit. After Brexit, there has not been established any noteworthy barriers of entry which would prevent the suppliers on the market from selling natural gas in the UK. Thus, the UK must still be regarded as part of the relevant market for the development, production and upstream wholesale supply of natural gas.

█% and a combined market share of █%.²⁰ Since the Parties' combined market share is below 20%, the Transaction will not raise any competition concerns on the EEA/UK market for development, production and upstream wholesale supply of natural gas.

6.1.5 The EEA/UK-wide market for production, development and sale of NGL

- (41) Natural gas liquids are comprised of LPG (consisting of butane and propane), naphtha, ethane and isobutene. These are hydrocarbons – components of natural gas – that, after separation, are in liquid form.
- (42) Although the definition of the geographic market has been left open, the Commission has previously indicated that the market most likely has an EEA-wide scope.²¹ In light of the occurrence of Brexit in the years following this decisional practice, an EEA-wide market must also be considered to encompass the UK.
- (43) The Notifying Party's view is also that the NGL market is EEA/UK-wide in scope, if not worldwide, at least for larger sized cargoes. The NGL are in liquid form and are thus delivered by ship, meaning that deliveries may reach several markets without hindrance in the way of infrastructure. Customers in the EEA may purchase NGLs from both US and Middle East producers in addition to the NGLs produced in North-western Europe. However, due to the geographical proximity, the main market for European produced NGLs is North-western Europe, indicating that the market may be defined as EEA/UK-wide. Even so, the Transaction will not raise any competition concerns on the market for production, development and wholesale of NGL, regardless of which geographic delimitation that is used.
- (44) Vår's total production, development and sale of NGL in 2022 was █ kboe, constituting a market share of █%.²² Meanwhile Neptune Norge's total production, development and sale in 2022 was █ kboe, and its market share thus █%. The Parties' combined market share is therefore █%, which is below 20%, which means that the Transaction will not affect the EEA/UK market for development, production and sales of NGL.

6.1.6 The EEA-wide/Norwegian market for CCS services

- (45) The technology related to CCS is novel and still a market under development and the Notifying Party is not aware of any previous merger case from the NCA or the European Commission ("EC").
- (46) The EC has, however, in past State Aid decisions defined an overall market for CCS services, including both storage of CO₂, and the capture and transport of CO₂ from power production, industry or other sources. As these processes, amongst other things, require quite different technology and competence, there are arguments favouring separate product markets for the different CO₂ services. However, a further segmentation of the product market would not be relevant in this case since the Transaction would not affect competition on any product market for CCS services.
- (47) With regard to geographic scope, there are several existing or planned CCS pilot projects across Europe. New suppliers of storage services for CO₂ will face a regulatory barrier in the

²⁰ According to DG Energy Quarterly Reports 2022, the total market size of the EEA/UK-wide market for the development, production and upstream wholesale supply of natural gas in 2022 was 425,62 bcm.

²¹ M.4545 Statoil/Hydro para. 29.

²² The total production and sale of NGL on the market was 766 500 kboe in 2022, according to the Oil Market Report 2023 from the IEA p. 35 (see Exhibit 1). The total market size for NGL was found by combining the oil demand (mb/d) for LPG/Ethane and Naphta for 2022, which constitute 2,1 mb/d, equalling 2,2 x 365 x 1000 = 766 500 kboe.

form of the London Protocol, which today prohibits the cross-border transportation of CO₂. This suggests that the market is national in scope. However, driven by the new EU-initiatives within CCS, the London Protocol was amended in 2009 to allow for cross border transportation of CO₂ for sub-seabed storage. Should the amendment be ratified by 2/3 EU Member States, there are arguments for an EEA-wide market.

(48) Today, there are no suppliers offering CO₂ storage on the NCS or in Europe. The market is developing through pilot projects and projects emerging on the NCS as a result of the Norwegian Government opening up for the granting of CO₂ storage licenses. Before CO₂ storage contracts are offered in the market and concluded, it is not possible to neither ascertain total market size nor allocate market shares to suppliers.

(49) Therefore, Vår or Neptune Norge have no available market shares. However, as mentioned under items 4.1 and 4.2, the parties have only recently become joint owners of one exploration license each. As of September 2023, there have been granted exploration licenses for CO₂ for a total of seven areas only in Norway, where most of them are owned jointly by either two or three parties. Due the large number of (pilot) projects emerging on the NCS, often with several companies on each project, Vår and Neptune Norge will have [REDACTED] combined market share in a potential NCS wide market, and far below 20 %. In a potential EEA-wide market the parties' market share will be [REDACTED]

6.2 No vertically affected markets with a combined market share above 30%

(50) Since the Parties are not active in any upstream or downstream market of each other, they have no vertically overlapping business on any market, cf. the regulation on notifications § 3(1) no. 3 c).

7. COMPETITORS, CUSTOMERS AND SUPPLIERS

7.1 The global market for exploration of crude oil and natural gas

7.1.1 Five most important competitors

(51) Vår's five most important competitors on the global market for exploration of crude oil and natural gas:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

(52) Neptune Norge's five most important competitors on the global market for exploration of crude oil and natural gas:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

7.1.2 Five most important suppliers

(53) Vår's five most important suppliers on the global market for exploration of crude oil and natural gas:²³

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

(54) Neptune Norge's five most important suppliers on the global market for exploration of crude oil and natural gas:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

²³ [REDACTED]

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7.1.3 Five most important customers

(55) [Redacted]

(56) Neptune Norge's five most important customers on the global market for exploration of crude oil and natural gas:

Name	Contact details
[Redacted]	[Redacted]
[Redacted]	[Redacted]
[Redacted]	[Redacted]
[Redacted]	[Redacted]
[Redacted]	[Redacted]

7.2 The global market for upstream production and wholesale supply of crude oil

7.2.1 Five most important competitors

(57) Vår's five most important competitors on the market for upstream production and wholesale supply of crude oil, both globally and on the NCS, for sake of completeness:

Globally:

Name	Contact details
[Redacted]	[Redacted]
[Redacted]	[Redacted]
[Redacted]	[Redacted]
[Redacted]	[Redacted]

On the NCS:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

- (58) Neptune Norge's five most important competitors on the market for upstream production and wholesale supply of crude oil, both globally and on the NCS, for sake of completeness:

Globally:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

On the NCS:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

7.2.2 Five most important suppliers

- (59) Vår's five most important suppliers on the global market for upstream production and wholesale supply of crude oil:

Name	Contact details
[REDACTED]	[REDACTED]

24

25 IDIQ.

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

(60) Neptune Norge's five most important suppliers on the global market for upstream production and wholesale supply of crude oil:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

7.2.3 Five most important customers

(61) Vår has sold their total upstream production of crude oil in 2022 to the following [REDACTED] customers:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

- (62) Neptune Norge's five most important customers on the global market for upstream production and wholesale supply of crude oil:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

7.3 The EEA/UK-wide market for development, production and upstream wholesale supply of natural gas

7.3.1 Five most important competitors

- (63) Vår's five most important competitors on the EEA/UK-wide market for development, production and upstream wholesale supply of natural gas:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

- (64) Neptune Norge's five most important competitors on the EEA/UK-wide market for development, production and upstream wholesale supply of natural gas:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

²⁶ [REDACTED]
²⁷ Ibid.

7.3.2 Five most important suppliers

- (65) Vår's five most important suppliers on the EEA/UK-wide market for development, production and upstream wholesale supply of natural gas:²⁸

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

- (66) Neptune Norge's five most important suppliers on the EEA/UK-wide market for development, production and upstream wholesale supply of natural gas:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

²⁸ [REDACTED]

7.3.3 *Five most important customers*

(67) Vår's five most important customers on the EEA/UK-wide market for development, production and upstream wholesale supply of natural gas:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

(68) Neptune Norge has sold their total production of natural gas in 2022 to the following four customers:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

7.4 The EEA/UK-wide market for production, development and sale of NGL

7.4.1 *Five most important competitors*

(69) Vår's five most important competitors on the EEA/UK-wide market for production, development and sale of NGL:

Name	Contact details
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[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

(70) Neptune Norge's five most important competitors on the EEA/UK-wide market for production, development and sale of NGL:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

7.4.2 Five most important suppliers

(71) Vår's five most important suppliers on the EEA/UK-wide market for production, development and sale of NGL:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

(72) Neptune Norge's five most important suppliers on the EEA/UK-wide market for production, development and sale of NGL:

Name	Contact details
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²⁸ [REDACTED]
³⁰ Ibid.

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

7.4.3 Five most important customers

(73) Vår's five most important customers on the EEA/UK-wide market for production, development and sale of NGL:

Name	Contact details
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

(74) Neptune Norge's five most important customers on the EEA/UK-wide market for production, development and sale of NGL:

Name	Contact details
[REDACTED]	[REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

7.5 The EEA-wide/Norwegian market for CCS services

(75)

[REDACTED]

(76)

[REDACTED]

8. ANNUAL REPORTS

(77)

The annual report and annual accounts for Vår Energi ASA and Neptune Energy Norge AS are available via: www.brreg.no

9. APPENDIXES

Exhibit 1: International Energy Agency (IEA): "Oil 2023 – Analysis and forecast to 2028"

10. OTHER RELEVANT COMPETITION AUTHORITIES

(78)

In connection with the Transaction, a briefing paper has also been submitted to the Competition and Markets Authority ("**CMA**") in the UK.

Yours sincerely
ADVOKATFIRMAET SCHJØDT AS

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