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Your ref.:

Oslo
14. September 2023

SIMPLIFIED NOTIFICATION OF MERGER

**TENARIS INVESTMENTS (NL) B.V.'S ACQUISITION OF 100 % OF THE SHARES IN BREDERO SHAW
INTERNATIONAL B.V.**

1 Contact information

1.1 The Buyer

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1.2 Target

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As there is no horizontal or vertical overlap between the parties' activities a simplified notification can be submitted according to the Norwegian Notification Regulation Section 3 nr. 1 a.

2 Description of the transaction

Mattr International Cooperative UA ("Mattr") is selling major parts of its global Pipeline Coating Business Unit ("PPG") to Tenaris Investments (NL) B.V., a company owned 100 % by Tenaris S.A ("Tenaris").

Pursuant to a Purchase and Sale Agreement dated 14 August 2023 Tenaris will acquire 100 % of the shares in Bredero Shaw International B.V. ("Bredero Shaw") from Mattr.

The PPG being sold to Tenaris consists of 9 coating plants located in Canada, US, Mexico, Norway, the United Arab Emirates, Indonesia, and R&D laboratories/testing facilities in Toronto (with a second smaller facility at the Norwegian plant). The transaction includes Bredero Shaw's coating technologies covering anticorrosion, insulation, flow assurance, concrete and other applications, several mobile concrete plants, and further coating equipment in various locations.

Tenaris, the acquirer, is a global manufacturer and supplier of steel pipe products. Bredero Shaw is a pure coating services provider, offering coating services to customers who have purchased pipes from pipe manufacturers.

The acquisition will permit Tenaris to expand into new products and services for offshore and onshore markets, improving services provided to the offshore linepipe sector, strengthening relationships with Engineering Procurement and Contracting ("EPC") companies and their costumers being the end user. Following the transaction, Tenaris will continue Bredero Shaw's PPG business offering coating services to EPC and their customers and improve competition in the marketplace.

Exhibit 1: Annex I- PSA Agreement dated 14. August 2023

3 Description of involved undertakings

3.1 Tenaris

Tenaris is a Luxembourg-based company, publicly listed in New York, Milan and Mexico. As mentioned above, Tenaris owns 100 % of Tenaris Investments (NL) B.V. (the acquirer).

Tenaris is a leading global manufacturer and supplier of steel pipe products and related services for the world's energy industry and other industrial applications.

Tenaris' manufacturing system integrates steelmaking, pipe rolling and forming, heat treatment, threading and finishing across 16 countries. Tenaris' customers include most of the world's leading oil and gas companies, and Tenaris operates an integrated network of steel pipe manufacturing, research, finishing and service facilities with industrial operations in the Americas, Europe, the Middle East, Asia and Africa. Although Tenaris' operations are focused on serving the oil and gas industry, Tenaris also supplies pipes and tubular components for non-energy applications. Tenaris also develops and supplies products and services for low-carbon energy applications such as geothermal wells, waste-to-energy (bio-energy) power plants, hydrogen storage and transportation and carbon capture and storage.

Tenaris' principal finished products are seamless and welded steel casing and tubing, line pipe and various other mechanical and structural steel pipes for different uses. Casing and tubing are also known as Oil Country Tubular Goods ("OCTG"). Tenaris manufactures steel pipe products in a wide range of specifications, which vary in diameter, length, thickness, finishing, steel grades, coating, threading and coupling.

For more complex applications, including high pressure and high temperature applications, seamless steel pipes are usually specified and, for some standard applications, welded steel pipes can also be used. In addition to oil and gas applications, many of Tenaris' products can also be used in low-carbon energy applications, such as geothermal, hydrogen and carbon capture and storage.

Tenaris also manufactures sucker rods used in oil extraction activities, tubes used for plumbing and construction applications, oilfield / hydraulic fracturing services, energy and raw materials that exceed their internal requirements, and industrial equipment.

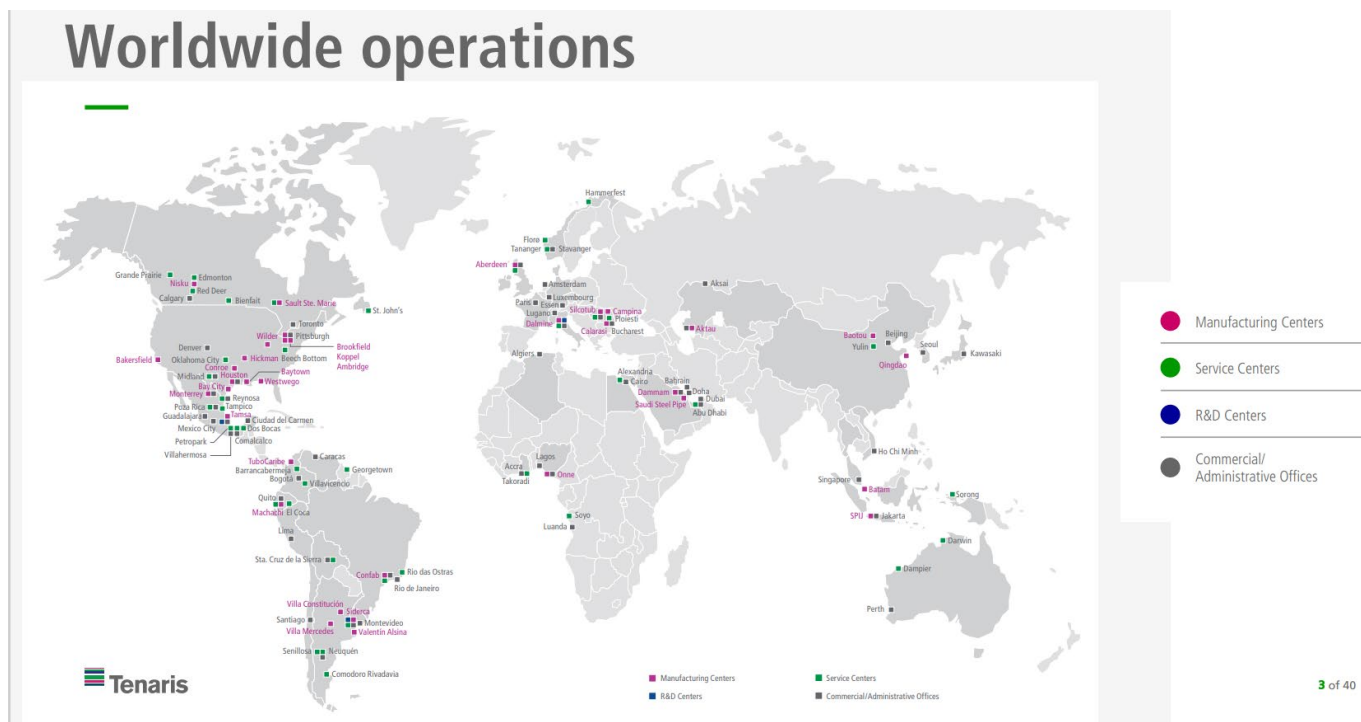
Tenaris is active in the following market segments: OCTG, line pipe, hydrocarbon processing, low carbon energy applications, power generation, industrial and mechanical, and automotive.

While Tenaris coats pipes manufactured by Tenaris, the company does not offer coating services in Norway and does not offer coating suitable for offshore use in the North Sea.

Product portfolio;

- Casing. Steel casing is used to sustain the walls of oil and gas wells during and after drilling.
- Tubing. Steel tubing is used to conduct crude oil and natural gas to the surface after drilling has been completed.
- Line pipe. Steel line pipe is used to transport crude oil and natural gas from wells to refineries, storage tanks and loading and distribution centers.
- Mechanical and structural pipes. Mechanical and structural pipes are used by general industry for various applications, including the transportation of other forms of gas and liquids under high pressure.
- Cold-drawn pipe. The cold-drawing process permits the production of pipes with the diameter and wall thickness required for use in boilers, superheaters, condensers, heat exchangers, automobile production and several other industrial applications.

- Premium joints and couplings. Premium joints and couplings are specially designed connections used to join lengths of steel casing and tubing for use in high temperature or high pressure environments. A significant portion of Tenaris' steel casing and tubing products are supplied with premium joints and couplings. Tenaris owns an extensive range of premium connections, and following the integration of the premium connections business of Hydril, Tenaris has marketed its premium connection products under the "TenarisHydril" brand name. In addition, Tenaris holds licensing rights to manufacture and sell the "Atlas Bradford" range of premium connections outside the United States and, since the acquisition of IPSCO in January 2020, Tenaris owns the "Ultra" and "TORQ" ranges of premium connections.
- Coiled tubing. Coiled tubing is used for oil and gas drilling and well workovers and for subsea pipelines.
- Sucker Rods. Steel rods used in the oil industry to connect the surface and downhole components of a reciprocating piston pump to extract hydrocarbons from the reservoir.



In Norway, Tenaris mainly operates through its fully owned subsidiary, Tenaris Global Services Norway AS ("Tenaris Norway"). Tenaris Norway operates in Hammerfest, Florø and Tanager (Stavanger).

Tenaris Norway is exclusively involved in the market of seamless pipes to the Norwegian oil and gas industry and providing services on OCTG pipes to its customers. Tenaris Norway does not sell welded pipes in Norway and is not active within any other market beyond seamless steel pipe. Tenaris Norway does not manufacture pipes in Norway. Tenaris Norway's line pipe sales in Norway are made directly to EPCs who subsequently contract coating services with coating providers according to their specific coating needs.

Tenaris Norway does not provide coating services in Norway, and only sells pipes to customers who, independently of Tenaris Norway make a decision in regard to coating, which is purchased directly from a coating provider based on the customer's coating needs.

Tenaris's annual report 2022 and annual accounting 2022 can be downloaded at this website: [Reports | Tenaris](#)

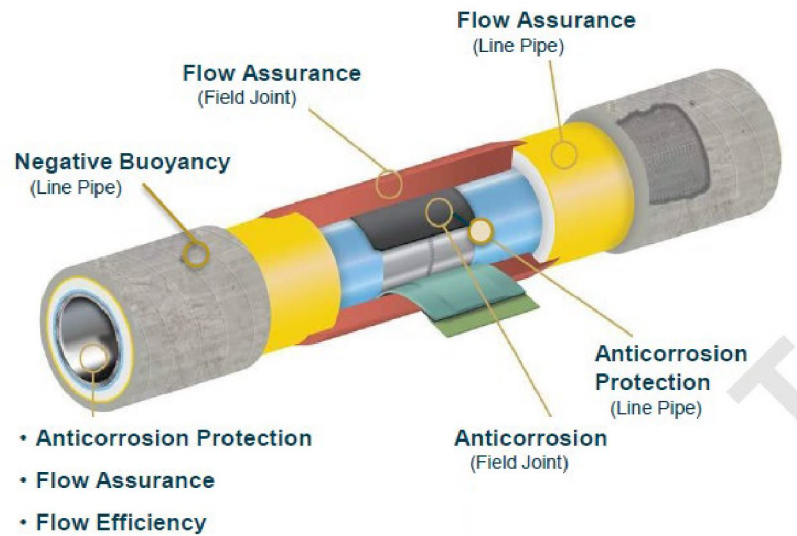
3.2 Bredero Shaw – target

Bredero Shaw is Mattr's subsidiary holding all the PPG business. Bredero Shaw is a pipe coating provider with over 50 years of history worldwide, and is established in Norway inter alia with the company Shawcor Norway AS ("Shawcor Norway") (Org No 963 878 249, Vigorvegen 31, 7300 Orkanger) and a plant at that location.

Bredero Shaw and its subsidiaries offer pipe coating services to customers (EPC) who have purchased pipes from pipe manufacturers. One or more coating technologies are applied to customer-owned pipes in one of Bredero Shaw's facilities. Bredero Shaw's coating solutions and application processes are highly engineered to meet project specific requirements. Below is a table with an overview of Bredero Shaw's four core coating technology platforms:

	Use	Onshore	Offshore
Anticorrosion Protection	Corrosion control	<ul style="list-style-type: none"> ■ Yellow Jacket® / YJ2K™ ■ HPPC® ■ FBE / DFBE ■ 3LPE / 3LPP ■ Asphalt Enamel ■ ID - FBE ACC ■ ID - Liquid ACC ■ ID - SureFlo™ CML 	<ul style="list-style-type: none"> ■ FBE / DFBE ■ 3LPE / 3LPP
Negative-Buoyancy (or CWC)	Weight stabilization & mechanical protection	<ul style="list-style-type: none"> ■ Rock Jacket® 	<ul style="list-style-type: none"> ■ Compression Coat™ ■ HeaviCote®
Flow Assurance	Ensure flow of fluids from the reservoir to processing point	<ul style="list-style-type: none"> ■ Insul-8® 	<ul style="list-style-type: none"> ■ LotusFlo™ ■ 5LGsPP ■ 5LPPF ■ Thermotite® ■ Thermotite® ULTRA™ ■ XTremeTemp 350™ ■ Nemo 1.1 ■ Nemo Hybrid ■ Thermotite® IMPP ■ Thermotite® ULTRA™ Joint
Flow Efficiency	Reduce roughness of natural gas pipelines	<ul style="list-style-type: none"> ■ ID - SureFlo™ FEC ■ ID - SureFlo™ SF 	<ul style="list-style-type: none"> ■ ID - SureFlo™ FEC ■ ID - SureFlo™ SF

Source: Company management



Bredero Shaw does not – as Tenaris – manufacture or supply any types of pipe products.

In Norway, Bredero Shaw is present through its wholly owned subsidiary Shawcor Norway AS, which owns a PPG plant and R&D centre in Orkanger. Out of the Orkanger plant, Bredero Shaw is dedicated to coating pipes imported from other countries for the line pipe O&G offshore market, focusing on thermal insulation for oil flowlines & customs coating for subsea.

The key concept is to ensure the effectiveness of the pipeline: Steel pipes may be corroded or degraded due to the exposure to the environment and atmospheric elements. Anticorrosive coatings are pipe linings that provide protection to prevent corrosion in different types of pipes, temperatures, and environments. During the production and transportation of hydrocarbons, the properties of the fluid and the operating conditions (such as temperature) may lead to the formation and deposition of unwanted solids in the pipe (e.g., hydrates, wax, asphaltenes, and scale). Flow-enhancing coatings are designed to prevent production interruptions stemming from the deposition in the flow system, by preventing adherences in the pipes. These coatings can be either internal or external (as an example of the latter, wet insulation provides thermal insulation preventing the formation of the aforementioned adhesions). Thermal insulation coating systems always include an anticorrosive layer which is similar to anticorrosion only coatings.



Bredero Shaw (Shawcor Norway AS), or the Shawcor PPG business being acquired, had a total 2022 turnover in Norway of approximately NOK 532 940 000.

Annual report 2022 and annual accounts 2022 is not available for Bredero Shaw as per applicable local regulations. However, financial information on Bredero Shaw can be found in the enclosed Shawcor Ltd. consolidated financial statements for 2022.

Exhibit 2: Financial statements 2022

4 Turnover thresholds: The parties' turnover in Norway - 2022

COMPANY	TURNOVER MNOK – 2022 - NORWAY
Tenaris	
Bredero Shaw (Shawcor Norway AS)	NOK 532 940 000 (total)

Exchange rate: 10,73 (14.9.2023 kl. 16:32)

5 Relevant markets and competitive analysis

The acquisition leads only to a change in ownership without increasing concentration in any affected market in Norway. There is no horizontal or vertical overlap between the parties' activities in Norway.

5.1 Market definition

5.1.1 Carbon Steel Pipe

Tenaris is a manufacturer and supplier of carbon steel pipe products and related services for the world's energy industry and other industrial applications. In Norway, Tenaris is exclusively involved in the market of seamless carbon steel pipes (OCTG and linepipe) for the local oil and gas industry and provides services on OCTG pipes to its customers. The target does not have activities in this market or in any segments of the market.

The OCTG segment includes casing, tubing, drill pipe, each of which is used in the downhole completion of oil and gas wells. Steel casing is used to sustain the walls of oil and gas wells during and after drilling. Steel tubing is used to conduct crude oil and natural gas to the surface after drilling has been completed. Drill pipe is used to drill wells which Tenaris does not manufacture. OCTG can be either seamless or welded. Seamless OCTG and welded OCTG are generally used in different applications. Because welded products are less expensive than seamless products, welded products are preferred where their use is safe and technologically possible. Seamless OCTG are used for more challenging and demanding applications, such as deep wells and high pressure or high temperature uses.

The linepipe segment refers to pipes used for the transportation of liquids or gases over long distances, typically in applications such as pipelines, gas pipelines, and industrial fluid transport systems for onshore and offshore. Linepipe can also be either seamless or welded and are specially designed to withstand specific pressures and conditions. Seamless linepipe are used for more challenging and demanding applications.

Seamless and welded pipes are produced using different, non-interchangeable manufacturing processes and constitute separate product markets. Seamless OCTG and seamless linepipe could be further segmented based on specific characteristics, such as intended use and price. However, for the purposes of this notification, it is not required to segment the product markets further.

According to the European Commission's decision in case IV/M.906 Mannesmann/Vallourec, the relevant geographic markets for OCTG pipes is almost certainly worldwide.¹ Pipes are sold internationally and Tenaris competes internationally. On this basis Tenaris believes that the market for seamless OCTG pipes is worldwide in scope. The same methodology and result would likely be applied to the linepipe segment of the carbon steel market. However, for the purpose of this transaction, the market does not need to be defined as such since the Seller do not have any activity in this market.

As indicated above, Bredero Shaw is a pure coating provider, offering coating services to customers who have purchased pipes from pipe manufacturers. Thus, the Target is not active in any of the segments in the carbon steel market.

5.1.2 *Coating*

Coating services is a different product market from the carbon steel market. Coating cannot substitute pipes but is a supplementing product mainly for the linepipe products which are added to achieve specific functions. Coating services constitutes a separate product market which could be further segmented based on different types of coating. As illustrated above, different types of coating serve different purposes. Purposes of coating can be anti-corrosion, flow assurance, flow efficiency, thermal insulation and negative buoyancy, making the different types of coating non-substitutable from a demand perspective. Coating used in the North Sea oil and gas industry must meet requirements in regard to corrosion and thermal insulation to guarantee the functioning of the linepipe and the flow of the internal fluid. Coating ensuring negative buoyancy and/or internal coating can also be required, but those are not delivered from the Orkanger plant. Further, the coating must also be adjusted to the specific sea- and seabed conditions where the pipes will be installed.

The market for coating services could be segmented based on the specific functioning of each coating and necessary adjustments to the installation location. For the purposes of this notification, it not necessary to segment any further since there are no overlapping activities, neither horizontal nor vertical.

The market for coating services meeting the requirements of the offshore North Sea oil and gas industry, is likely worldwide in scope. As with carbon steel pipes, the coating services are sold internationally in competition with other international market players, and the isolated shipping costs related to coating are not significant in relation to the value of such products. However, depending on the location of the plant (typically in-land) it may be added significant transportation costs.

5.2 **No horizontal overlap in Norway**

Tenaris is a manufacturer and supplier of steel pipe products and related services for the world's energy industry and other industrial applications. Tenaris is exclusively involved in the seamless pipes to the Norwegian oil and gas industry and provides services on OCTG pipes to its customers.

Bredero Shaw does not sell any kind of pipes, but is a pure coating provider, offering coating services to customers who have purchased pipes from pipe manufacturers, for example EPCs in the offshore oil and gas sector in the North Sea. Tenaris does not offer coating services in Norway or in general for pipes meeting the requirements for use offshore by the oil and gas industry in the North Sea. Accordingly, the parties do not have overlapping sales to customers in Norway, and the transaction will not result in an increased share of sales to customers in Norway.

Consequently, and irrespective of the exact definition of relevant markets, there is no horizontal overlap between the parties' business activities in Norway.

¹ IV/M.906 Mannesmann/Vallourec paragraph 67.

5.3 No vertical overlap in Norway

Tenaris is a manufacturer and supplier of steel pipe products and related services for the world's energy industry and other industrial applications. Bredero Shaw is a coating provider, offering coating services to customers who have purchased pipes from pipe manufacturers.

The customers of both Tenaris line pipe and Bredero Shaw are large EPC players, and they purchase pipes and coating services separately. In Norway [REDACTED]. The decision to purchase pipes and coating services for the pipes are decisions independently taken by the customers, the EPCs.

Consequently, and irrespective of the exact definition of relevant markets, there is no vertical overlap between the parties' business activities in Norway.

5.4 Tenaris' vertical integration post closing: The company does not have the ability nor any incentive to foreclose

Post closing Tenaris will have its pipeline portfolio as well as a coating services business. Tenaris will continue Bredero Shaw's PPG business offering coating to third parties.

In theory, the acquisition could raise foreclosure concerns. However, the *ability* to foreclose, may raise competition problems only if it concerns an important input for the downstream product. Moreover, the *incentive* to foreclose depends on the degree to which foreclosure would be profitable. In this case Tenaris has neither the incentive nor the ability to foreclose.

At a global level, the demand of Tenaris' pipeline customers represents only 12% of the sales of the target's pipe coating business. Discontinuing supply to third parties would not be an option, as the coating business is dependent on sales to third parties. The Orkanger plant depends mostly on coating pipe from mills other than Tenaris as the demand from Tenaris' pipeline customers represents only a small fraction of the sales of the target's pipe coating business. If Tenaris were to restrict coating only to Tenaris pipes, the Orkanger plant would not be able to survive as it requires to operate with a high level of activity to be profitable. Profitability cannot be achieved if only pipes from Tenaris' customers are coated at the plant. In addition, Tenaris pipe can be substituted by competitors such as Vallourec and Sumitomo, among others, that are usually present in the Norwegian market, as well as other pipe manufacturers. Coatings offered by the target can be used in any steel line pipe that complies with the specifications requested by customers.

Therefore, Tenaris has no incentives to stop providing coating services to third parties, including competitors in the carbon steel market, since this would lead to a significant loss for the target business. Notwithstanding the fact that the contemplated concentration will not have the ability to foreclose its upstream rivals, the parties, thus, maintain that any theoretical effort to foreclose other pipe manufacturers stemming from the new vertical integration would be unsuccessful due to the reasons explained below.

In the markets at issue, it is typically the end customers—mainly contractors and operators of O&G projects—who will determine the specific coating solution purchased for their projects. These customers ([REDACTED]) possess significant buyer power, enabling them to influence the choice of provider and the technology used for coating. Decisions by these EPCs and end users are very often conducted through complex bidding processes involving suppliers of coating solutions established all over the world, with purchasing decisions made *separately* from the selection of the pipe manufacturing, thereby highlighting their capacity to counterbalance pipe mills and coaters. The EPC customers, including the EPC customers in Norway, will not change their purchasing pattern as a result of the contemplated transaction.

Finally, the parties do not identify any substantial investments costs or barriers related to the development of products and technologies, i.e. new coating services providers may rather easily establish themselves in the relevant markets of target.

6 Notification to other competition authorities

The contemplated transaction has also been notified to the competition authorities in Mexico (COFECE), by way of a notification dated 4 September 2023. Notification to other competition authorities is not required, and the contemplated transaction will not be notified elsewhere.

7 Public version of the notification

This notification contains business secrets.

Exhibit 3: Public version of the notification

There is limited information in this notification which is confidential.

However, (1) the allocation of turnover in the Norwegian market from the global turnover is considered confidential for both parties as this is not public information. Moreover, (2) Annex 1 to the notification is confidential by nature since it contains the agreed terms of the Parties to the transaction and the Parties have agreed confidentiality and (3) the customers of Seller is considered business secrets which is confidential in nature.

Yours sincerely,
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