

SIMPLIFIED NOTIFICATION OF A CONCENTRATION

BETWEEN

HALLIBURTON AS

AND

SEKAL AS

26 January 2026

Contains business secrets

1 CONTACT INFORMATION

1.1 Notifying party

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Postal address: Postboks 200, 4068 Stavanger

Contact person: Advokatfirmaet Thommessen AS
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1.2 Target

Name: Sekal AS
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2 TYPE OF CONCENTRATION

The transaction entails that [Halliburton] ("**Halliburton**" or the "**Notifying Party**") will acquire 100% of the shares in Sekal AS, including its subsidiaries Sekal Aberdeen Ltd., Sekal US Holdings Inc. (including its subsidiary Sekal Houston LLC), and Sekal Middle East DMCC (dormant) ("**Sekal**" or "**Target**") (collectively the "**Parties**") (the "**Proposed Transaction**").

The Proposed Transaction is regulated by a share purchase agreement dated [•], whereby Halliburton will acquire 100% of the shares in Sekal from Sumitomo Corporation (the "**Seller**"). Through the purchase of the shares, Halliburton will obtain sole control over Sekal.

The Proposed Transaction will combine Halliburton's subsurface directional drilling expertise with Sekal's closed-loop drilling that interfaces with and controls rig equipment. In simple terms, Halliburton focuses on subsurface operations (directional drilling services that efficiently and safely deliver well placement), while Sekal focuses on automating rig operations using data from the rig, oilfield service

companies and the operator. Together, the Parties can accelerate innovation and advance automation in drilling operations.

The Proposed Transaction is subject to competition clearance from the Norwegian Competition Authority (the "NCA") and will not be completed before the clearance has been obtained.

3 THE CONDITIONS FOR SUBMITTING SIMPLIFIED NOTIFICATION ARE SATISFIED

The requirements for notifying the Proposed Transaction by way of simplified notification are met. The Parties have no horizontal overlap, they do not compete in the same relevant markets, and no vertical overlap, they are not active at different levels of the supply chain in any relevant market. Consequently, combined market shares do not exceed 20 % in any relevant market, and neither individual nor combined market shares exceed 30 % in any market (cf. Section 3(1) number 3 b) and c) of the Norwegian Regulation for the Notification of Mergers). This will be elaborated further under section 6 below.

4 THE STRUCTURE AND BUSINESS AREAS OF THE UNDERTAKINGS

4.1 Halliburton

4.1.1 Legal and organizational structure

Founded in 1919, the Halliburton group is a global full-scale provider of products and services to the energy industry. The Notifying Party is the main Norwegian entity in the group, which is headquartered in Houston, with the parent company incorporated in the United States. Halliburton has more than 40,000 employees and operations in over 70 countries.

4.1.2 Areas of business

The group serves the oil and gas industry throughout the lifecycle of the reservoir – from locating hydrocarbons and managing geological data, to drilling and formation evaluation, well construction and completion, and optimizing production through life of the field.

Halliburton has two main operating segments:

- **Completion & Production** — includes Artificial Lift (lift technologies and services to maximize reservoir and wellbore recovery); Cementing (well and casing bonding, zonal isolation and wellbore stability); Completion Tools (intelligent completions, liner hanger systems, sand-control systems, multilateral completion systems and related service tools); and Production Enhancement & Production Solutions (stimulation, sand-control fluids and chemicals, and customized well-intervention services to optimize reservoir and well performance).

- **Drilling & Evaluation** — includes Baroid (drilling fluid systems, performance additives, completion fluids, solids control, specialized testing equipment and waste management); Drill Bits & Services (fixed-cutter drill bits, hole-enlargement tools and related downhole drilling tools and services); and Sperry Drilling (directional and horizontal drilling, measurement-while-drilling (MWD), logging-while-drilling (LWD), surface data logging and rig-site information systems, managed pressure drilling (MPD), multilateral drilling services, and associated automation and analytics such as the LOGIX® platform to support real-time drilling and formation-evaluation decisions). Halliburton's Sperry Drilling product service line provides advanced drilling and formation-evaluation services designed to optimize wellbore placement and performance, including directional drilling, MWD and LWD, with real-time insights into subsurface conditions. Through technologies such as the LOGIX platform, Sperry integrates subsurface knowledge into predictive analytics to enhance well placement precision and reduce non-productive time. Halliburton's digital features are embedded within its drilling service packages and not offered as stand-alone products in the market. Halliburton does not provide rig-level automation software that interfaces with and controls the drilling rig's machinery. For parameter control of the rigs machinery, Sperry Drilling is entirely dependent on other third-party rig contractors or integration providers, like Sekal.

For further information about Halliburton, please refer to: <https://www.halliburton.com/>

4.2 Sekal

4.2.1 *Legal and organizational structure*

Sekal is a Norwegian company located in Stavanger. Sekal was established in 2011 by Equinor, NORCE and S&skorn Invest, with the purpose of commercializing NORCE technologies for reducing drilling sidetracks through closed-loop drilling automation. It is fully owned by the Japanese company Sumitomo Corporation, and has four fully owned subsidiaries: Sekal Aberdeen Ltd., Sekal US Holding Inc. (which owns Sekal Houston LLC as its fully owned subsidiary) and Sekal Middle East DMCC. As of end November 2025 Sekal counts 98 employees across two jurisdictions, where 59 are employed in the UK and 39 in Norway

4.2.2 *Areas of business*

Sekal is a technology company offering software-based services and expertise to better simulate, analyze, control, and automate the drilling process. Sekal develops, sells and operates technologies for closed-loop drilling automation that interfaces to and controls the oil rig machinery. Its products are normally sold directly to the operators (and not to the service companies such as Halliburton, SLB and Baker Hughes) and are commonly deployed on rigs where any of the major service companies provide directional drilling and LWD.

Sekal's technology is based on three tightly coupled real-time dynamic models, hydraulic, mechanical and thermodynamic, that simulate wellbore condition and characterize improvement or deterioration

during drilling. These models continuously assess drilling performance, borehole condition, and associated risks based on real-time symptom detection. Sekal commercializes this capability through three offerings, which are typically used together:

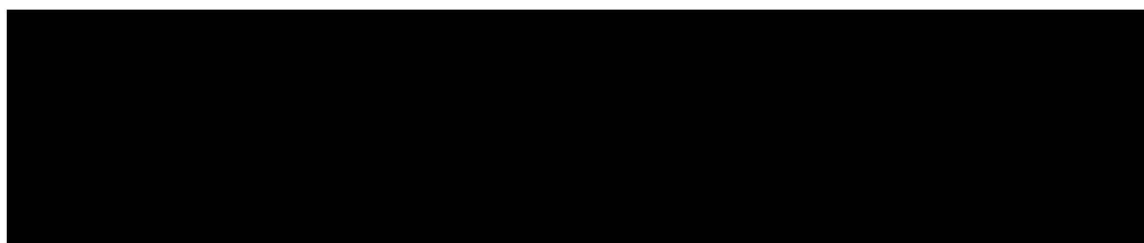
- **DrillTronics:** Automated drilling control (ADC) with two modes, one active and one advisory. The active mode continuously applies optimal real-time drilling actions from the core model directly into the drilling rig machinery. It enables instant execution of mitigating actions on detection of undesired downhole conditions. The advisory mode provides a real time updated wellbore status for situational awareness, clearly indicating safe operating limits for equipment on the surface (e.g., drilling rig). DrillTronics is the key offering.
- **DrillExpect:** A drilling advisory system enabling sophisticated "what if" analyses during well planning and live operations to ensure optimal decision making.
- **DrillScene:** 24/7 support & monitoring, revealing and analysing wellbore conditions, improving performance and preventing unwanted events. Trend analysis on real time data for early notification of problematic situations.

In practice, DrillExpect and DrillScene are delivered and run whenever DrillTronics is provided, functioning as integrated subcomponents of the DrillTronics service delivery. DrillScene and DrillExpect are also sold as a standalone offering to customers who have not adopted DrillTronics. On the NCS, DrillExpect and DrillScene are commonly sold together with DrillTronics.

Sekal's software targets a technically defined niche. Deployment requires modern rigs (often referred to as generation-five or newer) with digital control interfaces, and the automation layer must be installed and integrated with the rig's control system.¹

Sekal has a global market presence with operations in over 30 countries in both Latin America, North America, Europe, Asia, and in the Middle East. [REDACTED]

Sekal seeks to expand this global presence in the coming years through leveraging partnerships with drilling rig companies and cultivating close relationships with exploration and production companies.



¹ Sekal estimates that the addressable global base for such deployments is currently around 65 rigs.



For more information about Sekal, please refer to: <https://sekal.com/about-us/>.

5 TURNOVER AND OPERATING RESULT IN NORWAY FOR THE LAST FISCAL YEAR

Name	Turnover (in thousand NOK)
Halliburton	
Halliburton AS	10,133,000 ²
Sekal AS	220,751 ³

6 NO AFFECTED MARKETS

6.1 Introduction

The Proposed Transaction creates no horizontal or vertical overlap. Halliburton supplies integrated oilfield services and downhole tools for directional drilling, with digital features typically embedded in its service packages and focused on well placement. Halliburton does not provide rig-level automation software that interacts with the drilling rig.⁴ Sekal, on the other hand, supplies closed-loop automated drilling control that interfaces with rig systems and is sold directly to operators on the NCS. Sekal does not provide directional drilling services, logging while drilling services or directional drilling crews, and its software complements rather than substitutes Halliburton's drilling services.

6.2 No horizontal overlap on a national market for directional drilling services

Consistent with NCA and European Commission practice⁵, the relevant product for Halliburton's drilling services is the market for directional drilling services — incorporating MWD, LWD, RSS, associated

² Source: Annual reports, 2024

³ Source: Annual reports, 2024

⁴ Halliburton's Baroid product line offers drilling-fluids digital advisory tools focused on wellbore hydraulics and fluids engineering. These tools are advisory only (no interface to rig control systems and no closed-loop control) and are typically delivered as part of Halliburton's fluids delivery services. For hydraulics, Baroid uses an in-house hydraulic-modeling/advisory system to support engineering and execution; it does not directly control rigs and is not a standalone commercial competitor in automation control.

⁵ NCA's decision V2025-1 Schlumberger Limited – ChampionX Corporation, para. 225, EU Commission's case COMP/M.5839 Schlumberger/Smith International, paras. 14 – 16.

downhole tools and the personnel to operate them — typically procured and priced as an integrated package. Directional drilling covers planning and execution of deviated well trajectories; MWD/LWD provide real-time drilling and formation measurements; RSS and the BHA are the downhole steering and sensor assemblies. The NCA has recently assessed the market for directional drilling services as national.⁶

Sekal's automated drilling control (ADC) and safe guarding software adjusts drilling parameters (such as weight-on-bit (WOB, the axial load on the bit), revolutions per minute (RPM, the rotational speed of the drill string), flow rate (the pump rate of drilling fluid) and surface pressure (e.g., standpipe or choke pressure) in real time but does not replace or compete with directional drilling services. To the Notifying Party's knowledge, neither the NCA nor the European Commission have assessed the market for automated drilling control in previous decisions.

There is no horizontal overlap between Halliburton and Sekal's services: Directional drilling providers, including Halliburton, do not rely on Sekal inputs to deliver directional drilling services, and operators frequently pair Sekal automation with any of the major service companies' directional drilling offerings.

6.3 No vertical relationship

On the NCS, operators procure Sekal's automation directly from Sekal, separate from directional drilling services. [REDACTED]

Directional drilling providers do not require Sekal inputs to compete, and Sekal's automation can be (and is) deployed alongside any major service company. There is therefore no vertical relationship between the Parties.

Internationally, procurement sometimes favors integrated delivery coordinated by the directional drilling contractor. [REDACTED]

[REDACTED] It does not create a credible foreclosure risk: adoption is determined by operator procurement, the contractual relationship between the contractor and Sekal, and rig generation/integration constraints. [REDACTED]

[REDACTED] Alternatives from SLB and Baker Hughes are already viable. Accordingly, internalization of the collaboration does not give rise to input or customer foreclosure.

⁶ NCA's decision V2025-1 Schlumberger Limited – ChampionX Corporation, para. 244.

6.4 Conclusion: No effect on competition

The Proposed Transaction does not give rise to any adverse effects on competition in a national (NCS) market, as there is no horizontal or vertical overlap between the Parties, and Halliburton's competitors are not dependent on Sekal inputs to compete.

7 ANNUAL REPORTS AND FINANCIAL STATEMENTS

Halliburton Company: <https://ir.halliburton.com/static-files/4eac8a44-134e-4613-b233-f221a97f603d>

Halliburton AS: <https://virksomhet.brreg.no/nb/oppslag/enheter/968967983>

Sekal AS: <https://virksomhet.brreg.no/nb/oppslag/enheter/896836072>

8 DISCLOSURE/PUBLIC ACCESS

This notification contains business secrets, cf. Section 18 b of the Competition Act. A proposal for a public version of the notification is enclosed. Enclosed is also an overview which explains why each type of redacted information constitutes business secrets. This explanation document is also considered as business secrets in its entirety.

Appendix 1: Public version of the notification

Appendix 2: Justification of business secrets

In the event that the notification or other documents in the case are not published on the Competition Authority's website, we kindly ask to be notified should the Competition Authority receive any requests for access to such documents.

Best regards

Advokatfirmaet Thommessen AS



Espen Randen

Advokat