

Oslo, 24 October 2018

Presserv acquires Cortec Global Services

Presserv AS (“Presserv” or the “Company”), a portfolio company in Norvestor VII, L.P. and Norvestor VII OS, L.P., has completed the acquisition of Cortec Global Services (“CGS”). With this acquisition, Presserv strengthens its position towards international key customers, establishes a truly global footprint and gains complementary expertise within asset integrity management.

Presserv provides technology and solutions for preservation and corrosion protection within the oil, gas, shipping and storage tank industries. Their products and services are highly innovative and represent a huge cost savings potential for the industry.

CGS offers a full range of corrosion control products, training and monitoring solutions and has been the global service division of Cortec Corporation¹ (“Cortec”). Their preservation and asset management solutions are used by some of the world’s tier one oil and gas companies. CGS was established in 2013 in St. Paul, Minnesota and has expected revenues of around USD 7.4 million in 2018. The company currently has 8 full-time employees and 14 contractors.

The acquisition of CGS will enable Presserv to serve international customers in more of the world’s off-shore as well as on-shore markets. CGS has developed an overall solution for preservation of assets in warehouses and onshore bases for oil & gas companies. Presserv will seek to take these solutions to other geographies. Their collective best practices will be shared and refined, creating improved offerings which will benefit clients across the world. The acquisition will further strengthen the long-term relationship with the parent company, Cortec, as a technology partner for Presserv.

The agreement with Cortec includes global distribution rights which will enable Presserv to operate in geographies where their clients are active. Presserv has been successful in preparing the ground and getting acceptance for its alternative methods for maintaining and preserving equipment and structures for the oil and gas industry. These innovative and cost-effective solutions present great opportunities for players in the market to save cost, increase effectiveness and prolong lifetime of their assets. The addressable markets are huge.

¹ Cortec Corporation – Global leading VpCI (vapor phase corrosion inhibitors) producer headquartered in St. Paul, Minnesota

However, replacing established systems and methods in the relevant segments will be part of a longer-term process, where the shifts are expected to come gradually. It has taken more time than initially planned to prepare oil companies and demonstrate the benefits of changing the traditional ways of preserving assets. Many trial projects have now been executed and support for alternative methods is increasing rapidly. This has strengthened Presserv's view of the market potential. The Company's revenue in the brownfield and AST² segment is expected to grow dynamically as penetration increases.

Niklas Hermansson, the CEO of Presserv, believes the acquisition of CGS will increase the awareness of the cost saving potential of the Company's technology and services among international oil companies and help to accelerate the market growth.

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² AST – Above ground Storage Tanks