

SBO MAINTAINS DOUBLE-DIGIT EBIT MARGIN IN A CHALLENGING MARKET

- Sales declined due to market conditions, but remained solid at MEUR 253.6
- EBITDA at MEUR 44.5 with a margin of 17.5%; EBIT of MEUR 28.6 and a margin of 11.3%
- Free cash flow of MEUR 18.4 including investments in facility expansions in the Middle East and Vietnam
- Precision Technology (PT) continues to be impacted by low demand; Energy Equipment (EE) with significantly improved performance
- Acquisition of 3T Additive Manufacturing Ltd. in August to further strengthen SBO's position in 3D metal printing
- Renaming to SBO AG successfully completed

»Despite a significantly slower market, we kept SBO firmly on track in the first half of 2025. We are managing this situation with cost discipline and remain focused on our strategic initiatives. We are successfully driving forward technological innovations, diversifying our business, and capitalizing on market opportunities - even in a demanding environment. Thanks to our strong financial position and our global locations we are well positioned and we execute on our strategy, as also demonstrated by our acquisition of 3T Additive Manufacturing Ltd.«

KLAUS MADER, CEO OF SBO

	UNIT	1 – 6/2025	1 – 6/2024
Sales	MEUR	253.6	288.1
EBITDA (Earnings before interest, taxes, depreciation, and amortization)	MEUR	44.5	53.1
EBITDA margin	%	17.5	18.4
EBIT (Earnings before interest and taxes)	MEUR	28.6	36.6
EBIT margin	%	11.3	12.7
Profit before tax	MEUR	26.0	33.8
Profit after tax	MEUR	18.5	25.0
Cash flow from operating activities	MEUR	37.1	42.2
Free cash flow	MEUR	18.4	27.7
Liquid funds as of 30 June 2025 / 31 December 2024	MEUR	278.9	314.7
Net debt as of 30 June 2025 / 31 December 2024	MEUR	82.3	56.0
Equity ratio as of 30 June 2025 / 31 December 2024	%	47.0	50.0
Headcount as of 30 June 2025 / 31 December 2024		1,526	1,596

BUSINESS HIGHLIGHTS IN H1 2025

In the first half of 2025, SBO achieved important milestones in the implementation of its strategy. The legal change of the company name to SBO AG and the progress made in the four central pillars of the strategy – diversification, market expansion, technology leadership, and operational excellence – further strengthened the company's foundation for sustainable, profitable growth.

New company name: With its entry in the commercial register, SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft officially became **SBO AG** on 1 July 2025. This step aligns the legal name with the new brand identity introduced in March and underscores SBO's transformation into a global precision technology group with an expanded industrial focus.

Technology leadership: SBO successfully implemented several **significant technological innovations** in the first half of 2025. These include the market launch of the new "High Dogleg RSS Tool," which enables tighter borehole trajectories, expanded directional control and thus U-turn drilling. In addition, SBO implemented bidirectional communication between the Rotary Steerable System (RSS) and Measurement-While-Drilling (MWD) components enabling faster, data-driven decisions during drilling. Another milestone is the introduction of a high-performance motor with integrated data sensor, which was launched on the market in the second quarter of 2025 following successful field trials. These developments strengthen SBO's competitive position and demonstrate our commitment to providing smarter, more efficient and highly reliable drilling solutions.

Market expansion: With the grand opening of its expanded site in **Saudi Arabia** in April 2025, SBO has significantly expanded its presence in the Middle East. The new location in Dammam doubles SBO's operating space and consolidates local activities under one roof. This enables closer cooperation with regional customers and partners, and strengthens SBO's position in one of the most important strategic growth markets in the energy industry. At the same time, we are committed to sustainability: a solar power system at the site will reduce annual CO₂ emissions by around 450 tons.

Operational excellence: The expansion of our manufacturing site in **Vietnam**, which was completed in June 2025, is an important step toward increasing our global delivery flexibility and underscores our commitment to operational excellence. With over 12,000 m² of production space and state-of-the-art high-precision manufacturing capabilities the site supplies customers worldwide, with a focus on the Asia-Pacific region and the Middle East. The expansion not only contributes to operational efficiency, but also supports SBO's sustainability goals through energy-efficient construction and the installation of a solar power plant.

Diversification: In the first half of the year, SBO consistently expanded its activities beyond oil and gas markets. In the fast growing area of **Additive Manufacturing**, SBO continues to expand its capabilities, attracting cutting edge programs in the space and aerospace, defense, and semiconductor industry, further validating its role in advanced industrial applications. With the acquisition of UK-based 3T Additive Manufacturing Ltd., a leading supplier of additive manufacturing solutions, SBO will further strengthen its position in this future-oriented technology.¹ In the energy transition area, SBO successfully implemented

¹ For further information on the acquisition of 3T Additive Manufacturing Ltd. refer to "Outlook"

its first **geothermal energy projects** in New Zealand and Indonesia. Geothermal energy is also gaining momentum in the US and in Europe: In the Netherlands and Austria, SBO is supplying equipment for innovative drilling projects that use advanced technologies under challenging conditions. In addition, SBO supported its customers in a **carbon capture and storage (CCS) project** in the US and successfully accompanied the drilling of an exploration well in Pennsylvania to a depth of 18,000 feet. At the same time, SBO is supporting the development of helium deposits in Wyoming, a strategically important future area with growing significance for the energy transition. These projects underscore SBO's evolving role as a provider of technologies for low-emission applications and sustainable energy sources.

Market environment

Oil and Gas

In the first half of 2025, the oilfield services sector faced a **complex macroeconomic environment**, shaped by continued geopolitical tensions, tariff uncertainty, and volatile commodity pricing. These factors weighed on customer sentiment, particularly in North America but also internationally, leading to a cautious investment climate and lower drilling activity. In addition, the OPEC+ group's partial reversal of voluntary production cuts has raised concerns of a potential oversupply in the market and added pressure on **crude oil prices**.

After averaging USD 73/barrel in Q1, Brent prices briefly fell below USD 60/barrel in April, marking a four-year low. Although prices stabilized somewhat in June, they remained well below those of 2024, averaging USD 66/barrel in the second quarter of 2025. The WTI benchmark mirrored this development, with an average of USD 68/barrel over the six-month period.¹

The **global rig count** remained subdued, falling to 1,576 in May before partially rebounding to 1,600 by end June. This represents a 6% year-on-year decrease and a 4% decrease compared to the beginning of the year. In the United States, the rig count declined for nine consecutive weeks in the second quarter, with a drop to 554 units in June. Oil rigs fell to around 432 (a 10% decrease year-on-year), while gas rigs rose to approximately 109, reflecting a modest year-on-year increase in gas-targeted drilling. The international rig count fell to 913 rigs in June (compared to 957 in June 2024) and Canada saw a reduction of 28 rigs (-17%) year-on-year.²

Global oil demand continued to grow in the first half of 2025, albeit at a slower pace than previously forecast. According to the International Energy Agency (IEA), average global oil demand rose to 103.6 mb/d in the second quarter of 2025, up from 103.0 mb/d in the same period last year.

This increase was driven by demand recovery in Asia and higher demand in Africa. However, the IEA revised its full-year growth projection to +0.7 mb/d for 2025 – its lowest growth rate since 2009 with the exception of 2020 – citing economic headwinds and trade-related uncertainty.³

Oil supply rose to 105.0 mb/d in the second quarter of 2025 – a substantial 1.9 mb/d above last year's levels. Over the course of the summer, OPEC+ announced the full unwinding of the voluntary production cuts of 2.2 mb/d that have been in place since 2023 by September 2025. World oil supply is now forecast to rise by 2.5 mb/d this year to 105.5 mb/d.⁴

Natural gas markets have seen similar developments. Following a strong expansion in 2024, **global gas demand** rose at a slower rate in the first half of 2025 (+1% or less than 20 bcm). Macroeconomic uncertainty, together with tight supply fundamentals and relatively high prices, weighed on natural gas consumption, particularly in price-sensitive markets in Asia. While global LNG supply increased by 4% (or 12 bcm) year-on-year in H1 2025, overall supply fundamentals remained tight. The demand outlook for the full year was downgraded mid-year to +1.3%, as the tight market conditions impact global demand growth, especially in Asia.⁵

The **Henry Hub spot price** averaged USD 3.67/MMBtu in H1 2025, compared to USD 2.11 per MMBtu in H1 2024.⁶

¹ Bloomberg, CO1 Brent Crude and CL1 WTI Crude

² Baker Hughes Rig Count

³ International Energy Agency (IEA), Oil Market Report, August 2025

⁴ International Energy Agency (IEA), Oil Market Report, August 2025

⁵ International Energy Agency (IEA), Global Gas Market Report Q3-2025

⁶ Bloomberg, NG1 Natural Gas

Energy Transition

Spending on **geothermal energy** are further on the rise in 2025, as countries seek sustainable alternatives to fossil fuels and enhance their energy security. Geothermal energy will serve as a baseload source in the energy mix of the future. It is being used for both electricity and heat generation. The development of enhanced geothermal systems allows access to deeper and hotter resources previously unreachable by traditional drilling methods. This has driven market growth in recent years leading to an overall market of USD 70 billion in 2024.⁷ The global geothermal power capacity reached 15.8 GW in 2024 and is expected to grow to 20.8 GW in 2030⁸ with a significant ramp up to over 800 GW expected by 2050⁹, driven by the immense technical potential of next-generation geothermal systems.

Recent studies and reports, such as those from Project InnerSpace¹⁰, underscore geothermal's growing potential — particularly as a competitive source of clean baseload electricity for collocated **AI data centers**. Looking at the estimated AI driven growth in electricity demand for the US alone, an additional 41 GW in power capacity would be needed by 2030.¹¹

Enhanced geothermal systems (EGS) and **Advanced closed-loop systems (ACLs)** are ideally positioned for the 24/7, high-resilience, high-capacity demands of data centers, and offer an additional critical benefit: cooling can be directly integrated into the energy delivery system. By leveraging knowledge transfer from the oil and gas industry, technology advancements and consistent project investments, the levelized cost of energy (LCOE) of next-generation geothermal technology are projected to come down to USD 45 - 65 per MWh within the next decade.¹²

As electricity demand is surging, geothermal energy provides a competitive, low-carbon alternative thereby paving the way for the future of energy and AI.

Industrial Sectors

3D metal printing, a foundational technology in additive manufacturing (AM), has evolved from a prototyping solution into a strategic method for producing high performance, precision components. Technologies such as Direct Metal Laser Sintering (DMLS) and other Powder Bed Fusion (PBF) processes enable the production of lightweight, complex, and functionally optimized parts that are difficult or impossible to manufacture using conventional methods. The global market for outsourced metal AM services, third-party providers offering contract manufacturing of metal parts, was estimated at USD 1.1 billion in 2024, with a projected compound annual growth rate of over 20% through 2030.¹³

A broader market definition, which also includes companies producing metal AM parts in-house for their own use, placed the market at USD 2.9 billion in 2023, with expectations to reach USD 7.2 billion by 2029.¹⁴ Growth is being driven by increasing adoption in space, aerospace, defense, energy, and industrial sectors, alongside the rising strategic importance of AM in enabling shorter lead times, enhanced supply chain resilience, and greater design flexibility.¹⁵ These dynamics reinforce the long term case for investing in additive manufacturing as a critical pillar of next generation precision manufacturing.

⁷ Fortune Business Insights, February 2025

⁸ Statista.com

⁹ The Future of Geothermal Energy, IEA 2024

¹⁰ <https://projectinnerspace.org/>

¹¹ Powering the AI Revolution, Project InnerSpace, July 2025

¹² McKinsey & Company, July 2025

¹³ VoxelMatters 2024

¹⁴ Wohlers Report 2024

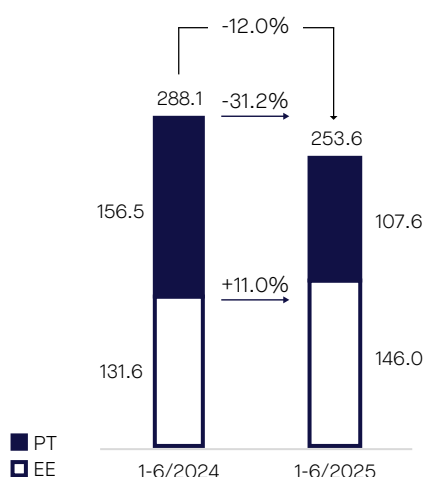
¹⁵ Metal AM Magazine, Summer 2025

Business development

The first half of 2025 was marked by significant market uncertainty and subdued investment activity. SBO addressed the market challenges proactively with targeted measures such as optimizing supply chains and adjusting capacities. Despite the challenging environment, which was visible in the financial performance, SBO continued to achieve double-digit operating margins.

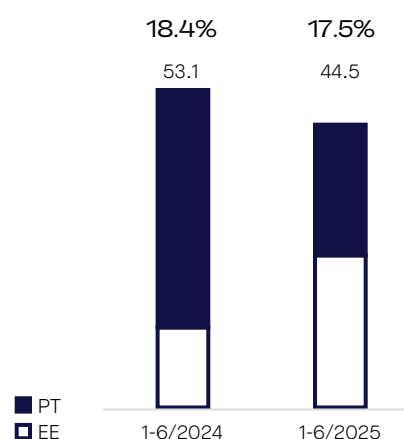
Bookings of MEUR 216.9 (1-6/2024: MEUR 248.7) and the Group's **order backlog**, which stood at MEUR 103.3 at the end of June (31 December 2024: MEUR 141.8), reflect the sustained decline in customer spending. SBO's **sales** reached a solid MEUR 253.6 in the first half of the year (1-6/2024: MEUR 288.1), with the drop in sales in the Precision Technology (PT) division (-31.2%) partially offset by the positive development in the Energy Equipment (EE) division (+11.0%).

SALES BY DIVISION
in MEUR



Earnings before interest, taxes, depreciation and amortization (EBITDA) amounted to MEUR 44.5 and, despite the decline in sales, remained largely stable at a **margin** of 17.5% (1-6/2024: MEUR 53.1, 18.4%), as the lower capacity utilization in the PT division was mostly offset by a significant improvement in earnings in the EE division. **Profit from operations (EBIT)** amounted to MEUR 28.6 with a **margin** of 11.3% (1-6/2024: MEUR 36.6, 12.7%).

EBITDA
in MEUR | as a % of sales



Profit before tax totaled MEUR 26.0 compared to MEUR 33.8 last year. **Profit after tax** reached MEUR 18.5 (1-6/2024: MEUR 25.0), resulting in EUR 1.18 **earnings per share** (1-6/2024: EUR 1.58).

Segments

The SBO Group's business is divided into two segments: **Precision Technology (PT)** and **Energy Equipment (EE)**. In the Precision Technology division, SBO specializes in high-precision metal components ranging from complex steel parts to additive manufacturing solutions for industries requiring maximum accuracy and performance. In the Energy Equipment division, SBO provides high-tech equipment for directional drilling and well completion, including high-precision flow control products. These solutions are designed for extreme conditions and are used in environments with high temperatures and high pressures. SBO thus serves important industries, including oil and gas, the energy transition, and other industrial sectors.

The **Precision Technology** division continued to be affected by an uncertain market environment and declining customer demand in the first half of 2025. Geopolitical tensions, the lower oil price, and ongoing uncertainty about new US trade tariffs contributed to restrained customer sentiment. Sales declined by 31.2% to MEUR 107.6 (1-6/2024: MEUR 156.5), which affected operating results notably: EBITDA decreased to MEUR 22.4 (1-6/2024: MEUR 40.6), albeit at a high EBITDA margin of 20.8% (1-6/2024: 26.0%). EBIT halved year-on-year in absolute terms to MEUR 16.4 (1-6/2024: MEUR 35.6) but remained at a solid margin of 15.3% (1-6/2024: 22.8%). SBO responded to the decline in demand with an adjustment of capacities and cost structures, while securing core competencies and pursuing strategic initiatives.

The **Energy Equipment** division significantly improved its performance in the first half of 2025, despite the continuing downward trend in drilling and completion activities in the US. Supported by positive demand for SBO's technological innovations especially in the well completions area and the international market expansion measures taken, the business generated 11.0% growth, with sales increasing to MEUR 146.0 (1-6/2024: MEUR 131.6). Operating results also improved significantly compared to the same period last year, which was affected by some non-recurring items. EBITDA almost doubled to MEUR 25.6 (1-6/2024: MEUR 13.5), and the EBITDA margin improved to 17.6% (1-6/2024: 10.2%). EBIT rose to MEUR 16.0 (1-6/2024: MEUR 2.2) with an EBIT margin of 10.9% (1-6/2024: 1.7%).

The development was mainly driven by market share gains in the US and improved operational efficiency.

Cash Flow

SBO generated an **operating cash flow** of MEUR 37.1 (1-6/2024: MEUR 42.2) and **free cash flow** of MEUR 18.4 (1-6/2024: MEUR 27.7), both impacted by lower earnings. **Capital expenditure for property, plant and equipment and intangible assets** (excluding right of use assets) totaled MEUR 19.7 (1-6/2024: MEUR 16.7), including investments in the facility expansions in the Middle East and Vietnam.

Key Balance Sheet Figures

SBO maintained its excellent financial position in the first half of 2025. The company's **cash and cash equivalents** amounted to MEUR 278.9 as of 30 June 2025 (31 December 2024: MEUR 314.7). In addition to the dividend payment of MEUR 27.6 the decline in cash balance was driven by unfavorable effects of exchange rate changes (MEUR 13.9). **Equity** stood at MEUR 418.6 as of 30 June 2025 (31 December 2024: MEUR 492.7), impacted by MEUR 65.1 unfavorable currency translation effects, mostly due to the weakening of the US dollar from 1.0389 on 31 December 2024 to 1.1720 on 30 June 2025. This resulted in an **equity ratio** of 47.0% (31 December 2024: 50.0%).

Net debt increased to MEUR 82.3 (31 December 2024: MEUR 56.0), also impacted by the weak US dollar. As a result, the **gearing ratio** stood at 19.7% (31 December 2024: 11.4%).

SBO's high cash position and financial stability provide a solid foundation for the execution of its growth strategy. The company remains committed to allocating capital prudently to drive innovation, support diversification and pursue long-term value creation.

ESG PROGRESS AND HALF-YEAR HIGHLIGHTS

SBO made solid progress in the ESG area in the first half of 2025 and confirms its continued commitment to sustainable and responsible business practices.

Scope 1 and Scope 2 emissions totaled 6,995 tons of CO₂e in the first half of 2025, representing an increase of 3.1% compared to the previous year (1-6/2024: 6,782 t CO₂e). While Scope 1 emissions increased by 25.3% to 2,472 t CO₂e, Scope 2 emissions (market-based) were reduced by 6.0% to 4,523 t CO₂e - primarily due to lower electricity consumption and increased use of renewable energy sources. The increase in Scope 1 emissions was mainly driven by higher natural gas consumption for heating and the purchase of company-owned trucks, which shifted transport-related emissions from Scope 3 to Scope 1 in accordance with GHG Protocol guidelines.

CO ₂ e in T	Unit	1 – 6/2025	1 – 6/2024
SCOPE 1	CO ₂ e in tons	2,472	1,973
SCOPE 2 (market based)	CO ₂ e in tons	4,523	4,810
TOTAL SCOPE 1+2	CO₂e in tons	6,995	6,782
Emission intensity Scope 1+2	CO ₂ e in tons	27.6	23.5

The increase in **emission intensity (Scope 1+2)** from 23.5 tons CO₂e per MEUR sales in 1-6/2024 to 27.6 tons CO₂e per MEUR sales in 1-6/2025 is primarily due to lower overall capacity utilization and a market-driven shift in the product mix.

Energy Consumption: SBO increased its total energy consumption by 5.2% to 27,948 MWh (1-6/2024: 26,575 MWh), primarily due to a higher consumption of natural gas (+13.7%) and other energy sources (+35.6%). The reasons for these increases included an intensified use of heating systems due to colder weather conditions and an increase in the company's vehicle fleet.

In contrast, electricity consumption decreased by 3.3%. The share of renewable energy in electricity consumption currently stands at 49% (1-6/2024: 46%). SBO also plans to further reduce its CO₂ footprint by adjusting its electricity mix in favor of renewables - especially at sites where non-renewable sources still dominate.

in MWh	1 – 6/2025	1 – 6/2024
Electricity	16,909	17,488
thereof from renewable sources	8,219	8,075
thereof from non-renewable sources	8,690	9,413
Natural gas	6,666	5,863
All other sources	4,373	3,224
TOTAL ENERGY CONSUMPTION	27,948	26,575

Water Withdrawal & Waste Generation: Water withdrawal in the first half of 2025 totaled 31,448 m³, representing a 34.4% decrease compared to the previous year (1-6/2024: 47,944 m³). Roughly half of the withdrawal in the first half of 2025 came from own wells (14,890 m³), which saw a 49.0% reduction. The withdrawal from the public water supply (16,558 m³) declined by 11.6%.

in cbm	1 – 6/2025	1 – 6/2024
Water withdrawal	31,448	47,944
thereof from own well	14,890	29,205
thereof from the public water system	16,558	18,739

Waste generation increased from 4,485 tons to 5,321 tons in the first half of 2025. This included 4,699 tons of non-hazardous waste (1-6/2024: 4,009 tons) and 622 tons of hazardous waste (1-6/2024: 476 tons). The increase in waste volumes results from a shift in the product mix and increased operational activity in the Energy Equipment division.

in tons	1 – 6/2025	1 – 6/2024
Total waste	5,321	4,485
thereof non-hazardous waste	4,699	4,009
thereof hazardous waste	622	476

Photovoltaic systems for more green energy: Following the successful commissioning of photovoltaic systems in Ternitz, Houston, and Dubai, SBO continued to expand its use of solar energy in 2025. The PV system in Dubai, operational since late 2024, already enabled full coverage of local electricity demand and avoided 122 tons of CO₂ emissions in the first half of 2025. Building on this progress, new PV systems have since been installed and commissioned at our sites in Mexico and Saudi Arabia, further strengthening our renewable energy infrastructure. At the newly expanded facility in Dammam, Saudi Arabia, a large-scale solar system was installed that will reduce CO₂ emissions by approximately 450 tons annually, supporting SBO's target to cut Scope 1 and 2 emissions by 30% by 2030. These investments mark a significant step in SBO's global sustainability journey and underline the group's commitment to climate protection, energy transition, and regional integration.

Implementation of CSRD and ESRS: In the first half of 2025, SBO achieved another important milestone in sustainability reporting. The first CSRD-compliant sustainability report 2024 was audited and published. This report meets the requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), providing comprehensive documentation of the environmental, social, and governance (ESG) aspects of our business model. With the publication of the audited CSRD report, we demonstrate our strong commitment to transparency and responsibility.

Strategic execution and future goals: The successful implementation of the CSRD requirements establishes a solid foundation to deepen and continuously improve our ESG efforts and reporting in the future. Moving forward, a particular focus will be placed on optimizing data collection and further integrating sustainability metrics into corporate management.

Outlook

The latest US trade agreements have brought some clarity, but uncertainty in global trade policies continues to weigh on demand. Persistently low commodity prices and the concern of a potential oversupply in the oil market lead to continued investment restraint. The resulting slowdown in the industry is now clearly evident.

Despite short-term fluctuations due to geopolitical tensions, oil prices remain under pressure. Ongoing economic uncertainty and the risk of a possible oversupply are causing our customers to adopt cautious investment plans. Global spending on exploration and production is now expected to decline by 2% in 2025, particularly in the US (-5%) – a trend reversal in spendings is expected only from mid-2026 onwards.¹

Against this backdrop, SBO expects demand in the **Precision Technology (PT)** division to remain subdued in the second half of the year. SBO will therefore continue to focus on strict cost discipline and capacity adjustments in this division in order to actively navigate the current developments. At the same time, we will drive the expansion of forward-looking business areas such as additive manufacturing, which will gain in importance in SBO's mid- to long-term business development.

In the **Energy Equipment (EE)** division, SBO expects to perform better than the overall market. Although the decline in drilling and completion activities in the US is weighing on the business, SBO expects to benefit from the successful market introduction of technological innovations. By advancing technological leadership and optimizing operational efficiency, SBO is actively pursuing market share growth. In international markets, positive momentum continues due to market expansion measures taken.

Despite the current market headwinds, SBO is well positioned for the long term to take advantage of future market opportunities. The rising global energy demand and the implementation of our strategy – from market expansion and technology leadership to diversification into new business areas – create attractive growth opportunities.

As part of its strategic diversification, SBO took another important step on 19 August 2025: with the agreement to acquire 3T Additive Manufacturing Ltd., a leading UK provider of industrial 3D metal printing solutions, SBO is consistently driving the expansion of its position in this attractive niche market. 3T Additive Manufacturing Ltd. operates a fully integrated production facility, serves an international customer base across various high-tech industries, and in 2024 generated sales of around MGBP 5. Through the acquisition, SBO gains access to established customer relationships, modern production infrastructure, and a highly qualified team, enabling it to further accelerate its growth strategy in the field of additive manufacturing. This acquisition underscores SBO's clear commitment to investing in forward-looking markets and demonstrates its ability to successfully execute its long-term strategic initiatives. Completion of the transaction remains subject to regulatory approvals.

At the same time, we are further optimizing our operational setup to enhance customer proximity, accelerate time-to-market, and fully leverage the strengths of our global footprint. Our focus remains on expanding our core competencies, making efficient use of global resources, and consistently implementing our strategic initiatives. SBO is therefore well positioned to successfully exploit market opportunities and remains committed to its strategic goals.

¹ Evercore ISI, July 2025

Risk Report

The nature of SBO's business risks in the first half of 2025 has not changed significantly compared to the risks presented in the 2024 Annual Report. However, geopolitical conflicts and the evolving global trade policy environment, particularly the volatile tariff policy of the US, continue to create uncertainty with further impact on supply chain dynamics and customers' spending restraints. Nevertheless, SBO's global footprint has a risk-mitigating effect in this regard.

SBO refers to all risks explained in the 2024 Annual Report and recommends that this report on the first half of 2025 always be read in conjunction with the risk report in the 2024 Annual Report.

ABOUT SBO

SBO at a glance

SBO AG is leading in the manufacture of high-alloy, non-magnetic steels, high-precision components and high-tech equipment for the energy sector and other industrial sectors. The global precision technology group, headquartered in Ternitz, Austria, operates worldwide at more than 20 locations with around 1,500 employees. The group delivers cutting-edge technologies backed by a highly innovative product portfolio and strong intellectual property.

In its Precision Technology division, SBO specializes in high-precision metal components, ranging from complex steel parts to additive manufacturing solutions for industries requiring maximum accuracy and performance. In the

Energy Equipment division, SBO provides high-tech equipment for directional drilling and well completion, including high-precision flow control products. Designed for extreme conditions, these solutions perform in high-temperature and high-pressure environments, serving important industries including oil and gas, energy and other industrial sectors

SBO is listed on the ATX index of the Vienna Stock Exchange (ISIN AT0000946652).

More information: www.sbo.at

The SBO share

The share of SBO AG has been listed in the Prime Market of the Vienna Stock Exchange for over 20 years and is part of the ATX, the leading Austrian index (ISIN AT0000946652). In total, 16,000,000 par value shares with a nominal value of EUR 1.00 each have been issued. The share started into the trading year at a price of EUR 29.80 and closed at EUR 30.15

on 30 June 2025. Market capitalization as of 30 June 2025 was MEUR 482 and approximately 67% of the shares were in free float at that date.

Financial calendar 2025

20 November 2025

Q3 results 2025

Consolidated profit and loss statement

	6 months period ended		3 months period ended	
in TEUR	30.06.2025	30.06.2024	30.06.2025	30.06.2024
Sales	253,624	288,050	124,423	141,325
Cost of goods sold	-177,709	-204,281	-88,282	-101,146
Gross profit	75,915	83,769	36,141	40,179
Selling expenses	-19,438	-18,414	-9,828	-9,767
General and administrative expenses	-23,748	-24,950	-11,195	-13,313
Other operating expenses	-15,421	-9,874	-7,770	-3,458
Other operating income	11,328	6,106	2,994	2,390
Profit from operations	28,636	36,637	10,342	16,031
Interest income	4,738	2,226	1,953	1,196
Interest expenses	-7,421	-5,083	-3,717	-2,617
Financial result	-2,683	-2,857	-1,764	-1,421
Profit before tax	25,953	33,780	8,578	14,610
Income taxes	-7,424	-8,815	-3,081	-4,600
Profit after tax	18,529	24,965	5,497	10,010
Average number of shares outstanding	15,759,465	15,759,465	15,759,465	15,759,465
Earnings per share in EUR (basic = diluted)	1.18	1.58	0.35	0.64

Consolidated statement of comprehensive income

	6 months period ended		3 months period ended	
in TEUR	30.06.2025	30.06.2024	30.06.2025	30.06.2024
Profit after tax	18,529	24,965	5,497	10,010
Other comprehensive income to be reclassified to profit or loss in subsequent periods				
Currency translation adjustment - subsidiaries	-56,672	13,811	-38,499	4,152
Currency translation adjustment - other items ¹	-10,932	2,479	-7,140	779
Income tax effect	2,514	-570	1,642	-179
Other comprehensive income, net of tax	-65,090	15,720	-43,997	4,752
TOTAL COMPREHENSIVE INCOME, NET OF TAX	-46,561	40,685	-38,500	14,762

¹ Mainly from net investments in foreign entities such as long-term receivables.

Consolidated balance sheet

ASSETS

in TEUR

	30.06.2025	31.12.2024
Current assets		
Cash and cash equivalents	278,855	314,686
Trade receivables	119,880	131,444
Other receivables and other assets	14,092	14,136
Inventories	164,790	188,668
Total current assets	577,617	648,934
Non-current assets		
Property, plant and equipment	140,249	145,061
Goodwill	130,823	146,809
Other intangible assets	11,819	14,496
Long-term receivables and assets	3,599	2,737
Deferred tax assets	26,603	28,072
Total non-current assets	313,093	337,175
TOTAL ASSETS	890,710	986,109

LIABILITIES AND EQUITY

in TEUR

	30.06.2025	31.12.2024
Current liabilities		
Liabilities to banks	41,252	42,787
Current portion of long-term loans	27,286	29,786
Lease liabilities	2,793	2,776
Trade payables	31,920	32,131
Income tax payable	9,803	9,867
Other liabilities	42,052	53,662
Other provisions	4,069	4,237
Total current liabilities	159,175	175,246
Non-current liabilities		
Long-term loans	292,660	298,071
Lease liabilities	8,598	8,273
Provisions for employee benefits	6,454	6,174
Other liabilities	4,826	4,975
Deferred tax liabilities	439	672
Total non-current liabilities	312,977	318,165
Equity		
Share capital	15,759	15,759
Capital reserve	59,526	59,526
Legal reserve	785	785
Other reserves	19	19
Currency translation reserve	-1,626	63,464
Retained earnings	344,095	353,145
Total equity	418,558	492,698
TOTAL LIABILITIES AND EQUITY	890,710	986,109

Consolidated cash flow statement

in TEUR	6 months period ended	
	30.06.2025	30.06.2024
OPERATING ACTIVITIES		
Profit before tax	25,953	33,780
Depreciation, amortization and impairments	15,825	16,454
Other expenses and income	-1,974	-8,675
Cash flow from profit	39,804	41,559
Change in working capital	-2,738	603
Cash flow from operating activities	37,066	42,162
INVESTING ACTIVITIES		
Expenditures for property, plant and equipment and intangible assets	-19,720	-16,738
Other activities	1,066	2,254
Cash flow from investing activities	-18,654	-14,484
Free cash flow	18,412	27,678
FINANCING ACTIVITIES		
Dividend payment	-27,579	-31,519
Change in financial liabilities	-9,690	-7,923
Cash flow from financing activities	-37,269	-39,442
Change in cash and cash equivalents	-18,857	-11,764
Cash and cash equivalents at the beginning of the period	314,686	162,351
Effects of exchange rate changes on cash and cash equivalents	-16,974	3,671
Cash and cash equivalents at the end of the period	278,855	154,258

Consolidated statement of changes in equity

2025

in TEUR	Share capital	Capital reserve	Legal reserve	Other reserves	Currency translation reserve	Retained earnings	Total
1 January 2025	15,759	59,526	785	19	63,464	353,145	492,698
Profit after tax						18,529	18,529
Other comprehensive income, net of tax					-65,090		-65,090
Total comprehensive income, net of tax	0	0	0	0	-65,090	18,529	-46,561
Dividend payment ¹						-27,579	-27,579
30 June 2025	15,759	59,526	785	19	-1,626	344,095	418,558

¹ The dividend per share amounted to EUR 1.75.

2024

in TEUR	Share capital	Capital reserve	Legal reserve	Other reserves	Currency translation reserve	Retained earnings	Total
1 January 2024	15,759	59,526	785	19	32,739	339,189	448,017
Profit after tax						24,965	24,965
Other comprehensive income, net of tax					15,720		15,720
Total comprehensive income, net of tax	0	0	0	0	15,720	24,965	40,685
Dividend payment ¹						-31,519	-31,519
30 June 2024	15,759	59,526	785	19	48,459	332,635	457,183

¹ The dividend per share amounted to EUR 2.00.

NOTES TO THE INTERIM CONSOLI- DATED FINANCIAL STATEMENTS

Note 1

BASIS OF PREPARATION

The interim report as of 30 June 2025 has been prepared in accordance with the principles of the International Financial Reporting Standards (IFRS), rules for interim financial reporting (IAS 34), to be applied in the European Union.

This report on the second quarter of 2025 of the SBO group has neither been audited nor reviewed by independent accountants.

Note 2

ACCOUNTING POLICIES

The accounting and valuation methods of 31 December 2024 have been applied basically unchanged. In this context, we refer to the consolidated financial statements for the year ended 31 December 2024.

Note 3

SCOPE OF CONSOLIDATION

During the reporting period no changes occurred in the scope of consolidation.

Note 4

SEASONALITY

Business development of SBO is not subject to significant seasonal influences.

Note 5

DIVIDEND PAID

	Total amount	Number of ordinary shares	Per share
	in TEUR		in EUR
For the business year 2024 paid in 2025	27,579	15,759,365	1.75
For the business year 2023 paid in 2024	31,519	15,759,365	2.00

Note 6

SEGMENT INFORMATION

Based on product groups and services offered and existing customer groups, respectively, SBO's business operations are subdivided into two reportable segments "Precision Technology", (PT) (formerly "Advanced Manufacturing & Services", AMS) and "Energy Equipment", (EE) (formerly "Oilfield Equipment", OE).

In the Precision Technology segment, SBO specializes in high-precision metal components ranging from complex steel parts to additive manufacturing solutions for industries requiring maximum accuracy and performance.

In the Energy Equipment segment, SBO provides high-tech equipment for directional drilling and well completion, including high-precision flow control products.

Management of the Company and the allocation of resources are based on the financial performance of these segments. Sales revenue as well as operating result (EBIT) are monitored separately by management for the purpose of making decisions on the allocation of resources.

The amounts presented are a summary of the separate income statements of the individual companies included in the consolidated financial statements. Individual holding adjustments and consolidation entries (elimination of intercompany profit and loss and other intragroup transactions) must therefore be taken into account in order to achieve the consolidated results presented. Results in the total column correspond to those in the profit and loss statement.

1 – 6/2025

in TEUR	Precision Technology*	Energy Equipment*	SBO-Holding & Consolidation	Group
External sales	107,603	146,021	0	253,624
Intercompany sales	38,544	15,901	-54,445	0
Total sales	146,147	161,922	-54,445	253,624
EBITDA	22,360	25,629	-3,528	44,461
Profit / loss from operations (EBIT)	16,428	15,960	-3,752	28,636

* The name of the Advanced Manufacturing and Services segment was changed to Precision Technology. The name of the Oilfield Equipment segment was changed to Energy Equipment.

1 – 6/2024

in TEUR	Precision Technology*	Energy Equipment*	SBO-Holding & Consolidation	Group
External sales	156,463	131,587	0	288,050
Intercompany sales	64,178	16,098	-80,276	0
Total sales	220,641	147,685	-80,276	288,050
EBITDA	40,611	13,468	-988	53,091
Profit / loss from operations (EBIT)	35,622	2,229	-1,214	36,637

* The name of the Advanced Manufacturing and Services segment was changed to Precision Technology. The name of the Oilfield Equipment segment was changed to Energy Equipment.

External sales were as follows:

	Precision Technology		Energy Equipment	
in TEUR	1 – 6/2025	1 – 6/2024	1 – 6/2025	1 – 6/2024
Product sales	97,174	145,637	89,099	70,821
Services and repairs	7,951	8,291	4,121	4,140
Rental revenue	2,478	2,535	52,801	56,626
Total	107,603	156,463	146,021	131,587
North America	51,713	62,877	94,710	78,223
Europe	17,113	24,889	5,798	1,820
Middle East	6,591	6,915	29,525	24,635
Asia / Central Asia	26,554	54,917	8,826	8,339
Central and South America	536	909	5,516	15,609
Others	5,096	5,956	1,646	2,961
Total	107,603	156,463	146,021	131,587

Note 7

FOREIGN EXCHANGE RATES

The development of foreign exchange rates, and in particular the weakening of the USD during the first half of the year from EUR 1 = 1.0389 on 31 December 2024 to EUR 1 = 1.1720 on 30 June 2025, led to a significant reduction in all assets as well as equity and liabilities, with the exception of long-term loans, as of 30 June 2025.

While in the first quarter of 2025 foreign exchange gains of MEUR 2.8 were achieved, foreign exchange losses of MEUR -1.7 were recorded in the second quarter of 2025. This change in foreign exchange effects of MEUR -4.5 and additional translation-related negative effects compared to the first quarter of 2025 contributed significantly to the change in Profit from operations in the second quarter compared to the first quarter of 2025.

Note 8

TANGIBLE AND INTANGIBLE FIXED ASSETS

During the first six months of 2025 capital expenditures for tangible and intangible fixed assets (including right-of-use assets) amounted to MEUR 22.3 (1-6/2024: MEUR 17.5). Purchase commitments for expenditure in property, plant and equipment as well as intangible assets as of 30 June 2025 were MEUR 6.4 (31 December 2024: MEUR 9.7).

Note 9

IMPAIRMENTS

Geopolitical tensions and developments in global trade policy, particularly the volatile tariff policy of the US, caused increased uncertainty in the market environment and a decline in customer demand in the Precision Technology segment in the first half of 2025. This led to changes in assumptions regarding short- and medium-term expectations for customer spending in the Precision Technology segment. As a result, goodwill of the affected cash-generating units in the Precision Technology segment was tested for impairment as of 30 June 2025.

In determining the value in use, scenario analyses with a detailed forecast period of five years were used for the relevant cash-generating units, with cashflows being adjusted based on current estimations of management reflecting decreased short-term and medium-term profit expectations in the current market environment. For the terminal value a fixed growth rate of 1% was applied. The impairment tests carried out as of 30 June 2025 did not result in any goodwill impairment.

Note 10

RELATED PARTY TRANSACTIONS

With respect to business transactions with related parties there were no substantial changes compared to 31 December 2024. All transactions with related parties are carried out at generally acceptable market conditions. For further information on individual business relations please refer to the consolidated financial statements of SBO for the year ended 31 December 2024.

Note 11

FINANCIAL INSTRUMENTS

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: other techniques for which all inputs which have significant effects on the recorded fair value are observable, either directly or indirectly;

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The financial instruments recognized at fair value in the consolidated financial statements and measured using level 2 are allocated as follows:

in TEUR	Balance sheet item	30.06.2025	31.12.2024
Assets			
Derivatives (FVTPL)	Other receivables and other assets	1,046	6
Liabilities			
Derivatives (FVTPL)	Other liabilities	0	-1,122

During the reporting period 2025 there were no transfers between the levels of fair value measurements. In general, if required, transfers are carried out at the end of each reporting period.

The foreign currency forward contracts are measured based on observable spot exchange rates.

For each category of financial instruments which are amortized at acquisition costs, both the carrying value and the deviating fair value are provided in the table below:

in TEUR		30.06.2025		31.12.2024	
	Level	Carrying amount	Fair value	Carrying amount	Fair value
Liabilities					
Loans and liabilities to banks	2	-361,198	-360,648	-370,644	-369,228

For fixed rate loans received, the fair value was calculated by discounting the expected future cash flows using market interest rates. For variable rate bank loans and loans received and issued, discounting corresponds to current market rates, which is why the carrying amounts largely equal the fair values. Cash and cash equivalents, trade receivables and payables and all other items have mostly short residual terms. The carrying amounts therefore equal the fair values on the reporting date.

Note 12

EVENTS AFTER THE REPORTING DATE

On 19 August 2025, SBO was awarded the contract to acquire 100 % of the shares in 3T Additive Manufacturing Ltd., UK, a leading provider of industrial 3D metal printing solutions, for a purchase price of MEUR 5.5. The acquisition is subject to regulatory approvals in the UK, which, like the closing of the transaction, are expected in the second half of 2025. Apart from that, there were no other events of particular significance after the reporting date that would have changed the presentation of the Group's net assets, financial position, and results of operations in the consolidated financial statements as of 30 June 2025.

Statement of all legal representatives

We confirm to the best of our knowledge that the condensed interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the group as required by the applicable accounting standards and that the group management report of the second quarter gives a true and fair view of important events that

have occurred during the first six months of the financial year and their impact on the interim financial statements, and of the principal risks and uncertainties for the remaining six months of the financial year and of the major related party transactions to be disclosed.

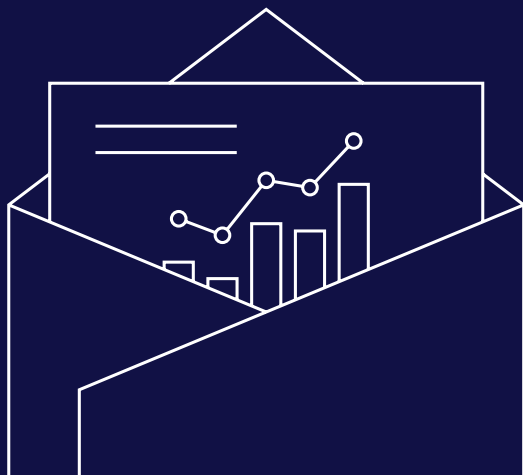
Ternitz, 20 August 2025

Klaus Mader

Executive Board

Campbell MacPherson

Investor News



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DISCLAIMER:

Note on the half-year report:

This half-year financial report is also available in the German language. In the event of discrepancies, the German version shall prevail.

FORWARD-LOOKING STATEMENTS AND FORECASTS:

This corporate publication contains information with forward-looking statements. Parts of those statements contain forecasts regarding the future development of SBO, SBO group companies, relevant industries and the markets. All these statements as well as any other information contained in this corporate publication are for information only and do not substitute professional financial advice. As such, this information must not be understood as a recommendation or offer to buy or sell SBO shares, and SBO cannot be held liable therefrom.