

SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft

Ternitz

FN 102999 w, ISIN AT0000946652

Invitation to the Annual General Meeting

We herewith invite our shareholders to the Annual General Meeting of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft to be held on

Tuesday, 24 April 2018 at 10:00 a.m.

in 2630 Ternitz, Theodor-Körner-Platz 2 ("Stadthalle").

I. AGENDA

1. Submission of the approved Annual Financial Statements according to the Austrian Commercial Code (UGB) including the Notes and Management Report, the Corporate Governance Report, the Consolidated Financial Statements according to IFRS including the Notes thereto and the Group Management Report, the Executive Board's Proposal on the appropriation of the retained profit, each as at fiscal year ended 31 December 2017, and the Report of the Supervisory Board for the fiscal year 2017
2. Resolution on the appropriation of the retained profit as set out in the Annual Financial Statements for the fiscal year ended 31 December 2017
3. Resolution on the discharge of the members of the Executive Board for the fiscal year 2017
4. Resolution on the discharge of the members of the Supervisory Board for the fiscal year 2017
5. Resolution on the remuneration of the members of the Supervisory Board
6. Election of the auditors of the Annual Financial Statements and the Consolidated Financial Statements for the fiscal year 2018
7. Election of a person to the Supervisory Board
8. Resolution regarding
 - a) the revocation of the authorization granted to the Executive Board at the Annual General Meeting on 27 April 2016 to reacquire treasury shares pursuant to Sections 65 (1) (no 8) and (1a) and (1b) of the Austrian Stock Corporation Act (AktG),
 - b) the authorization of the Executive Board to acquire, within a period of 30 months commencing from the day of adoption of the resolution, treasury

shares of the Company pursuant to Sections 65 (1) (no 8) and (1a) and (1b) of the Austrian Stock Corporation Act (AktG), up to a maximum of 10% of the issued share capital of the Company, the fixation of the minimum and maximum price pursuant to Section 65 (1) (no 8) of the Austrian Stock Corporation Act (AktG) as well as to determine the terms and conditions of such re-acquisition,

- c) the authorization of the Executive Board to cancel treasury shares pursuant to Section 65 (1) (no 8) of the Austrian Stock Corporation Act (AktG) without any further resolution of the General Meeting being required, and to adopt amendments to the Articles of Association arising from the cancellation of shares, or to dispose of treasury shares again and to determine the terms and conditions of such disposal. The acquisition of treasury shares for purposes of trading is not admissible pursuant to Section 65 (1) (no 8) of the Austrian Stock Corporation Act (AktG),
- d) the revocation of the authorization granted by the Annual General Meeting on 27 April 2016 pursuant to Article 65 (1b) of the Austrian Stock Corporation Act (AktG) for a period of five years, subject to the approval of the Supervisory Board, to dispose of treasury shares by other means than via the stock exchange or a public offering and to exclude the option to repurchase respectively the subscription rights of the shareholders; and simultaneously new resolution on the authorization of the Executive Board pursuant to Article 65 (1b) of the Austrian Stock Corporation Act (AktG), subject to the approval of the Supervisory Board, to dispose of treasury shares by other means than via the stock exchange or a public offering and to exclude the option to repurchase of the shareholders.

II. DOCUMENTS REGARDING THE ANNUAL GENERAL MEETING; PROVISION OF INFORMATION ON THE WEBSITE

In particular, the following information will be accessible through the Company's website, which is registered in the Company Register (Firmenbuch), at www.sbo.at or www.sbo.at/hauptversammlung by **3 April 2018** at the latest:

- Annual Financial Statements including Management Report,
 - Corporate Governance Report,
 - Consolidated Financial Statements including Management Report and non-financial statement pursuant to Section 267a of the Austrian Commercial Code (UGB),
 - proposal for the appropriation of retained profit,
 - report of the Supervisory Board,
- each for the fiscal year 2017;

- proposed resolutions on items 2-8 on the Agenda,
- the candidate's statement for election as member to the Supervisory Board (item 7) pursuant to Section 87 (2) of the Austrian Stock Corporation Act (AktG) and her CV,
- report of the Executive Board pursuant to Section 65 (1b) in conjunction with Section 170 (2) and Section 153 (4) Sentence 2 of the Austrian Stock Corporation Act (AktG) relating to item 8 on the Agenda – exclusion or reverse exclusion of subscription rights, acquisition of treasury shares
- form for granting proxy,
- form for revocation of proxy,
- complete text of this invitation.

III. RECORD DATE AND REQUIREMENTS FOR ATTENDANCE AT THE ANNUAL GENERAL MEETING

The right to attend the Annual General Meeting and to exercise voting rights and other shareholder rights which have to be asserted at the Annual General Meeting depend on the ownership of shares **at the end of 14 April 2018 (record date)**.

Attendance at the Annual General Meeting is permitted only if a person is a shareholder on that record date and proves this fact to the Company.

For evidence of share ownership on the record date, a deposit confirmation pursuant to Section 10a of the Austrian Stock Corporation Act (AktG) must be received by the Company no later than **19 April 2018** (midnight, CEST, Vienna time) solely through one of the communication channels and addresses below:

- (i) for transmitting the deposit confirmation in text form, which is deemed sufficient by § 14 (3) of the Articles of Association

By telefax: +43 (1) 8900 500 - 65

By e-mail anmeldung.sbo@hauptversammlung.at

(deposit confirmations in pdf format)

- (ii) for transmitting the deposit confirmation in written form

By post or courier **SCHOELLER-BLECKMANN OILFIELD**

c/o HV-Veranstaltungsservice GmbH

8242 St. Lorenzen am Wechsel, Köppel 60

Via SWIFT **GIBAAWGGMS**

(Message Type MT598 or MT599,

reference to ISIN AT0000946652 must be included)

Shareholders are requested to contact their custodian bank and arrange for the issuance and transmission of a deposit confirmation.

The record date has no effect on the saleability of the shares and has no significance for the dividend entitlement.

Deposit confirmation pursuant to Section 10a of the Stock Corporation Act (AktG)

The deposit confirmation must be issued by the custodian bank which must be registered in a member state of the European Economic Area or in a full member state of the OECD and must contain the following information:

- details of the issuer: name/company, address or a standard code used in communications between credit institutions,
- details of the Shareholder: name (company) and address, date of birth in the case of natural persons, name of the register and registration number of the legal person in its country of origin (if applicable) in the case of legal persons,
- details of the shares: number of the shares held by the shareholder, ISIN AT0000946652,
- deposit number or other designation,
- date to which the deposit confirmation refers.

The deposit confirmation as evidence of share ownership for attendance at the Annual General Meeting must refer to the end of the record date **14 April 2018** (midnight, CEST, Vienna time).

The deposit confirmation is accepted in the German or English language.

Proof of identity

Shareholders and their proxies are requested to keep a valid official photo ID at hand for identification during registration.

If you come to the Annual General Meeting as a proxy, please take your proxy document with you in addition to your official photo ID. If the original proxy document has already been sent to the Company, please facilitate your access by having a copy of the proxy document with you.

SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft reserves the right to verify the identity of the persons gathering for the Meeting. Should it not be possible to verify the identity, we may refuse admission.

IV. POSSIBILITY TO APPOINT A PROXY AND PROCEDURE TO BE FOLLOWED FOR THIS PURPOSE

Each shareholder who is entitled to attend the Annual General Meeting and has provided evidence of this to the Company in accordance with the stipulations of section III of this invitation has the right to appoint a proxy to attend the Annual General Meeting on

behalf of such shareholder and to have the same rights as such shareholder whom he/she represents.

The proxy must be granted in text form pursuant to Section 13 (2) of the Austrian Stock Corporation Act (AktG) to a specific person (natural or legal person), whereby it is also possible to grant proxy to several persons.

A proxy may be granted both before and during the Annual General Meeting.

We offer the following communication channels and addresses for the transmission of proxy documents:

| | |
|--------------------|--|
| By post or courier | SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft c/o HV-Veranstaltungsservice GmbH 8242 St. Lorenzen am Wechsel, Köppel 60 |
| By telefax: | +43 (1) 8900 500 - 65 |
| By e-mail | anmeldung.sbo@hauptversammlung.at (proxy documents in pdf format) |

The proxy documents must be received at one of the aforementioned addresses by **23 April 2018, 4:00 pm** (CEST, Vienna time), unless they are presented at the entrance and exit control of the Annual General Meeting on the day of the Annual General Meeting.

A proxy form and a revocation form are available on the Company's website at www.sbo.at or www.sbo.at/hauptversammlung. In the interest of a smooth processing, we kindly ask you to always use the provided forms.

Detailed information on the proxy, in particular the text form and the content of the proxy, can be found in the proxy form provided to the shareholders.

If a shareholder has granted a proxy to his/her custodian bank (Section 10a of the Austrian Stock Corporation Act (AktG)), it is sufficient for the credit institution to declare that it was granted proxy, in addition to transmitting the deposit confirmation to the Company by the designated means.

Shareholders may exercise their rights in person at the Annual General Meeting even after proxy has been granted. Personal attendance is considered as revocation of a previously granted proxy.

The above provisions on the granting of proxies shall apply mutatis mutandis to the revocation of proxies.

V. INFORMATION ON SHAREHOLDERS' RIGHTS PURSUANT TO SECTIONS 109, 110, 118 AND 119 AKTG

1. Supplement to the Agenda by shareholders pursuant to Section 109 of the Austrian Stock Corporation Act (AktG)

Shareholders whose aggregate shareholdings reach 5% of the Company's share capital and who have held these shares for at least three months prior to the submission of the proposal may request in writing that **additional items be added to the Agenda** of this Annual General Meeting and that they are announced, provided that such request is received by the Company in written form by post or courier no later than **3 April 2018**, (midnight, CEST, Vienna time) solely at its address in 2630 Ternitz, Hauptstraße 2, attn. Ines Fahrner. Each item on the Agenda so requested must be accompanied by a proposal for a resolution including a statement of reasons. Shareholders' ownership is to be demonstrated by presenting a deposit confirmation pursuant to Section 10a of the Austrian Stock Corporation Act (AktG) which confirms that the shareholders submitting the request have been holders of the shares for at least three months prior to the submission of the request and which must not be more than seven days old when presented to the company. For other requirements for the deposit confirmation, please refer to the explanations on the right to attend (section III).

2. Shareholders' proposals for resolution regarding the Agenda pursuant to Section 110 of the Austrian Stock Corporation Act (AktG)

Shareholders whose aggregate shareholdings reach 1% of the Company's share capital may submit in text form **proposals for resolution** including a statement of reasons and request that such proposals be made available on the Company's website, which is registered in the Register of Companies (Firmenbuch), together with the names of the respective shareholders, the (mandatory) statement of reasons, and the statements, if any, of the Executive Board or the Supervisory Board, provided that such request is received by the Company in text form no later than **13 April 2018** (midnight, CEST, Vienna time) either by telefax to +43(0)2630 315501, to 2630 Ternitz, Hauptstraße 2, attn. Ines Fahrner, or by e-mail to i.fahrner@sbo.co.at, whereby the request is to be attached to the e-mail in text form, for example as pdf.

Shareholder ownership is to be demonstrated by submitting a deposit confirmation pursuant to Section 10a of the Austrian Stock Corporation Act (AktG) which must not be more than seven days old when presented to the company. For other requirements for the deposit confirmation, please refer to the explanations on the right to attend (section III).

If **proposals** are made **on the election of a person to the Supervisory Board**, the statement of reasons is replaced by a statement of the suggested candidate, pursuant to Section 87 (2) of the Austrian Stock Corporation Act (AktG).

3. Information pursuant to Section 110 (2) Sentence 2 of the Austrian Stock Corporation Act (AktG)

In regard to item 7. "election of a person to the Supervisory Board" and to any submission of a corresponding nomination by shareholders pursuant to Section 110 of the Austrian Stock Corporation Act (AktG), the company provides the following information:

The Supervisory Board of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft currently consists of six members elected by the Annual General Meeting (shareholders' representatives). Of the six shareholders' representatives, five are men and one is a woman.

Note that the works council has not delegated any members to the Supervisory Board pursuant to Section 110 of the Austrian Labor Constitutional Act (ArbVG) and therefore no statement is made as to whether an objection has been declared pursuant to 86 (9) of the Austrian Stock Corporation Act (AktG).

§ 10 (1) of the Articles of Association of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft stipulates that the Supervisory Board shall consist of four to six members appointed by the General Meeting.

In the event that an election proposal is submitted by shareholders pursuant to Section 110 of the Austrian Stock Corporation Act (AktG) for item 7. "election of a person to the Supervisory Board", it should be considered that a woman has to be proposed in order to comply with the minimum percentage requirement pursuant to Section 86 (7) of the Austrian Stock Corporation Act (AktG).

4. Shareholders' right to information pursuant to Section 118 of the Austrian Stock Corporation Act (AktG)

On request, each shareholder is entitled to obtain information about matters concerning the Company at the Annual General Meeting to the extent that this is necessary to properly assess the items on the Agenda. The information obligation also extends to the legal relations of the Company to an affiliated company and to the state of the Group and of the companies included in the Consolidated Financial Statements.

Information may be denied if, according to reasonable business judgement, it could cause significant harm to the Company or an affiliated company, or if the disclosure thereof would constitute an offence.

Requests for information are generally made verbally at the Annual General Meeting but are also welcome in writing.

Questions that require lengthy preparation to be answered may be submitted to the Executive Board in writing in good time before the Annual General Meeting in order to safeguard the efficiency of the Meeting. The questions may be submitted to the Company at 2630 Ternitz, Hauptstraße 2, attn. Ines Fahrner, or by e-mail to i.fahrner@sbo.co.at.

5. Shareholders' proposals pursuant to Section 119 of the Austrian Stock Corporation Act (AktG)

Each shareholder is entitled - irrespective of a certain shareholding - to submit proposals to the Annual General Meeting on any item of the Agenda. If several proposals have been made regarding a specific item on the Agenda, the Chairman shall determine the order of voting pursuant to Section 119 (3) of the Austrian Stock Corporation Act (AktG).

However, a **shareholder's proposal on item 7. "election of a person to the Supervisory Board"** is subject to the timely submission of a resolution proposal pursuant to Section 110 of the Austrian Stock Corporation Act (AktG): persons can only be proposed for election to the Supervisory Board by shareholders whose aggregate shareholdings reach 1% of the Company's share capital. Such nominations must be received by the Company no later than **13 April 2018** (midnight, CEST, Vienna time) in the manner specified above (section V para 2). Each nomination must be accompanied by a declaration pursuant to Section 87 (2) of the Austrian Stock Corporation Act (AktG) stating the candidate's expert knowledge, his or her professional or comparable functions as well as any circumstances which could give rise to the concern of bias. Otherwise, the shareholder's proposal for the election of a person to the Supervisory Board must not be taken into account when voting.

6. Information on the website

Further information on these shareholders' rights pursuant to Sections 109, 110, 118 and 119 of the Austrian Stock Corporation Act (AktG) is now available on the Company's website at www.sbo.at or www.sbo.at/hauptversammlung.

VI. FURTHER INFORMATION AND NOTES

Total number of shares and voting rights

At the date of the convocation to the Annual General Meeting the share capital of the company is EUR 16,000,000.00, which is divided into 16,000,000 bearer shares with a nominal of EUR 1.00 each. At the date of the convocation, the Company holds 46,597 treasury shares. These treasury shares do not entitle it to any rights. Consequently, at the date of the convocation to the Annual General Meeting, the number of participating and voting shares totals 15,953,403.

Ternitz, March 2018

The Executive Board

Inofficial translation of the original text from German into English
In case of discrepancy between the German and the English text,
the German version prevails.