

Q1 2022 – Quarterly Highlights

BOOKINGS _____	MEUR 129
1-3/2021	MEUR 60
SALES _____	MEUR 101
1-3/2021	MEUR 59
EBIT _____	MEUR 15
1-3/2021	MEUR 4
PROFIT AFTER TAX _____	MEUR 11
1-3/2021	MEUR 1

TO THE FUTURE.

HIGHLIGHTS

Q1 2022

Strong development in the first quarter of 2022

SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft (SBO), which is listed on the ATX leading index of the Vienna Stock Exchange, recorded a clearly positive development in the first quarter of 2022. The upward trend of 2021 gained further momentum in the first three months of 2022. The strong market situation was reflected both in North America and international markets.

Bookings more than doubled from the first quarter of the previous year, rising to MEUR 129.1. SBO's sales in the first three months of the year went up by around 70 % to MEUR 100.5. EBIT more than quadrupled to MEUR 15.5, and profit after tax of MEUR 11.4 increased more than tenfold year-on-year. Net liquidity came to MEUR 12.3 and gearing improved to minus 3.4 %. The book-to-bill ratio, which compares the number of orders received with sales and serves as an indicator of medium-term development, remained clearly above 1 and underlines the positive expectations.

Gerald Grohmann, CEO of SBO:

"The war in Ukraine has a massive impact on energy markets worldwide. It has triggered increased spending for exploration and production in many regions in order to ensure supply with oil and gas. This is reflected in our business, which benefited from a dynamic increase in demand. At the same time, the expansion of renewable energy sources is receiving a strong boost from the current situation. This is where we want to make our contribution and, as announced, we have launched initial market explorations to build a new business segment in line with our Strategy 2030."

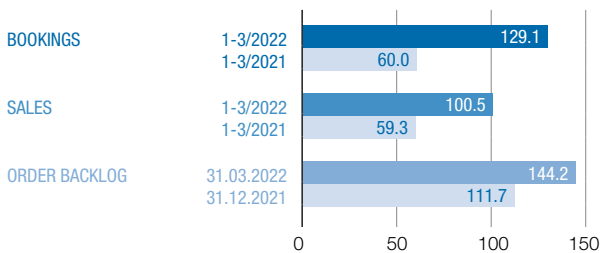
In March 2022, SBO presented its "**Strategy 2030**", which provides for building a new segment in the fields of energy transition and green tech industries. At the same time, the company maintains its core business in order to continue contributing to secure energy supply, with **ESG** criteria being firmly entrenched in the Group's strategy. Moreover, SBO is continuously working on the structural improvement of its energy efficiency and reduction of CO₂ emissions.

BUSINESS DEVELOPMENT

SALES AND EARNINGS

Bookings went up sharply, amounting to MEUR 129.1 in the first three months of 2022, an increase of 115.2 % (1-3/2021: MEUR 60.0). Sales also rose steeply to MEUR 100.5 (1-3/2021: MEUR 59.3). The order backlog increased to MEUR 144.2 at the end of March (31 December 2021: MEUR 111.7).

in MEUR



Earnings before interest, taxes, depreciation, and amortization (EBITDA) increased to MEUR 23.5 in the first quarter of 2022, following MEUR 11.6 in the first quarter of 2021. The EBITDA margin came to 23.4 % (1-3/2021: 19.5 %). Profit from operations (EBIT) arrived at MEUR 15.5, more than four times the level achieved year-on-year (1-3/2021: MEUR 3.6). Profit before tax generated by SBO came to MEUR 14.3 (1-3/2021: MEUR 2.4), and profit after tax was MEUR 11.4 (1-3/2021: MEUR 1.0). Earnings per share in the first quarter of 2022 went to EUR 0.72 (1-3/2021: EUR 0.06).

"Ensuring energy supply is and remains a major issue. To ensure it, exploration projects for oil and gas are driven forward worldwide, which is also reflected in demand for our products. Accordingly, our business developed positively in the first quarter across all markets and in both segments", comments SBO's CEO Gerald Grohmann.



SEGMENTS

SBO's business is divided into two segments, Advanced Manufacturing & Services (AMS) and Oilfield Equipment (OE). Sales of the AMS segment increased in the first quarter to MEUR 49.1 (1-3/2021: MEUR 29.8), profit from operations (EBIT) increased

to a profit of MEUR 8.0, following a loss of MEUR 0.4 in the previous year. Sales in the OE segment increased to MEUR 51.4 (1-3/2021: MEUR 29.5), and EBIT more than tripled to MEUR 7.6 (1-3/2021: MEUR 2.3).

KEY BALANCE SHEET FIGURES

In the first quarter of 2022, SBO's equity increased to MEUR 360.5 (31 December 2021: MEUR 340.9). SBO's equity ratio went up to 42.9 % (31 December 2021: 42.3 %). Net liquidity came to MEUR 12.3 (31 December 2021: MEUR 9.9). Gearing improved slightly to minus 3.4 % (31 December 2021: minus 2.9 %). Liquid funds stood at MEUR 293.2

(31 December 2021: MEUR 291.8). Cashflow from operating activities arrived at MEUR 3.8 in the first three months of 2022 (1-3/2021: MEUR 5.2). Capital expenditure in property, plant and equipment and intangible assets (CAPEX) came to MEUR 5.0 (1-3/2021: MEUR 4.3).

SBO'S KEY PERFORMANCE INDICATORS AT A GLANCE

	UNIT	1-3/2022	1-3/2021
Sales	MEUR	100.5	59.3
Earnings before interest, taxes, depreciation and amortization (EBITDA)	MEUR	23.5	11.6
EBITDA margin	%	23.4	19.5
Profit from operations (EBIT)	MEUR	15.5	3.6
EBIT margin	%	15.4	6.0
Profit before tax	MEUR	14.3	2.4
Profit after tax	MEUR	11.4	1.0
Earnings per share	EUR	0.72	0.06
Cashflow from operating activities	MEUR	3.8	5.2
Liquid funds as of 31 March 2022 / 31 December 2021	MEUR	293.2	291.8
Net liquidity as of 31 March 2022 / 31 December 2021	MEUR	12.3	9.9
Headcount as of 31 March 2022 / 31 December 2021		1,375	1,267

MARKET ENVIRONMENT

The projected recovery of the global economy weakened due to uncertainties in connection with the war between Russia and Ukraine, sanctions and faltering supply chains. Despite this expected slowdown in economic growth, the positive momentum on the global energy markets intensified in the first quarter of 2022.

Demand for natural gas, which plays an important role as a transitional resource for achieving climate targets, is expected to remain largely stable in the current year. Thus, global natural gas demand is forecasted to decrease only minimally by 0.3 % or 11 billion cubic meters (bcm) in 2022, following an increase of 4.5 % or 178 bcm in 2021.¹

Demand for crude oil should grow further: for 2022, another increase of 1.9 million barrels per day (mb/d), or 1.9 %, to a total of 99.4 mb/d in 2022 is expected

to occur, following a 6.1 % rise in full 2021 (97.5 mb/d). This forecast takes into account the current high oil price.²

The momentum in the oil and gas market is also reflected in the global rig count, which stood at 1,661 rigs at the end of March 2022, up by 430 rigs or 34.9 % year-on-year (March 2021: 1,231 rigs).³

Oil and gas prices rose sharply during the reporting period. The gas price started 2022 at USD 3.73/MMBtu (million British thermal units) and came to USD 5.64/MMBtu on the last trading day of the first quarter, driving up the gas price by 51.2 %.⁴ European crude Brent started 2022 at USD 77.78 per barrel and stood at USD 107.91 on the last trading day of the first quarter, an increase of 38.7 %. In the same period, the price of WTI rose from USD 75.21 per barrel to USD 100.28, up by 33.3 %.⁵

¹ IEA Gas Market Report Q2-2022, April 2022.

² IEA Oil Market Report, May 2022.

³ Baker Hughes Rig Count.

⁴ Bloomberg, NG1 Natural Gas (Nymex).

⁵ Bloomberg, CO1 Brent Crude (ICE) and CL1 WTI Crude (Nymex).

OUTLOOK

The International Monetary Fund (IMF) expects global economic growth to come to 3.6 % in 2022, following a significant increase of 6.1 % in the previous year⁶, with developed industrialized countries set to grow by 3.3 % and emerging markets by 3.8 %. The forecasts have recently been revised slightly downward due to the war between Russia and Ukraine and the associated uncertainties.

From the underinvestments in exploration and production of oil and gas in past years and the increasing demand for these resources, a rising catch-up effect is expected to emerge, which has already been evident since the second half of 2021. To mitigate the impact of Russia's war against Ukraine on the markets, OPEC+ intends to expand production. Overall, global exploration and production spending should increase by at least 16 % in 2022, with 21 % in North America and 15 % internationally.⁷

The developments and effects of the Russia-Ukraine war on the global economy remain difficult to assess. However, it is already becoming apparent that higher investments will be required worldwide in the various regions outside Russia in order to secure the global supply of energy. Accordingly, oil and gas production in regions outside Russia is expected to rise continuously. Crude oil production in the United States has already returned to pre-crisis levels, mainly from the depletion of wells drilled but not yet completed. Delays in supply chains and tighter sanctions may weaken global economic growth. Overall, the expected positive effects on the oil and gas markets should outweigh these and lead to a further revival of activities in the oilfield service industry—and thus also at SBO.

"We had a strong start into the year and expect the momentum in our markets to continue. Of course, uncertainties remain in this environment with regard to the war, sanctions and supply chain bottlenecks. All in all, the positive effects of rising demand on our business should prevail", concludes CEO Gerald Grohmann.



⁶ IMF World Economic Outlook, April 2022.

⁷ Evercore ISI Research, The 2021 Evercore ISI Global E&P Spending Outlook, December 2021.

ABOUT SBO

SBO AT A GLANCE

SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft (SBO) is the global market leader in the production of high-precision components made of non-magnetic, high-alloy stainless steels. The Group is equally recognized worldwide for its high-efficiency drilling tools and equipment for the oil and gas industry.

Strong intellectual property protection offers significant competitive advantages. Product and process

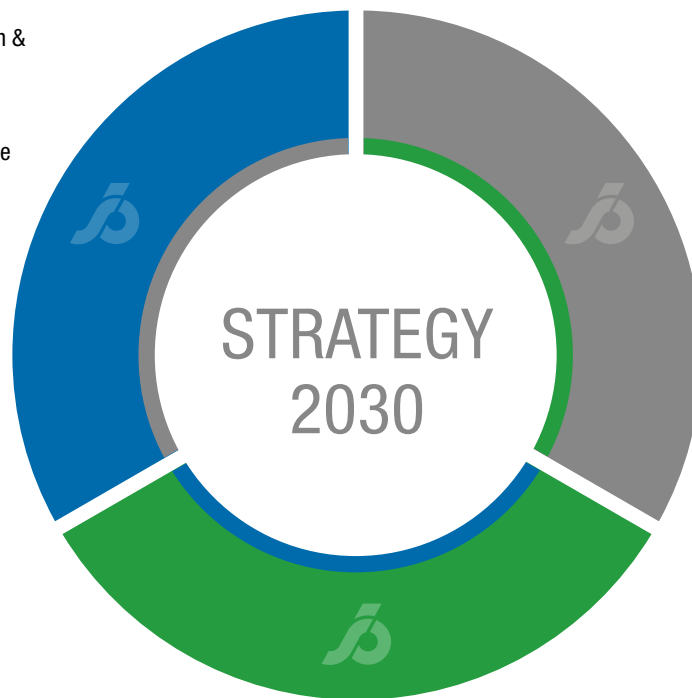
innovations, including the Direct Metal Laser Sintering (DMLS) 3D printing technology, support the leading position of SBO in the oil and gas industry and other sectors. The Group employs a workforce of about 1,400 worldwide and is successfully positioned in technologically demanding, profitable niches. Information on the Strategy 2030 and sustainable management (ESG) is available in the annual report at <https://www.sbo.at/publikationen>.

MAINTAINING OUR CORE BUSINESS

- defend our market-leading positions
- continue to invest in research & development and in bolt-on acquisitions
- generate high cashflows as well as liquidity and maximize value (value strategy)

BUILDING A NEW BUSINESS SEGMENT

- further expand existing diversification initiatives in areas such as aerospace, geothermal and in other industrial sectors
- make strategic investments or acquisitions, preferably in the fields of energy transition and green tech industries, thus opening a new business segment that will account for 50 % of Group revenue in the long term



ENSURING SUSTAINABILITY

- further reduce the already low total amount of greenhouse gas emissions (CO₂)
- expand in ESG-compliant business areas
- invest in our employees
- encourage diversity in the teams

ENERGY IS AND REMAINS OUR BUSINESS

THE SBO SHARE

The share of Schoeller-Bleckmann Oilfield Equipment Aktiengesellschaft is listed in the Prime Market of the Vienna Stock Exchange and is part of the ATX, the leading Austrian index. 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 30.95 and closed at EUR 48.85 on 31 March 2022, thus increasing by 57.8 % in that period.

Market capitalization as of 31 March 2022 was MEUR 781.6 and approximately 67 % of the shares were in free float at that date.

EUR **30.95**
31 December 2021

EUR **48.85**
31 March 2022

MEUR **781.6**
Market capitalization – 31 March 2022

FINANCIAL CALENDAR 2022

DATE	EVENT
19.05.2022	Q1 2022
18.08.2022	HY 2022
24.11.2022	Q3 2022

CONSOLIDATED PROFIT AND LOSS STATEMENT

IN TEUR	3 MONTHS PERIOD ENDED	
	31.03.2022	31.03.2021
Sales	100,509	59,337
Cost of goods sold	-70,241	-46,445
Gross profit	30,268	12,892
Selling expenses	-6,606	-4,522
General and administrative expenses	-8,605	-7,352
Other operating expenses	-3,576	-2,950
Other operating income	4,018	5,495
Profit from operations	15,499	3,563
Interest income	135	127
Interest expenses	-1,355	-1,305
Other financial income	0	12
Financial result	-1,220	-1,166
Profit before tax	14,279	2,397
Income taxes	-2,923	-1,408
Profit after tax	11,356	989
Average number of shares outstanding	15,729,465	15,723,665
EARNINGS PER SHARE IN EUR (BASIC = DILUTED)	0.72	0.06

CONSOLIDATED BALANCE SHEET

CONSOLIDATED BALANCE SHEET

IN TEUR

31.03.2022

31.12.2021

Current assets

Cash and cash equivalents	293,231	291,754
Trade receivables	106,943	86,300
Other receivables and other assets	9,635	10,965
Inventories	131,489	121,093
Total current assets	541,298	510,112

Non-current assets

Property, plant and equipment	123,331	120,921
Goodwill	129,497	127,036
Other intangible assets	10,970	11,638
Long-term receivables and assets	3,490	3,655
Deferred tax assets	32,644	32,246
Total non-current assets	299,932	295,496

TOTAL ASSETS	841,230	805,608
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LIABILITIES AND EQUITY

IN TEUR

31.03.2022

31.12.2021

Current liabilities

Liabilities to banks	36,497	37,321
Current portion of long-term loans	34,427	21,987
Lease liabilities	2,259	2,047
Trade payables	23,230	18,009
Government grants	89	89
Income tax payable	6,851	5,198
Other liabilities	139,336	131,290
Other provisions	8,019	7,757
Total current liabilities	250,708	223,698

Non-current liabilities

Long-term loans	209,963	222,529
Lease liabilities	6,637	4,640
Provisions for employee benefits	6,790	6,858
Other liabilities	6,666	7,004
Total non-current liabilities	230,056	241,031

Equity

Share capital	15,729	15,729
Capital reserve	63,122	63,122
Legal reserve	785	785
Other reserves	19	19
Currency translation reserve	36,796	28,566
Retained earnings	244,015	232,658
Total equity	360,466	340,879

TOTAL LIABILITIES AND EQUITY**841,230****805,608**

CONSOLIDATED CASHFLOW STATEMENT

IN TEUR	3 MONTHS PERIOD ENDED	
	31.03.2022	31.03.2021
OPERATING ACTIVITIES		
Profit after tax	11,356	989
Depreciation, amortization and impairments	7,970	8,027
Other non-cash expenses and revenues	-2,836	-5,306
Cashflow from profit	16,490	3,710
Change in working capital	-12,724	1,470
Cashflow from operating activities	3,766	5,180
INVESTING ACTIVITIES		
Expenditures for property, plant and equipment and intangible assets	-5,037	-4,298
Other activities	18	391
Cashflow from investing activities	-5,019	-3,907
FREE CASHFLOW	-1,253	1,273
FINANCING ACTIVITIES		
Change in financial liabilities	-2,311	-55
Cashflow from financing activities	-2,311	-55
Change in cash and cash equivalents	-3,564	1,218
Cash and cash equivalents at the beginning of the period	291,754	313,950
Effects of exchange rate changes on cash and cash equivalents	5,041	10,924
Cash and cash equivalents at the end of the period	293,231	326,092

SEGMENT REPORTING

1-3/2022

IN TEUR	ADVANCED MANUFACTURING & SERVICES	OILFIELD EQUIPMENT	SBO-HOLDING & CONSOLIDATION	GROUP
External sales	49,068	51,441	0	100,509
Intercompany sales	19,575	6,639	-26,214	0
Total sales	68,643	58,080	-26,214	100,509
Profit from operations (EBIT)	7,986	7,582	-69	15,499
Profit / loss before tax	8,260	7,382	-1,363	14,279

1-3/2021

IN TEUR	ADVANCED MANUFACTURING & SERVICES	OILFIELD EQUIPMENT	SBO-HOLDING & CONSOLIDATION	GROUP
External sales	29,808	29,529	0	59,337
Intercompany sales	10,976	5,214	-16,190	0
Total sales	40,784	34,743	-16,190	59,337
Profit from operations (EBIT)	-442	2,302	1,703	3,563
Profit / loss before tax	-197	2,138	456	2,397

CONTACT AND LEGAL NOTICE

Further information about SBO is available on www.sbo.at. If you have any questions regarding the company or would like to be included in SBO's Investor Relations Information Service (IRIS), please send an e-mail to investor_relations@sbo.co.at.

DISCLAIMER

Note on this quarterly financial report:

This quarterly 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.

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