

H1 2024 HIGHLIGHTS

HALF-YEAR
FINANCIAL REPORT

SBO WITH HIGH CASH FLOW DESPITE LOWER EARNINGS, ADVANCING STRATEGIC EXPANSION INTO GROWTH REGIONS

- H1 2024 sales of MEUR 288.1 remained close to the record level of 2023
- Group EBIT of MEUR 36.6 well below last year due to an earnings shortfall in the OE division; the AMS division continued to deliver excellent results
- Quarterly bookings up by 9.6% in Q2 after 1.7% growth in Q1
- Free cash flow improved to MEUR 27.7, and MEUR 31.5 returned to shareholders through the dividend payment

Klaus Mader, CEO of SBO:

“In the first half of 2024, we achieved sales close to last year’s record level, despite market headwinds. However, a continued challenging US market, especially for our rental business, put increased pressure on our earnings in the past two quarters. We have addressed these challenges head-on with clear and decisive actions. These measures led to additional expenses in the second quarter which will result in improved earnings in our OE division already in the third quarter and position us better for the long term. At the same time, it is encouraging to see our growth strategy with focus on emerging markets already paying off, with significant sales increases in the Middle East and Asia. With high cash flows, we are well positioned for the future.”

SBO’S KEY PERFORMANCE INDICATORS AT A GLANCE

	UNIT	1-6/2024	1-6/2023
Sales	MEUR	288.1	294.7
EBITDA (Earnings before interest, taxes, depreciation, and amortization)	MEUR	53.1	69.0
EBITDA margin	%	18.4	23.4
EBIT (Earnings before interest and taxes)	MEUR	36.6	55.4
EBIT margin	%	12.7	18.8
Profit before tax	MEUR	33.8	56.0
Profit after tax	MEUR	25.0	43.1
Cash flow from operating activities	MEUR	42.2	43.1
Free cash flow	MEUR	27.7	27.0
Liquid funds as of 30 June 2024 / 31 December 2023	MEUR	154.3	162.4
Net debt as of 30 June 2024 / 31 December 2023	MEUR	95.5	92.3
Equity ratio as of 30 June 2024 / 31 December 2023	%	54.3	53.6
Headcount as of 30 June 2024 / 31 December 2023		1,636	1,601

BUSINESS HIGHLIGHTS

Q2 2024

In the second quarter of 2024, SBO made **important progress in our strategic efforts to expand our business into growth regions**. The acquisition of Praxis Completion Technology, which was completed at the end of 2023, has created a strong basis for the current expansion steps in the **Middle East**, which are now gaining further momentum through the enlargement of SBO's local presence and the targeted extension of its product portfolio for this market. In both the Middle East and **Latin America**, SBO has grown its customer base in the first half of 2024 and further increased its market reach. Our new booster tool technology is increasingly being used in the fast-growing Latin American region and also our well completion solutions are gaining importance in this market.

Expanding our **Advanced Additive Manufacturing portfolio**, SBO has added another machine and powder grade to the range, CP-1, an Aluminum-Iron-Zirconium powder solution specifically designed for additive manufacturing. This grade offers multiple advantages, including high strength, excellent thermal and electrical conductivity and a simplified heat treatment process. Due to the unique chemical composition, this material is particularly suited for products used in challenging environments, allowing us to extend our growing portfolio of innovative 3D metal printing solutions for applications in the aerospace, motorsports and semiconductor industries.

In enhanced **geothermal projects** our customer-centric approach to providing solutions that outperform in difficult environments has further strengthened our market leading position. In North America we successfully delivered the second type of custom-made plugs to Fervo Energy, an enhanced geothermal operator. In Europe, we supplied our cutting-edge circulation sub technology for one of the longest and deepest geothermal drilling projects in continental Europe, strengthening our position in this dynamic market.

As part of our efforts to create a **circular economy**, we have successfully completed a joint project with a key customer to determine the technical feasibility of taking back our products from selected customers at the end of their use and service life in order to close the cycle. Now that the entire process has been successfully established, we can offer better solutions to our customers who aim to contribute to an extended product life cycle.

SBO is a **great place to work**: After being awarded with the Best Oilfield Equipment Precision Manufacturing Company 2024 and the South East Asia Business Awards 2024, our subsidiary in Vietnam has been officially certified as a “**Great Place to Work**”. This certification is not only a reflection of the positive, inclusive and supportive culture at SBO, but also speaks to the dedication, passion and enthusiasm of our teams around the world. ■



**Schoeller Bleckmann
Oilfield Equipment
Vietnam Co., Ltd**



**Employees say
this is a great
place to work**

Market environment

While general market conditions in the oilfield service industry are intact, the spending behaviour has been moderating since the beginning of 2024. **Oil markets** continue to grow driven by the rising demand for oil on the back of global economic growth and the need for energy security. Upstream fundamentals remain supportive in international and offshore markets, while activity in North America has declined and struggles to recover. Hence, **global exploration and production (E&P) spending** is now expected to grow by just 3% in 2024, below the 5% forecast at the end of 2023, almost entirely due to an expected 3% decline in US spending (compared to a 2% growth projection at the end of 2023). The spending decline in the US market is largely due to reduced activity and improved efficiency from an ongoing consolidation of market players. International upstream spending¹ is projected to increase by 9%, led by growth in Africa (+20%), the Middle East (+9%) and Latin America (+9%).²

Global oil demand remained high at 103.1 mb/d (million barrel per day) in the second quarter of 2024, compared with 102.1 mb/d for the full year of 2023, and was well matched by global **oil production** of 102.8 mb/d (2023 at 102.2 mb/d).³ For the full year 2024, global demand is expected at 103.1 mb/d. The number of global oil and gas rigs ("**rig count**") declined from 1,739 rigs at the end of 2023 to 1,706 rigs at the end of June 2024. Compared to the end of June 2023 (1,800 rigs), the decline was even more pronounced (-5%), with varying developments across regions. While the international rig count saw a 3% increase to an average of 964 rigs in the first half of 2024 (1-6/2023: 938 rigs), the average rig count in the US (613 rigs) declined significantly (-17%) compared to last year (1-6/2023: 742 rigs).⁴

After a gradual rebalancing in 2023, **gas markets** moved to growth in the first half of 2024 (+3%), mostly driven by the industrial and power sectors in fast-growing economies in Asia, where both China and India returned to double-digit growth rates. However, the recovery remains fragile as global LNG production underperformed in the second quarter and geopolitical tensions fuel price volatility. For the full year of 2024, gas demand growth is expected at 2.5%.⁵

Oil prices remained well supported by increasing global demand, geopolitical constraints, and OPEC's decisions to limit supply: European Brent crude oil started 2024 at USD 75.89/barrel and stood at USD 86.41/barrel on the last trading day of the second quarter, an increase of 14%. In the same period, the price of WTI rose from USD 70.38/barrel to USD 81.54/barrel (up 16%). **Gas prices**, on the other hand, have remained low in 2024. The Henry Hub gas price started the year at USD 2.57/MMBtu (million British thermal units) and reached USD 2.60/MMBtu on the last trading day of the second quarter.

The energy transition continues to gain traction in 2024. **Geothermal energy** as one of the sustainable energy sources will serve as a base load source, utilized for both electricity and heat generation, and is gaining momentum. The market for geothermal power generation has reached 95.63 bn kWh in 2023 and is expected to reach 99.73 bn kWh in 2024.⁶

¹ Excluding Russia.

² Evercore ISI report, Energy | Oilfield Services, Equipment & Drilling, July 2024.

³ International Energy Agency (IEA), Oil Market Report, August 2024.

⁴ Baker Hughes Rig Count.

⁵ International Energy Agency (IEA), Gas Market Report, Q3 2024.

⁶ Statista.

Carbon capture and storage—another promising technology to limit emissions—will be a key enabler in meeting climate targets, with the Intergovernmental Panel on Climate Change stressing that the technology will be key to reaching net-zero emissions by mid-century.

The amount of CO₂ captured by CCS facilities worldwide currently accounts for just 0.12% of annual global emissions. Currently, the majority of CO₂ captured by active CCS facilities is at natural gas processing plants, but by 2030, the majority of capture capacity is expected to be used in the power sector and for the production of ammonia and hydrogen. The U.S. is a world leader in CCS development and deployment with 15 operational CCS facilities and has the largest number of CCS projects in the pipeline (104). In 2023, there were 39 CCS facilities

operational worldwide. In 2024, there are 395 projects in the pipeline for commercial CCS facilities worldwide, half of which (194) are located in North America.⁷

The **3D metal printing** market⁸ represents a significant growth opportunity. With a total number of 2.3 million metal parts produced in 2022 and 2.9 million in 2023, this number is expected to increase to 40.4 million parts in 2032. In revenue, this market had a size of close to USD 1 billion in 2022 and is expected to grow to USD 13 billion in 2032, representing a CAGR of 30%. Powder-Bed-Fusion—the technology currently used by SBO in additive manufacturing—represents the largest technology segment with roughly two thirds of this dynamic market.⁹

⁷ Statista.

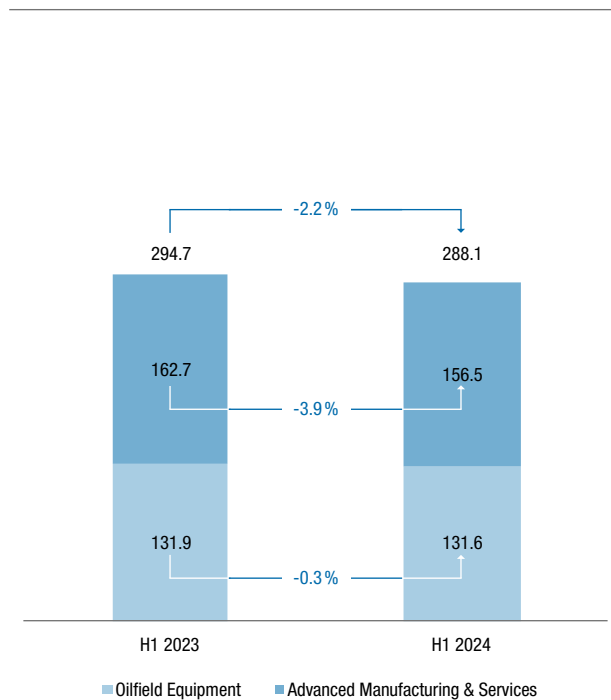
⁸ Metal additive manufacturing (AM) service market.

⁹ VoxelMatters, 2024.

Business development

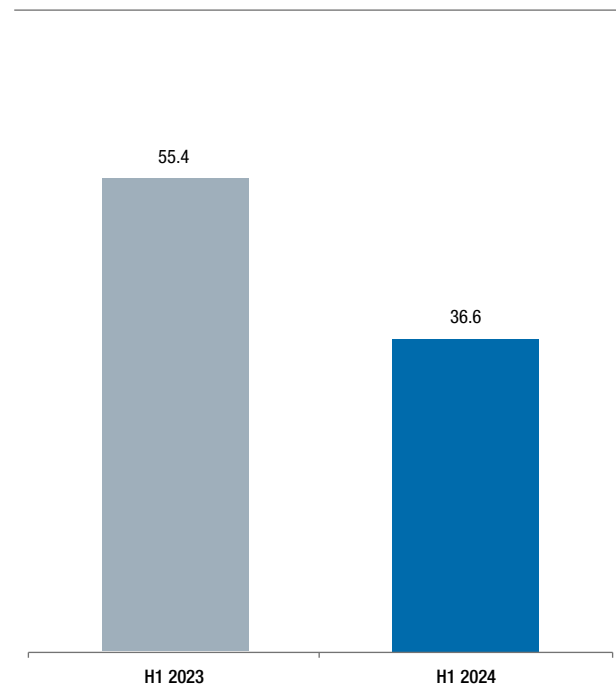
SBO faced a mixed market environment in the first half of 2024, reflected in the varying performance of the two business divisions. Bookings of MEUR 248.7 stayed behind the exceptional H1 2023 (1-6/2023: MEUR 299.2). Nevertheless, on a quarter-over-quarter basis, the bookings development showed a positive trend in the first half of this year, increasing by 1.7% in Q1 and 9.6% in Q2. At MEUR 288.1, sales remained at a high level (1-6/2023: MEUR 294.7) despite a weaker and challenging US market, which was particularly evident in the OE division. The Group's order backlog amounted to MEUR 180.4 at the end of June (31 December 2023: MEUR 225.4).

Sales by business segment



Earnings before interest, taxes, depreciation, and amortization (EBITDA) for H1 2024 were MEUR 53.1 (1-6/2023: MEUR 69.0), the EBITDA margin stood at 18.4% (1-6/2023: 23.4%). The Group's profit from operations (EBIT) was MEUR 36.6 (1-6/2023: MEUR 55.4), with an EBIT margin of 12.7% (1-6/2023: 18.8%). The EBIT decline was entirely driven by the OE division, whereas the AMS division continued to perform at excellent levels.

EBIT



Profit before tax reached MEUR 33.8 compared to MEUR 56.0 last year, a result of the lower EBIT and higher net interest expenses. Profit after tax amounted to MEUR 25.0 (1-6/2023: MEUR 43.1), resulting in EUR 1.58 in earnings per share (1-6/2023: EUR 2.74).

Segments

The SBO Group's business is divided into two segments: Advanced Manufacturing & Services (AMS) and Oilfield Equipment (OE). The **AMS segment** continued to be the main value driver for SBO with high sales and excellent EBIT margins. Despite slightly lower sales of MEUR 156.5 (1-6/2023: MEUR 162.7), EBIT increased to MEUR 35.6 (1-6/2023: MEUR 35.0), resulting in an improved EBIT margin of 22.8% compared to 21.5% last year.

The **OE segment** faced significant challenges in the first half of the year. Sales of MEUR 131.6 were in line with

the previous year (1-6/2023: MEUR 131.9), as lower sales in the US were compensated by higher sales in the international growth regions. The weaker US market combined with a less favorable product mix compared to a strong prior-year period were the main drivers for the division's EBIT decline to MEUR 2.2 in the first half of 2024 (1-6/2023: MEUR 24.0). Acquisition-related charges, additional repair and maintenance work on the rental fleet as well as organizational and operational changes led to additional expenses in the period which further affected the result.

Key Balance Sheet Figures and Cash flow

By the end of June 2024, SBO's equity increased to MEUR 457.2 (31 December 2023: MEUR 448.0) and the equity ratio rose to 54.3% (31 December 2023: 53.6%). Despite the dividend payment of MEUR 31.5, net debt saw only a slight increase to MEUR 95.5 (31 December 2023: MEUR 92.3), with gearing at 20.9% at the end of June 2024 (31 December 2023: 20.6%). Cash and cash equivalents amounted to MEUR 154.3 (31 December 2023: MEUR 162.4).

The cash flow from operating activities at MEUR 42.2 in the first half of 2024 was broadly in line with last year (1-6/2023: MEUR 43.1), as the lower cash earnings

this year were almost entirely offset by reduced working capital. Capital expenditure on property, plant and equipment and intangible assets (excluding right of use assets) of MEUR 16.7 slightly declined compared to last year (1-6/2023: MEUR 17.3), which led to a higher free cash flow of MEUR 27.7 (1-6/2023: MEUR 27.0). Cash flow from financing activities included the dividend payment of MEUR 31.5, exactly in line with the previous year.

The further improved and solid balance sheet, combined with the continued generation of high cash flows, positions the company well for future strategic investments.

ESG PROGRESS AND HALF-YEAR HIGHLIGHTS

SBO's half-year review shows further ESG advancements, underpinned by our commitment to sustainable and responsible business practices:

Scope 1 and 2 emissions for the first half of 2024 remained stable compared to last year (+0.8%). A 10.4% reduction in directly controlled scope 1 emissions (1,972 CO₂e in tons) was offset by a 6.2% increase in scope 2 emissions (4,810 CO₂e in tons). The emission intensity increased by 3.1% compared to last year.

EMISSIONS

	UNIT	H1 2024	H1 2023
Scope 1	CO ₂ e in tons	1,972	2,202
Scope 2 (market based)	CO ₂ e in tons	4,810	4,528
TOTAL SCOPE 1+2	CO ₂ e in tons	6,782	6,730
Emission intensity Scope 1+2	CO ₂ e in tons / 1 MEUR sales	23.5	22.8

SBO reduced the **total energy consumption** by 2.0% versus last year, mostly a result of significantly lower energy consumption of natural gas and other sources (-10.8%) while electricity consumption increased (+3.3%). Electricity consumption saw a stable share of renewable sources of 46%, which we aim to further increase with the installation of additional solar panels across our subsidiaries.

ENERGY CONSUMPTION

	UNIT	H1 2024	H1 2023
Electricity	in MWh	17,488	16,931
thereof from renewable sources	in MWh	8,075	7,785
thereof from non-renewable sources	in MWh	9,413	9,146
Natural gas	in MWh	5,863	6,761
All other sources	in MWh	3,224	3,431
TOTAL ENERGY CONSUMPTION	in MWh	26,575	27,123

Water withdrawal was reduced in the first half of 2024 (-9.0%), whereas waste saw a 13.2% increase, mostly a result of a changed product mix and related waste rates. However, the amount of hazardous waste saw a significant decline of 17.4%.

WATER WITHDRAWAL

	UNIT	H1 2024	H1 2023
Water withdrawal	in cbm	47,944	52,707
thereof from own well	in cbm	29,205	36,252
thereof from the public water system	in cbm	18,739	16,455

WASTE MANAGEMENT

	UNIT	H1 2024	H1 2023
Total waste	in tons	4,485	3,963
thereof non-hazardous waste	in tons	4,009	3,387
thereof hazardous waste	in tons	476	576

Photovoltaic systems for more green energy: Following the successful installation of PV systems at our Ternitz and Houston sites, we continue to roll out additional systems at our facilities. At the end of last year, a PV system consisting of 296 solar panels with a total capacity of 170.20 kWp was installed at our site in Dubai. In the first half of 2024, the installation covered all of our local electricity consumption of more than 100,000 kWh, reducing CO₂ emissions by 122 tons - the equivalent of planting around 11,500 trees. Our facilities in Mexico, Saudi Arabia and Brazil are now as well in the process of installing photovoltaic systems. This is another example for SBO's full commitment to a sustainable future and the successful transition to green energy in the manufacturing operations.

Adoption of CSRD and ESRS: The company is well on track to meet the new reporting requirements of the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). The implementation of these EU reporting requirements starting in fiscal year 2024 marks an important milestone in our ESG reporting journey. It aligns with our strategic direction to embed sustainability in all aspects of our business and reinforces our commitment to transparency and accountability.

Strategic execution and future goals: With the adoption of the CSRD requirements, SBO will increase transparency, better serve our stakeholders and improve our overall competitiveness. We aim to provide clearer and more comprehensive insight into our sustainability practices. Our 2024 Annual Report will detail our goals and our progress, further demonstrating our commitment to sustainability.

Outlook

The oilfield service industry is set to continue to grow in international markets, especially the Middle East, Latin America, Africa and Asia. This is supported by an expected E&P spending increase of 3% to BUSD 512 globally, with international spending¹⁰ growing by 5%, while the US market is forecast to decline by 3%.¹¹ On the backdrop of solid global oil demand growth in the first half of 2024 and a steady growth outlook for the global economy (+3.2%)¹², global oil demand is projected to grow further in 2024 (+1.0 mb/d) and 2025 (+0.9 mb/d).¹³

The overall market fundamentals, especially in the international and offshore markets, remain positive, while the general growth pace has been moderating. In North America, the market developments observed over the past two quarters are not expected to change significantly in the near future. However, with the organizational and

operational measures taken in the second quarter, we will deliver improved, positive results in our OE division as early as Q3 and benefit from a US market rebound in the medium term.

SBO remains positive about the oil and gas industry and continues to invest in its core business to capture growth opportunities in new markets, further supported by expanding capacities in the Middle East and Asia.

The strategy recalibration initiated in the first quarter this year has led to a deeper strategic analysis. SBO has the clear ambition to transform, building on its unique capabilities and strengths. Based on these capabilities, the company continues to advance into new business areas like the energy transition through organic and inorganic growth.

Risk Report

The business risks of SBO have not changed fundamentally in the first half of 2024 compared to the risks presented in the 2023 annual financial statements. SBO refers to all risks explained in the 2023 Annual

Report and recommends to always read this report on the first half of 2024 in conjunction with the risk report of the 2023 Annual Report.

¹⁰ Excluding Russia.

¹¹ Evercore ISI report, Energy | Oilfield Services, Equipment & Drilling, July 2024.

¹² International Monetary Fund (IMF), World Economic Outlook, July 2024.

¹³ International Energy Agency (IEA), Oil Market Report, August 2024.

ABOUT SBO

SBO at a glance

SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft (SBO) is a globally operating group of companies and world market leader in the manufacture of high-alloy, non-magnetic steels. The SBO Group is engaged in high-precision production of special components for the oil, gas and other industries by applying innovative and additive manufacturing technologies. The SBO Group is equally recognized worldwide for its directional drilling tools and equipment for well completion in the oil, gas, and geothermal

industry. With its subsidiaries and more than 1,600 employees worldwide, the Group is successfully positioned in technologically demanding, profitable niches. The Group is headquartered in Ternitz, Austria. Making an active contribution to energy transition is a key element of the Group's Strategy 2030. More detailed information on the Strategy 2030 and sustainable management (ESG) is available in the Annual Report 2023 at <https://www.sbo.at/publikationen>.

STRATEGY 2030



Driving value creation in our core business:

- Organic growth initiatives with focus on expanding markets & product innovation across the portfolio
- Targeted bolt-on acquisitions, investments in R&D and technology innovation
- Operational execution as a key value driver to ensure high cash flow generation



Building a new business segment for further growth:

- Organic growth through diversification of the existing product portfolio in areas such as geothermal, CCS, space and aerospace, and other industrial sectors
- Strategic investments in scalable innovations and M&A in green tech industries and high-growth areas of energy transition



Embedding sustainability in all our business activities:

- Drive a further reduction of our already low greenhouse gas emissions
- Invest in our employees: develop capabilities and actively manage talent across the group
- Encourage diversity through dedicated programs and initiatives for a more diverse and inclusive workforce

The SBO share

The share of SCHOELLER-BLECKMANN OILFIELD EQUIPMENT Aktiengesellschaft 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. 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 43.00 and closed at EUR 37.80 on 28 June 2024. Market capitalization as of 28 June 2024 was MEUR 605, and approximately 67 % of the shares were in free float at that date.

EUR 43.00

2 January 2024

EUR 37.80

28 June 2024

MEUR 605

Market capitalization –
28 June 2024

FINANCIAL CALENDAR 2024

DATE	EVENT
21 November 2024	Q3 2024

Consolidated profit and loss statement

IN TEUR	6 MONTHS PERIOD ENDED		3 MONTHS PERIOD ENDED	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Sales	288,050	294,679	141,325	147,351
Cost of goods sold	-204,281	-189,610	-101,146	-94,859
Gross profit	83,769	105,069	40,179	52,492
Selling expenses	-18,414	-17,741	-9,767	-8,895
General and administrative expenses	-24,950	-23,005	-13,313	-11,669
Other operating expenses	-9,874	-13,050	-3,458	-5,745
Other operating income	6,106	4,097	2,390	2,490
Profit from operations	36,637	55,370	16,031	28,673
Interest income	2,226	4,205	1,196	2,279
Interest expenses	-5,083	-3,540	-2,617	-1,910
Financial result	-2,857	665	-1,421	369
Profit before tax	33,780	56,035	14,610	29,042
Income taxes	-8,815	-12,948	-4,600	-7,207
Profit after tax	24,965	43,087	10,010	21,835
Average number of shares outstanding	15,759,465	15,729,465	15,759,465	15,729,465
Earnings per share in EUR (basic = diluted)	1.58	2.74	0.64	1.39

Consolidated statement of comprehensive income

IN TEUR	6 MONTHS PERIOD ENDED		3 MONTHS PERIOD ENDED	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023
Profit after tax	24,965	43,087	10,010	21,835
Other comprehensive income to be reclassified to profit or loss in subsequent periods				
Currency translation adjustment – subsidiaries	13,811	-5,041	4,152	1,956
Currency translation adjustment – other items	2,479	-1,122	779	49
Income tax effect	-570	258	-179	-11
Other comprehensive income, net of tax	15,720	-5,905	4,752	1,994
Total comprehensive income, net of tax	40,685	37,182	14,762	23,829

Consolidated balance sheet

ASSETS

IN TEUR	30.06.2024	31.12.2023
Current assets		
Cash and cash equivalents	154,258	162,351
Trade receivables	136,517	132,519
Other receivables and other assets	17,735	14,696
Inventories	204,454	205,811
Total current assets	512,964	515,377
Non-current assets		
Property, plant and equipment	135,866	130,436
Goodwill	142,666	138,407
Other intangible assets	16,566	19,012
Long-term receivables and assets	3,007	3,551
Deferred tax assets	30,936	29,638
Total non-current assets	329,041	321,044
TOTAL ASSETS	842,005	836,421

LIABILITIES AND EQUITY

IN TEUR	30.06.2024	31.12.2023
Current liabilities		
Liabilities to banks	42,299	38,144
Current portion of long-term loans	16,071	41,638
Lease liabilities	2,235	2,378
Trade payables	35,752	39,624
Income tax payable	21,174	18,932
Other liabilities	48,212	46,127
Other provisions	4,322	3,654
Total current liabilities	170,065	190,497
Non-current liabilities		
Long-term loans	191,393	174,839
Lease liabilities	6,200	6,589
Provisions for employee benefits	6,216	5,988
Other liabilities	10,249	10,231
Deferred tax liabilities	699	260
Total non-current liabilities	214,757	197,907
Equity		
Share capital	15,759	15,759
Capital reserve	59,526	59,526
Legal reserve	785	785
Other reserves	19	19
Currency translation reserve	48,459	32,739
Retained earnings	332,635	339,189
Total equity	457,183	448,017
TOTAL LIABILITIES AND EQUITY	842,005	836,421

Consolidated cash flow statement

IN TEUR	6 MONTHS PERIOD ENDED	
	30.06.2024	30.06.2023
OPERATING ACTIVITIES		
Profit before tax*	33,780	56,035
Depreciation, amortization and impairments	16,454	13,598
Other expenses and income*	-8,675	-3,487
Cash flow from profit*	41,559	66,146
Change in working capital*	603	-23,063
Cash flow from operating activities	42,162	43,083
INVESTING ACTIVITIES		
Expenditures for property, plant and equipment and intangible assets	-16,738	-17,309
Other activities	2,254	1,269
Cash flow from investing activities	-14,484	-16,040
Free cash flow	27,678	27,043
FINANCING ACTIVITIES		
Dividend payment	-31,519	-31,459
Change in financial liabilities	-7,923	-12,851
Cash flow from financing activities	-39,442	-44,310
Change in cash and cash equivalents	-11,764	-17,267
Cash and cash equivalents at the beginning of the period	162,351	287,764
Effects of exchange rate changes on cash and cash equivalents	3,671	-3,656
Cash and cash equivalents at the end of the period	154,258	266,841

* In order to improve the presentation of interest inflows and outflows as well as tax inflows and outflows, the presentation of values within the cash flow from operating activities of the previous year was adjusted. Other expenses and income include interest and taxes paid and received as well as other non-cash items.

Consolidated statement of changes in equity

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						-31,519	-31,519
30 June 2024	15,759	59,526	785	19	48,459	332,635	457,183

2023

IN TEUR	SHARE CAPITAL	CAPITAL RESERVE	LEGAL RESERVE	OTHER RESERVES	CURRENCY TRANSLATION RESERVE	RETAINED EARNINGS	TOTAL
1 January 2023	15,729	61,956	785	19	49,201	297,326	425,016
Profit after tax						43,087	43,087
Other comprehensive income, net of tax					-5,905		-5,905
Total comprehensive income, net of tax	0	0	0	0	-5,905	43,087	37,182
Dividend payment						-31,459	-31,459
30 June 2023	15,729	61,956	785	19	43,296	308,954	430,739

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

Note 1

BASIS OF PREPARATION

The interim report as at 30 June 2024 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 2024 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 2023 have been applied basically unchanged. In this context, we refer to the consolidated financial statements for the year ended 31 December 2023.

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 TEUR	NUMBER OF SHARES (ORDINARY SHARES)	PER SHARE EUR
For the business year 2023 paid in 2024	31,519	15,759,365	2.00
For the business year 2022 paid in 2023	31,459	15,729,365	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 "Advanced Manufacturing & Services" (AMS) and "Oilfield Equipment" (OE).

The "Advanced Manufacturing & Services" (AMS) segment comprises the production of high-alloy, non-magnetic steels and the high-precision manufacture of steels into special components for the oil, gas and other industries by using innovative and additive technologies such as Direct Metal Laser Sintering (DMLS), a 3D metal printing technology.

The "Oilfield Equipment" (OE) segment offers high-efficiency tools for drilling and completion in the oil and gas industry as well as in the geothermal sector.

Management of the group as well as the allocation of resources is based on the financial performance of these segments.

Results in the total column correspond to those in the profit and loss statement.

1-6/2024

IN TEUR	ADVANCED MANUFACTURING & SERVICES	OILFIELD 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
Profit / loss from operations	35,622	2,229	-1,214	36,637
Profit / loss before tax	37,711	1,305	-5,236	33,780

1-6/2023

IN TEUR	ADVANCED MANUFACTURING & SERVICES	OILFIELD EQUIPMENT	SBO-HOLDING & CONSOLIDATION	GROUP
External sales	162,733	131,946	0	294,679
Intercompany sales	69,661	17,890	-87,551	0
Total sales	232,394	149,836	-87,551	294,679
Profit / loss from operations	35,022	23,965	-3,617	55,370
Profit / loss before tax	35,988	25,299	-5,252	56,035

External sales were as follows:

IN TEUR	ADVANCED MANUFACTURING & SERVICES		OILFIELD EQUIPMENT	
	1-6/2024	1-6/2023	1-6/2024	1-6/2023
Product sales	145,637	150,347	70,821	63,311
Services and repairs	8,291	9,361	4,140	2,280
Rental revenue	2,535	3,025	56,626	66,355
Total	156,463	162,733	131,587	131,946
North America	62,877	78,183	78,223	85,121
Europe	24,889	33,192	1,820	4,623
Middle East	6,915	5,500	24,635	12,485
Asia / Central Asia	54,917	37,185	8,339	11,496
Central and South America	909	1,023	15,609	14,935
Others	5,956	7,650	2,961	3,286
Total	156,463	162,733	131,587	131,946

Note 7

TANGIBLE AND INTANGIBLE FIXED ASSETS

During the first six months of 2024 capital expenditures for tangible and intangible fixed assets (including right-of-use assets) amounted to MEUR 17.5 (1-6/2023: MEUR 19.6). Purchase commitments for expenditure in property, plant and equipment as of 30 June 2024 were MEUR 12.7 (31 December 2023: MEUR 9.7).

Note 8

RELATED PARTY TRANSACTIONS

With respect to business transactions with related parties there were no substantial changes compared to 31 December 2023. 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 2023.

Note 9

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.

As at balance sheet date, the Group held the following classes of financial instruments measured at fair value:

2024

IN TEUR	BALANCE SHEET ITEM	30.06.2024	LEVEL 2	LEVEL 3
Assets				
Derivatives (FVTPL)	Other receivables and other assets	6	6	0
Liabilities				
Derivatives (FVTPL)	Other liabilities	-376	-376	0

2023

IN TEUR	BALANCE SHEET ITEM	30.06.2024	LEVEL 2	LEVEL 3
Assets				
Derivatives (FVTPL)	Other receivables and other assets	810	810	0
Liabilities				
Derivatives (FVTPL)	Other liabilities	-15	-15	0

During the reporting period 2024 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	30.06.2024			31.12.2023	
	LEVEL	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
Liabilities					
Borrowings from banks and other loans	2	-249,763	-242,951	-254,621	-248,166

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 10

EVENTS AFTER THE REPORTING DATE

After the reporting date there were no events of particular significance that would have changed the presentation of the Group's net assets, financial position, and results of operations in the consolidated financial statements as at 30 June 2024.

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, 21 August 2024



Klaus Mader



Campbell MacPherson

Executive Board

INVESTOR NEWS

For investors or those interested in the capital market, we offer our Investor News Service, which keeps investors and shareholders up to date at all times. After registering for our news service on our website, interested parties receive regular information on corporate events relevant to the capital market.



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We keep you up to date with our
investor news service



Let's stay in touch

CONTACT AND LEGAL NOTICE:

Further information about SBO is available on www.sbo.at. If you would like to be included in SBO's Investor News Service, please go to: <https://www.sbo.at/bestellservice>.

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.