

CONFERENCE CALL

Q1 2024

Klaus Mader (CEO)
Campbell MacPherson (COO)

23 May 2024

ABOUT THE CONFERENCE CALL

This video call will be recorded and made public on the company's website as information to the capital market.

The presentation will be listen-only, followed by an interactive Q&A session.

We invite you to ask any questions you might have after the presentation by raising your hand in MS Teams and the moderator will invite you to open your mic so that you can join the conversation.

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SBO at a glance

We are the **global market leader in high-precision components** and a leading supplier of oilfield equipment for the oilfield service industry.

The business focus is on **non-magnetic drillstring components and high-tech downhole tools for drilling and completing directional and horizontal wells**, for the oil, gas and geothermal industry.

Strong IP protection provides SBO with significant competitive advantages.

Product and process innovations, including the Direct Metal Laser Sintering (DMLS) 3D printing technology, support SBO's leading position in the oil and gas industry alongside other sectors.



MEUR 586

Sales 2023



MEUR 102

EBIT 2023



19%

gearing

55%

equity ratio

Q1 2024

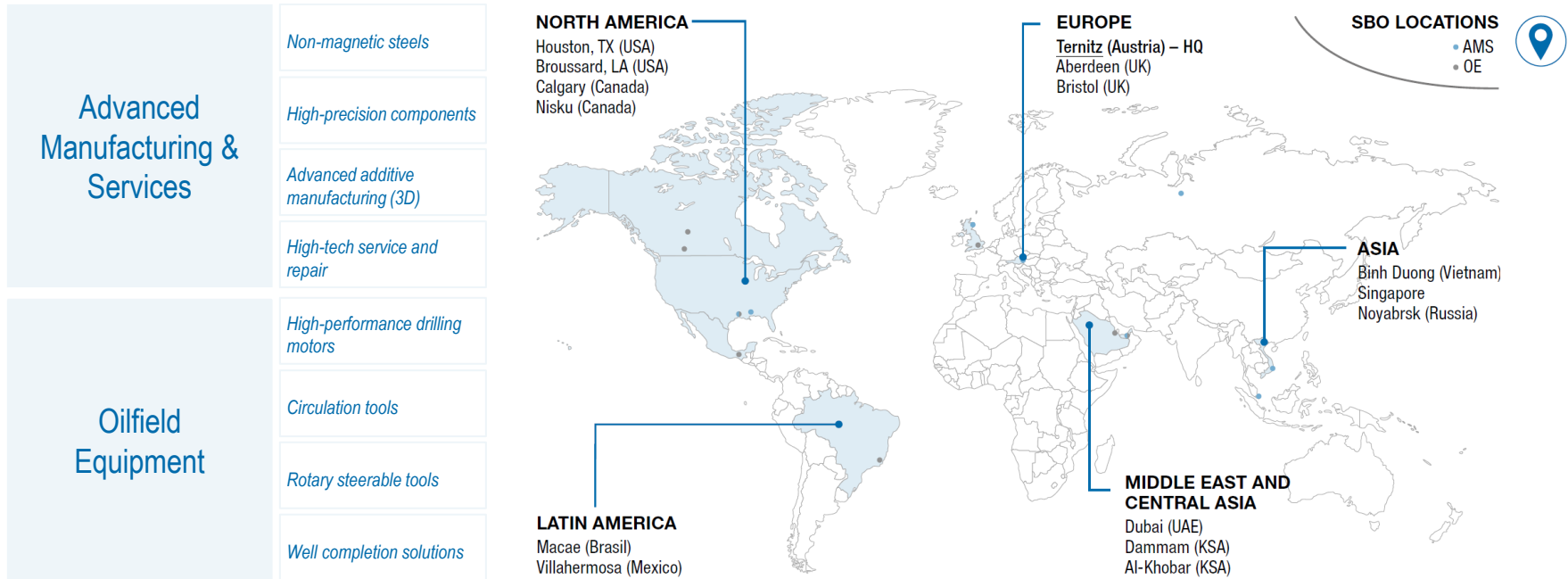


~ 1600

engaged employees

Global footprint and local presence in key markets for manufacturing, sales, maintenance & repair and equipment rental

SCHOELLER-BLECKMANN OILFIELD EQUIPMENT AG



Business Highlights & Performance

High sales and solid EBIT in Q1 despite competitive US market Bookings signal growing demand, driven by AMS

Business and Financial Highlights



Q1 sales at high levels (MEUR 146.7), driven by excellent AMS performance. OE faced market pressure in US, compensated by growth in ME (Praxis).
Bookings increased q-o-q



Group EBIT of MEUR 20.6 was lower y-o-y, due to lower sales and margin in the OE division. **AMS** delivered another strong quarter with **EBIT at 21.7%**.



Operating CF of MEUR 9.7 impacted by lower earnings.
All balance sheet KPIs improved: MEUR 169 in cash, equity ratio at 54.7% and gearing at 18.9%



Capacity expansion in **Saudi Arabia and Vietnam** on track
3D-printing capabilities in Europe further expanded
Product developments in **geothermal** opening new market opportunities

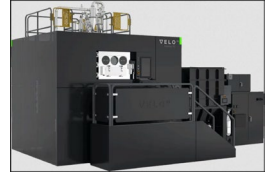
Business highlights of Q1 - Key building blocks in implementing our strategy

Technology Day in Abu Dhabi: successful event with over 75 participants underscoring our strategic focus on the Middle East. By presenting our cutting-edge technology offering, we reinforced our commitment to technology leadership and sustainability.



Expansion of our location in Saudi Arabia to increase our presence in the fast-growing ME market: new building will also be equipped with solar panels, in line with our sustainability goals to reduce the carbon footprint of our operations.

Installation of the first Velo3D Sapphire XC metal printer at the Austrian facility in Ternitz has expanded our capabilities, enhances our product offering, and sets a new industry standard in Europe.

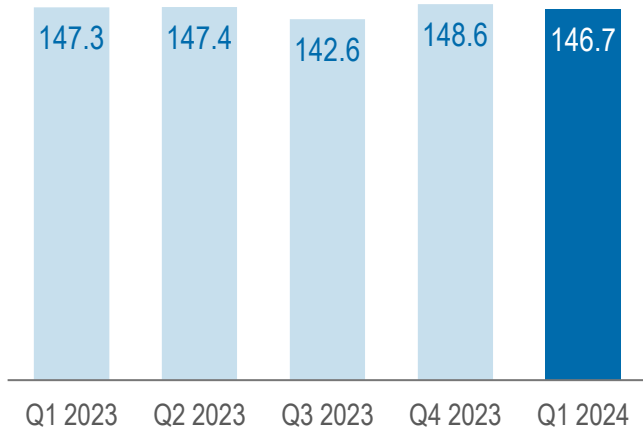


Position in geothermal further strengthened: successful collaborations with our customers led to custom-made Boss Hog HT composite frac plug with significantly higher performance than other options.

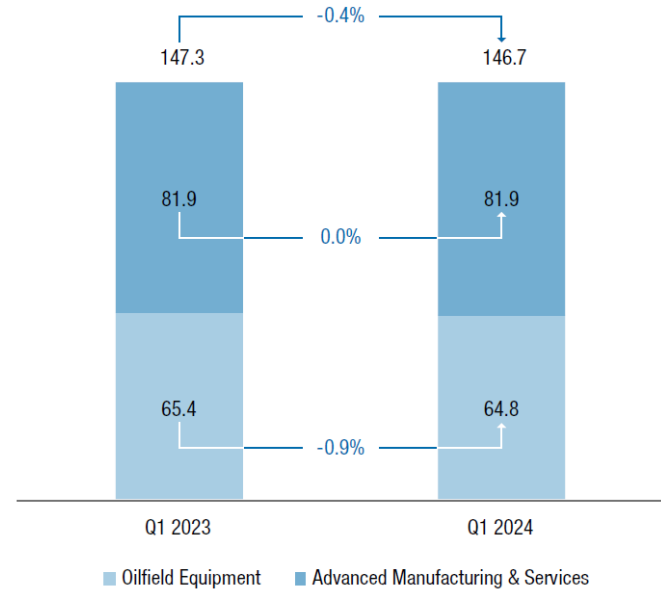
Sales remained at a high level in Q1, in line with previous quarters

Lower sales in the US in OE compensated by sales from Praxis in ME

SALES IN MEUR

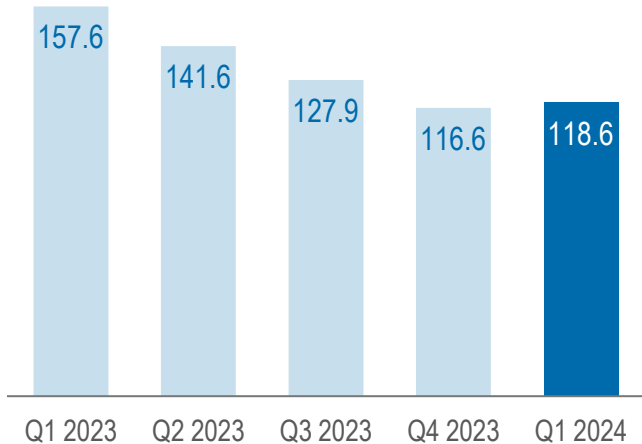


GROUP SALES BY SEGMENT IN MEUR | GROWTH %



Bookings increased in Q1 driven by AMS

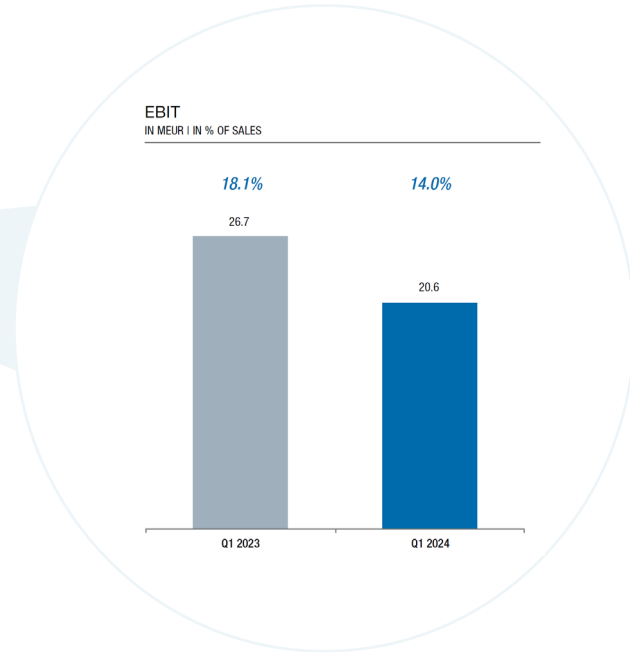
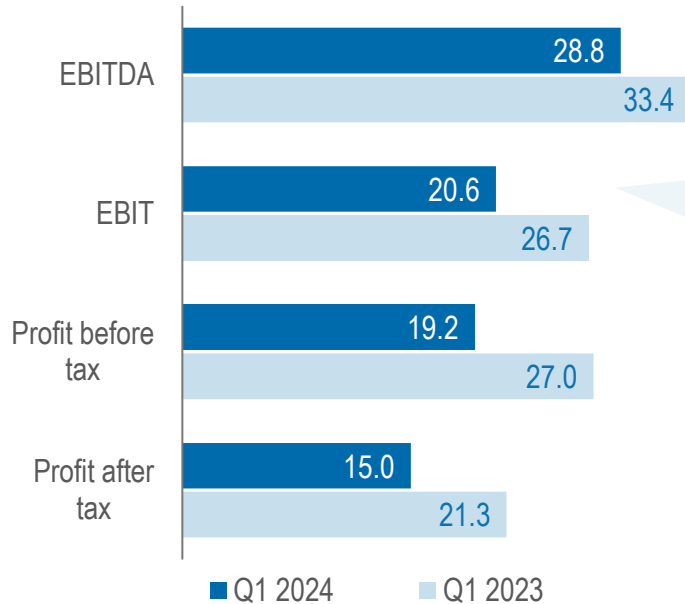
BOOKINGS IN MEUR



With a slight increase of +1.7% q-o-q, bookings trend signals increase in demand, which is also expected for the second quarter, driven by AMS.

EBIT and EBITDA declined compared to last year due to lower sales and gross margin in the OE business

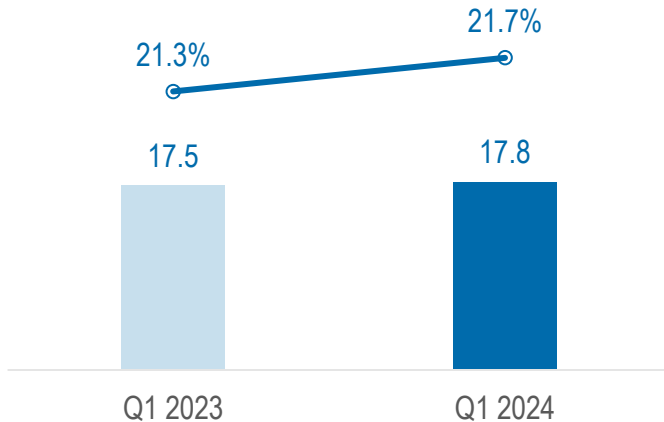
IN MEUR



AMS delivered strong performance with improved EBIT at 21.7% of sales OE EBIT impacted by US market pressure, unfavorable product mix and higher costs

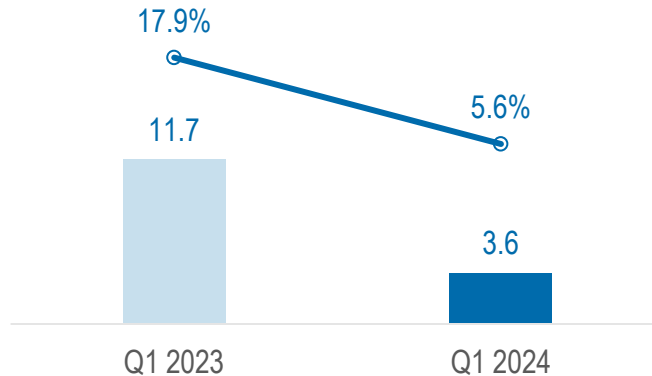
AMS SEGMENT: EBIT

IN MEUR | % OF SALES



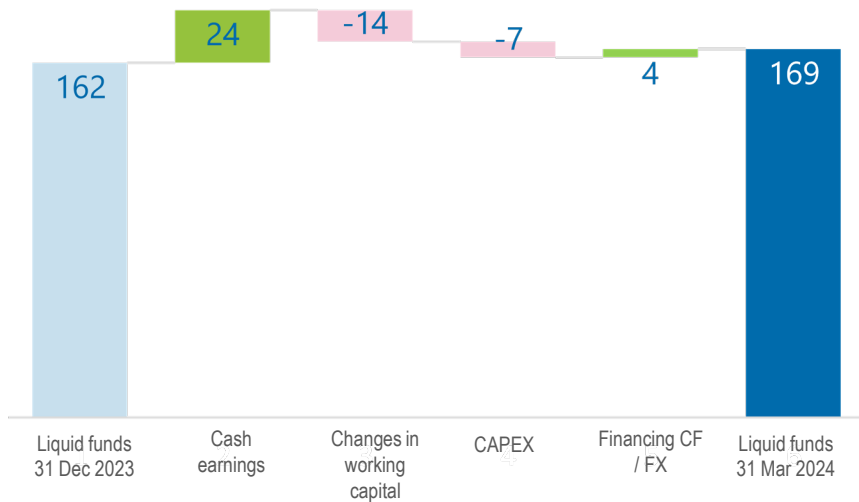
OE SEGMENT: EBIT

IN MEUR | % OF SALES

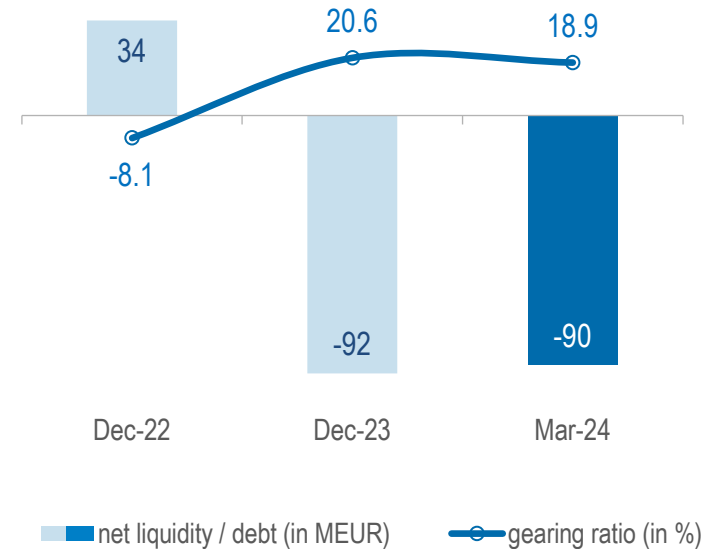


Cash position increased to MEUR 169; net debt reduced to MEUR 90; gearing improved to 18.9%

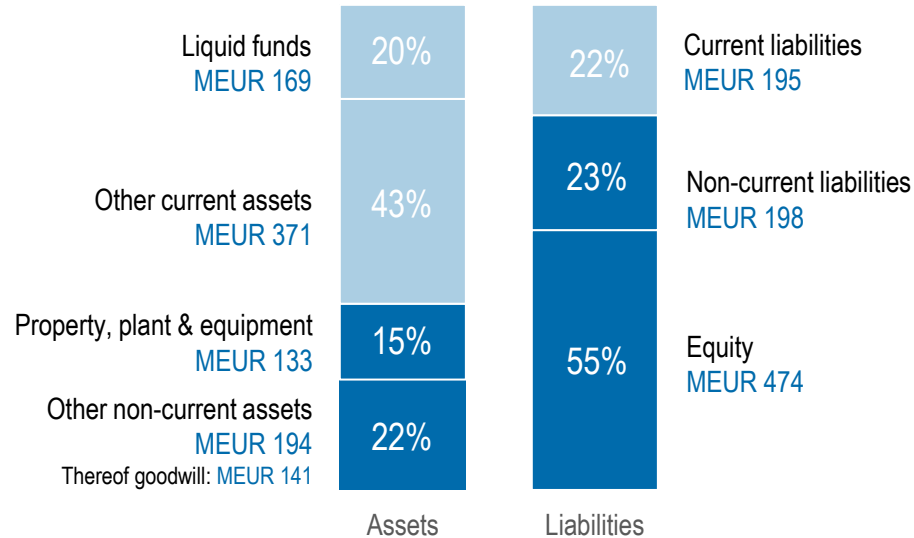
DEVELOPMENT OF CASH POSITION IN MEUR



NET LIQUIDITY / DEBT AND GEARING IN MEUR



Balance sheet remains very solid with further improved equity ratio



Total assets: MEUR 867

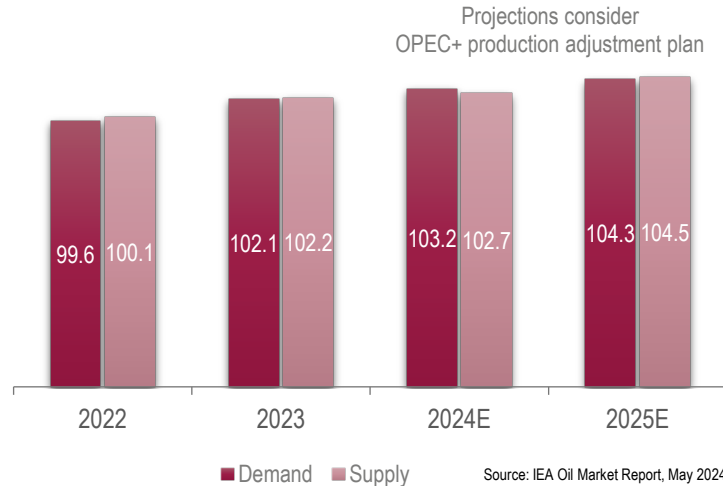
As of 31 March 2024, in MEUR (percentages rounded to reflect 100%)

Market environment & Outlook

Core business with favorable market conditions thanks to high oil and gas demand and need for new oil supply sources

Oil Supply / Demand

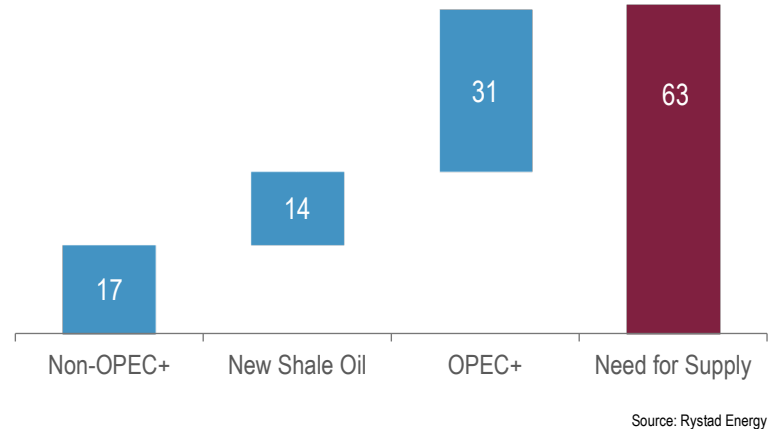
in mb/d



Global oil demand expected to grow further in 2024 and 2025, scaling record highs, led by consumption in India, China and Brazil.

Global new oil supply to 2030 by source

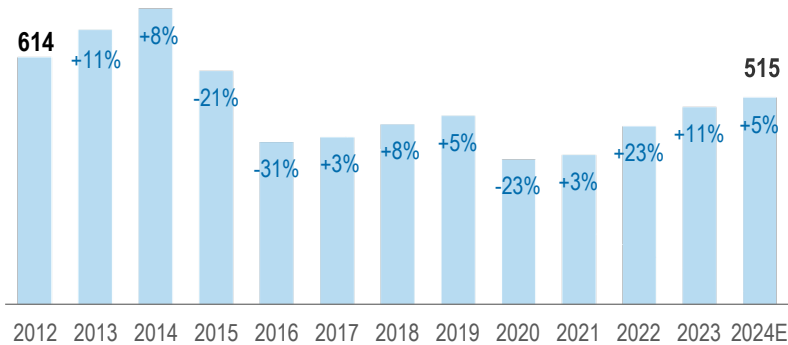
in mb/d



63 mb/d of new oil supply will be needed to cover the depletion of existing fields and the expected oil demand increase.

E&P spendings are expected to grow by 5% in 2024, driven by international markets and off-shore

E&P Spending
in \$B / %

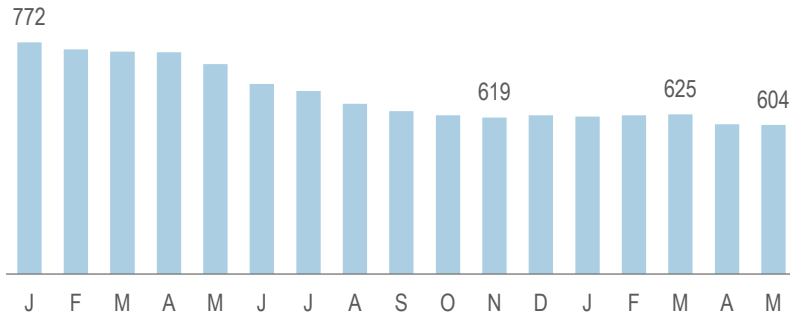


Source: Evercore ISI Research, December 2023

- After years of underinvestment, exploration and production spending has been increasing and is projected to grow by 5% in 2024.
- Growth is predominantly driven by long-cycle projects in the Middle East (including gas projects) and in international offshore basins.

Rig count has grown internationally, but further declined in the US in April / May

US Rig Count

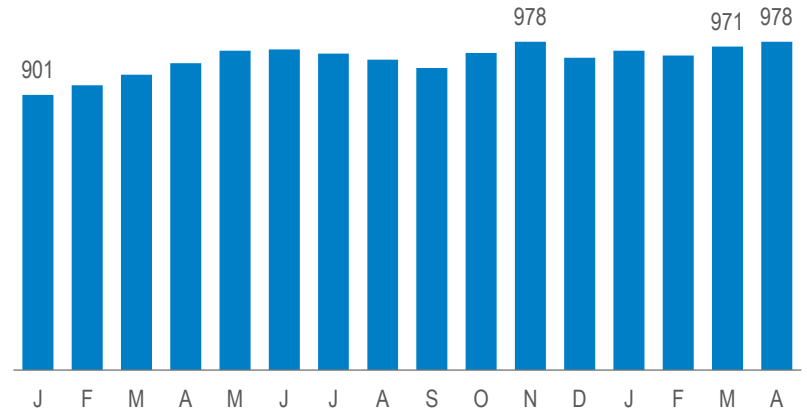


Source: Baker Hughes Rig Count

Decrease in US rig count started in May 2023, reaching a low point in November 2023 but it further reduced in April and May 2024.

Currently US rig count stands at 604 active rigs, down 168 rigs (-22%) in comparison to January 2023

International Rig Count



Source: Baker Hughes Rig Count

Continuous growth of international rig count since Jan 2023, reaching a high of 978 rigs in November 2023 and again in April 2024, driven by long-term projects in the Middle East, but also in Africa and Asia Pacific.

Outlook

- Industry fundamentals remain **supportive**, customer sentiment is optimistic, especially regarding international markets
- US market will remain **challenging**
- Bookings expected to continue to grow in Q2, driven by AMS
- Praxis integration well on-track, delivering **additional sales and EBIT in 2024**
- Expansion of our local presence and capacity in the Middle East and in Asia is progressing well and will allow us to take even better advantage of growth opportunities
- Focus on **growth initiatives**:
 - Organic: **geothermal, CCS** and new initiatives into **diversified markets**
 - Inorganic: **scalable innovations and M&A** in green tech industries



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