

CONFERENCE CALL 1-9/2023

GERALD GROHMANN (CEO), KLAUS MADER (CFO)
22 NOVEMBER 2023

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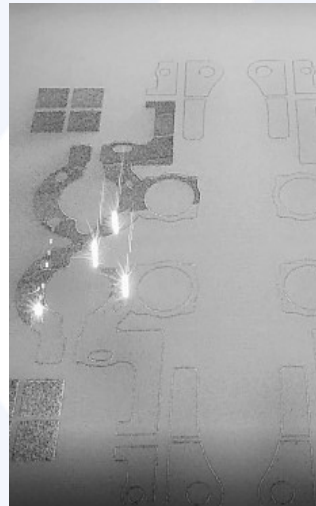
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COMPANY PROFILE



- Schoeller-Bleckmann Oilfield Equipment AG (SBO) is the global market leader in the high-precision manufacture of high-alloy, non-magnetic steels and 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 well completion equipment for the oil, gas and geothermal industry.
- Strong IP protection provides 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.





**SCHOELLER-BLECKMANN
OILFIELD EQUIPMENT AG**

Advanced Manufacturing & Services

57 % Group sales



**Schoeller-Bleckmann Oilfield
Technology GmbH**
Ternitz, Austria



Knust-Godwin LLC
Houston, USA



Knust-SBD Pte. Ltd.
Singapore



**Schoeller-Bleckmann Oilfield
Equipment
Vietnam Co. Ltd.**
Binh Duong, Vietnam



**Schoeller-Bleckmann
Darron (Aberdeen) Ltd.**
Aberdeen, UK



**Schoeller-Bleckmann
OOO**
Noyabrsk, Russia



**Schoeller-Bleckmann
Energy Services L.L.C.**
Broussard, USA



**Schoeller-Bleckmann
Oilfield Equipment
Middle East FZE**
Dubai, UAE



**Schoeller-Bleckmann
Sales Co. L.L.C.**
Houston, USA

Oilfield Equipment

43 % Group sales



**BICO
Drilling Tools Inc.**
Houston, USA



**BICO FASTER
Drilling Tools Inc.**
Nisku, Canada



BICO Drilling Tools FZE
Dubai, UAE



DSI FZE
Dubai, UAE



**DSI PBL de Mexico,
S.A. de C.V.**
Villahermosa, Mexico



**Schoeller Bleckmann
do Brasil, Ltda.**
Macaé, Brazil



D-Tech (UK) Ltd.
Bristol, UK



D-Tech Drilling Tools, Inc.
Houston, USA



**The WellBoss Company,
LLC**
Houston, USA



**The WellBoss Company,
Inc.**
Calgary, Canada



**The Wellboss Company
FZE¹**
Dubai, UAE



**Praxis Completion
Technology Arabia Co.**
Dammam, KSA



**Schoeller Bleckmann
Saudi LLC**
Al Khobar, KSA

HIGHLIGHTS

1-9 2023



SBO achieved
strong sales and earnings growth
in the first nine months of 2023
with a record Q3 in the AMS segment.



EBIT
adjusted for FX effects
significantly increased,
reaching
**MEUR 86.3 or
19.7 % of sales.**
Operating cash flow
improved by MEUR 37
year-over-year.



On Oct. 9 SBO closed
the acquisition of
**Praxis Completion
Technology.**

On Nov. 17
**SBO reached a
settlement** in a legal
dispute with a former
minority shareholder of
Downhole Technology.

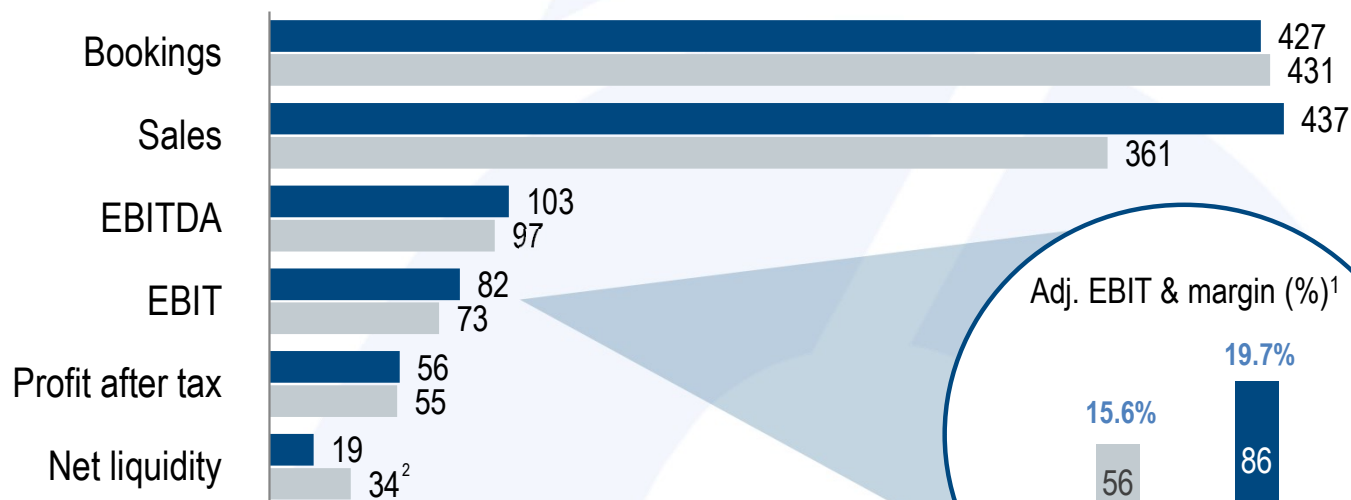


SBO is proactively
pursuing its
Strategy 2030
and has intensified
its search for M&A targets
in the area of hydrogen.

KEY FIGURES

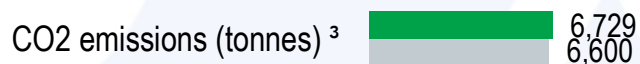
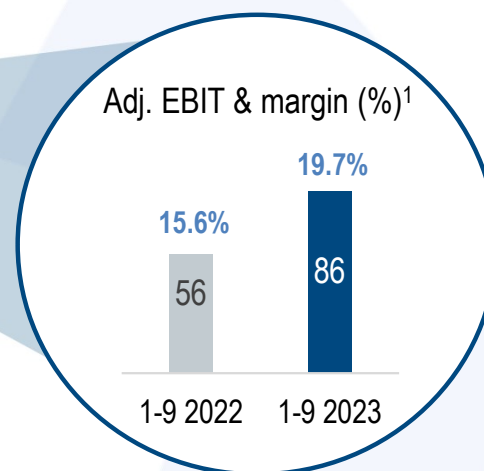
1-9 2023

in MEUR



■ 1-9 2023

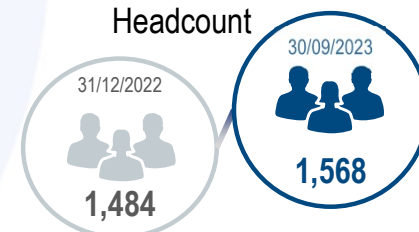
■ 1-9 2022



■ HY 2023

■ HY 2022

Headcount



¹) Earnings before interest and taxes adjusted for exchange gains and losses

²) 2022 net liquidity as of 31 December 2022

³) market based according to GHG protocol

STRATEGY 2030

STRATEGY 2030

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)

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



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 building a new business segment that will account for 50 % of Group revenue in the long term

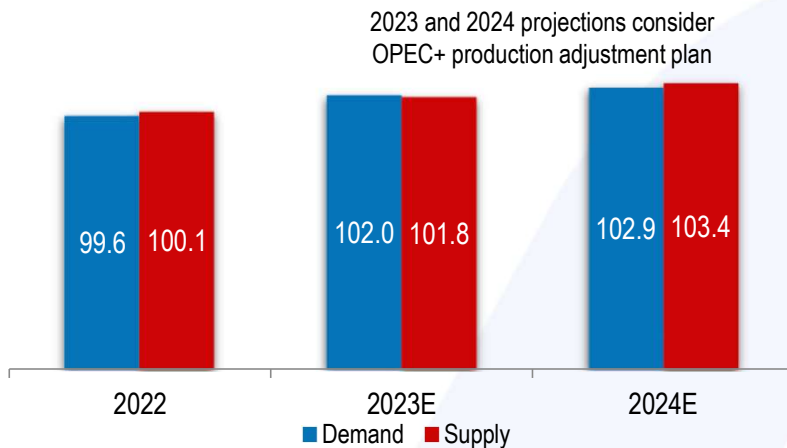
ENERGY IS OUR BUSINESS

INDUSTRY BACKGROUND

OIL MARKETS

Oil Supply / Demand

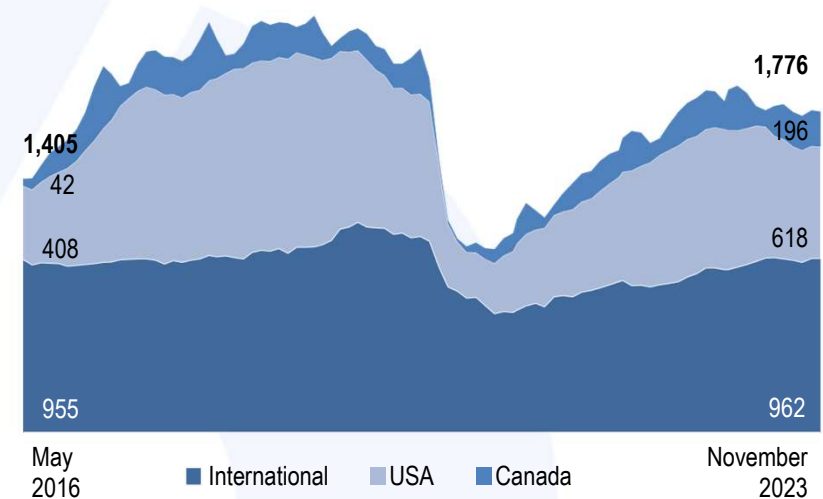
in mb/d



- OPEC+ keeps market in balance
- Global oil demand about to grow 2.4 mb/d in 2023 to 102.0 mb/d, scaling record highs, led by consumption in China, India and Brazil, largely driven by jet fuel demand and petrochemical activity.

Source: IEA Oil Market Report, November 2023

Rig Count



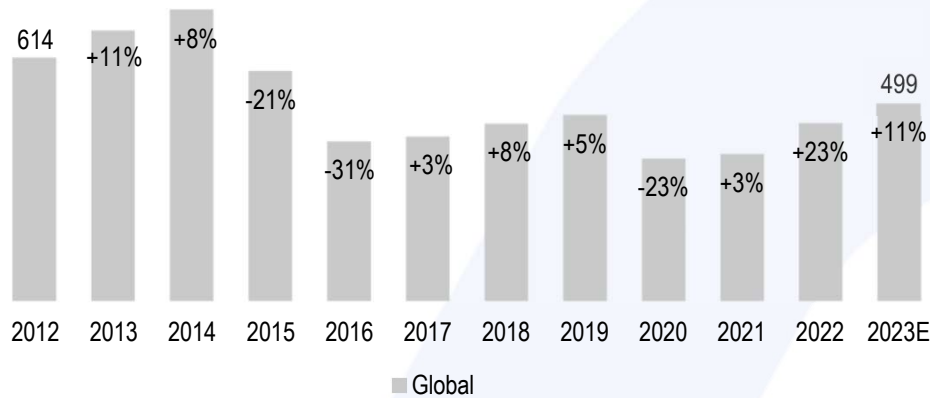
- International rig count has increased by 7% in 2023, driven by long-term projects in the Middle East, but also in Africa and Asia Pacific.
- The US market has moderated in 2023 with a reduction to 618 to date, but the trough has been reached and US activity is expected to rebound in 2024.

Source: Baker Hughes Rig Count

OIL AND GAS MARKET DEVELOPMENT

E&P Spending

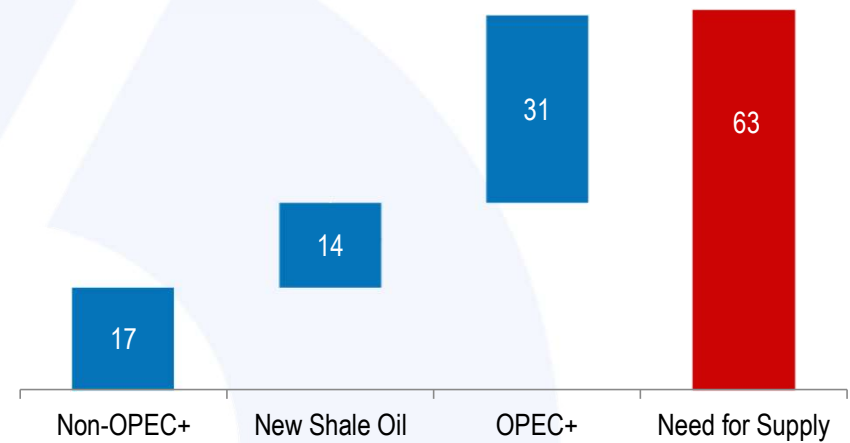
in \$B / %



- After years of underinvestment, exploration and production spending is increasing again, predominantly in long-cycle projects in the Middle East (including gas projects) and in international offshore basins.

Global new oil supply to 2030 by source

in mb/d



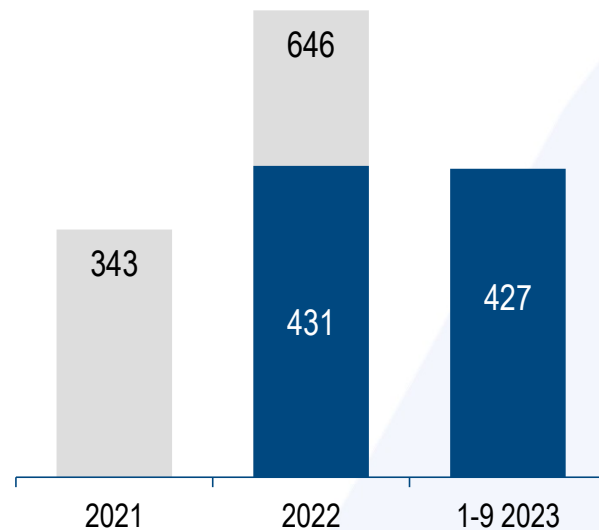
- 63 mb/d of new oil supply will be needed to cover the depletion of existing fields and the expected oil demand increase

FINANCIALS

BOOKINGS AND SALES

BOOKINGS

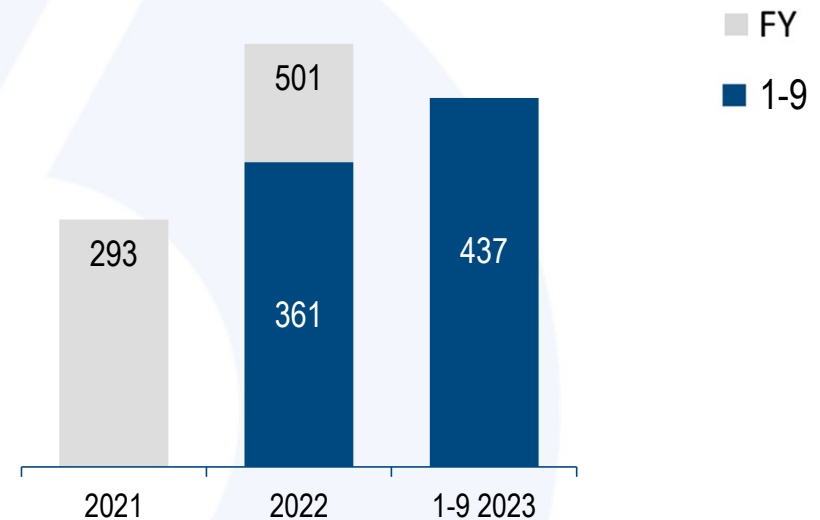
IN MEUR



- 1-9/2023 bookings at comparable level with 1-9/2022
- Bookings in Q4 2022 were exceptionally high (MEUR 215) due to a surge in orders by international customers to secure capacity.

SALES

IN MEUR

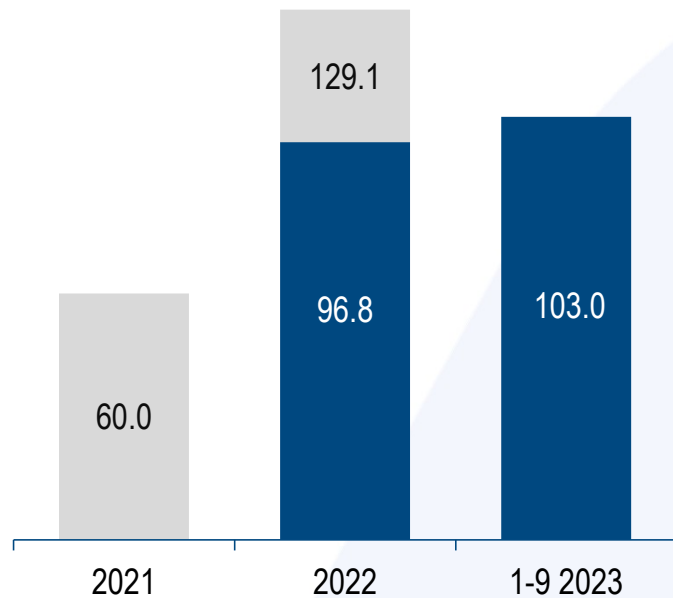


- Sales grew 21 % in the first 9 months of 2023, mainly driven by 38 % growth in AMS; OE grew 4 % YTD but was affected by a market slowdown in the US and longer through-put times in project sales in Q3.

EBITDA

REPORTED EBITDA

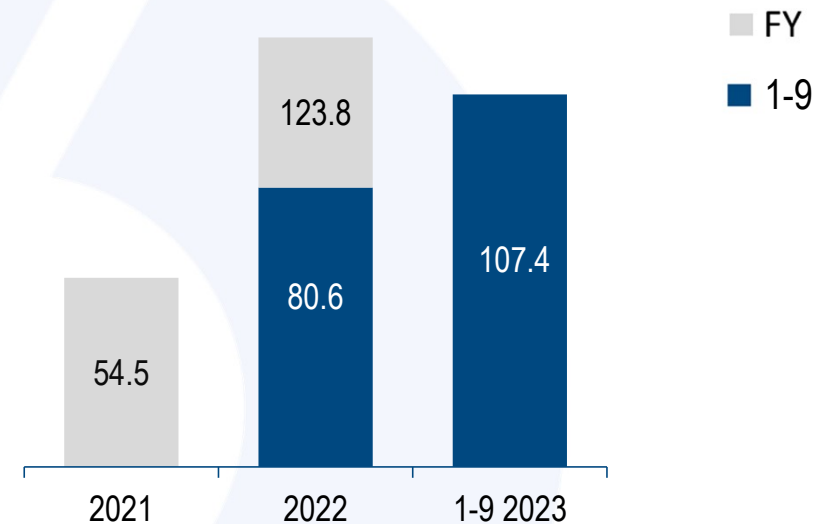
IN MEUR



- EBITDA in 1-9/2023 included MEUR 4.4 in exchange losses, whereas EBITDA in 1-9/2022 benefited from exchange gains of MEUR 16.3.

ADJUSTED EBITDA

IN MEUR

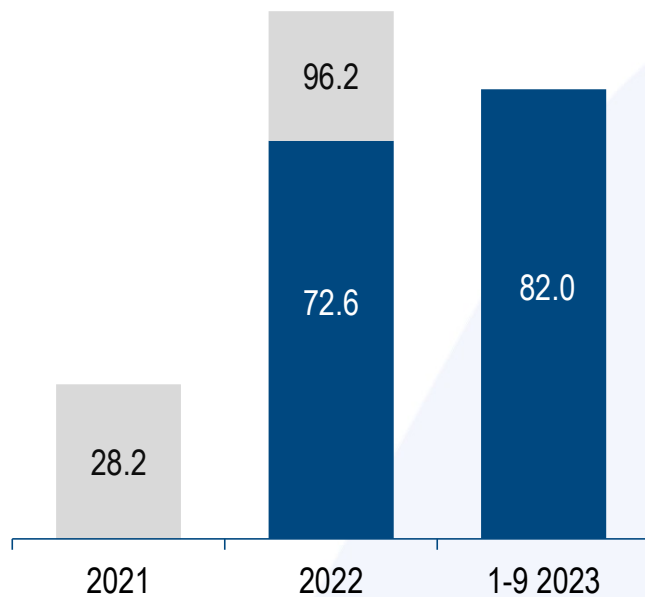


- **Adj. EBITDA margin reached 24.6 %** in 1-9/2023 compared to 22.3 % in 1-9/2022.

EBIT

REPORTED EBIT

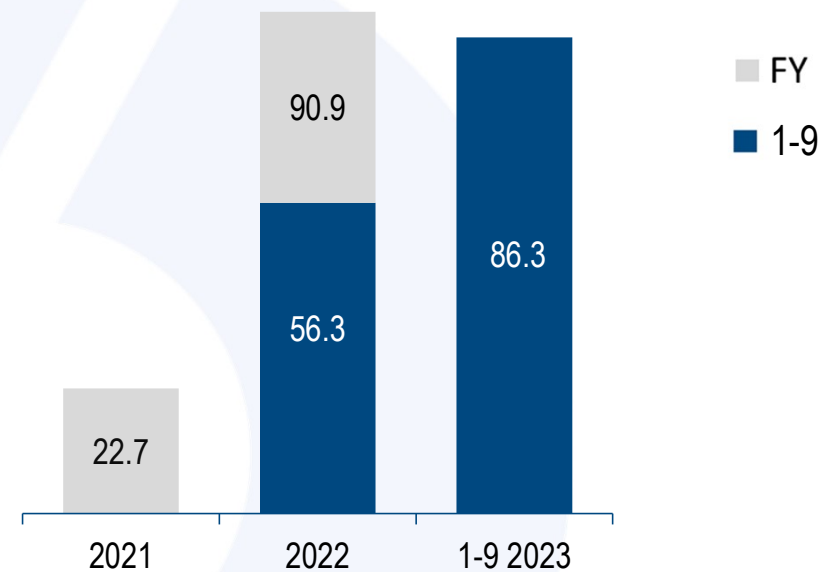
IN MEUR



- EBIT in 1-9/2023 included MEUR 4.4 in exchange losses, whereas EBIT in 1-9/2022 benefited from exchange gains of MEUR 16.3

ADJUSTED EBIT

IN MEUR

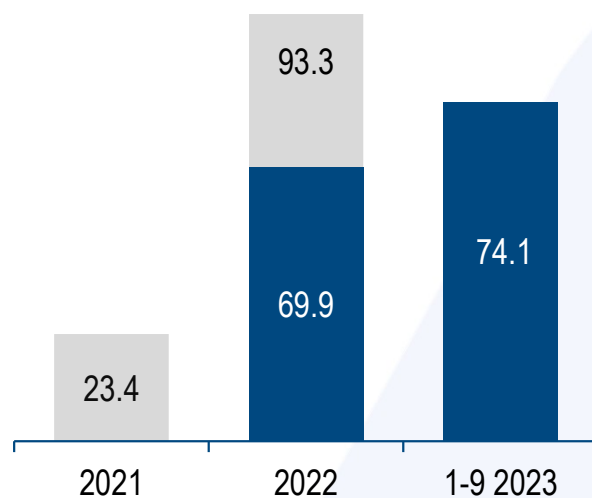


Adj. EBIT margin of 19.7 % in 1-9/2023 saw a significant improvement to the 15.6 % in 1-9/2022.

RESULTS

PROFIT BEFORE TAX

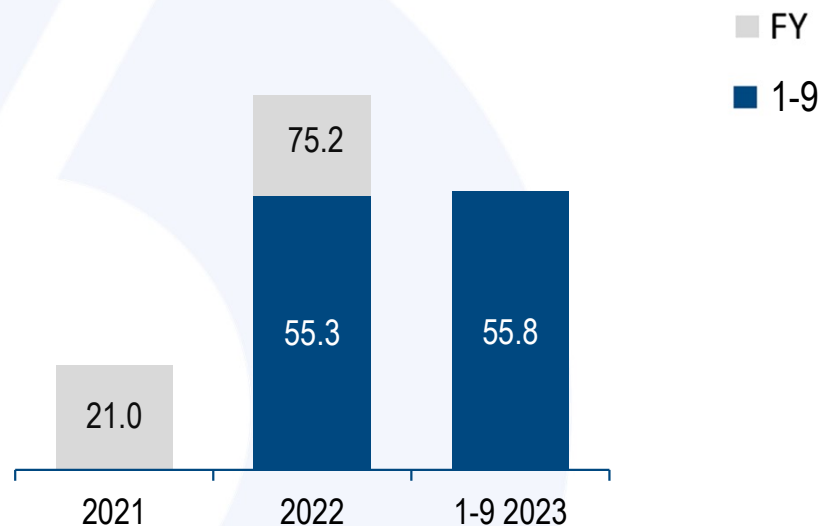
IN MEUR



- Profit before tax in 1-9/2023 improved, despite a MEUR 8.5 one-off charge related to a legal settlement.

PROFIT AFTER TAX

IN MEUR

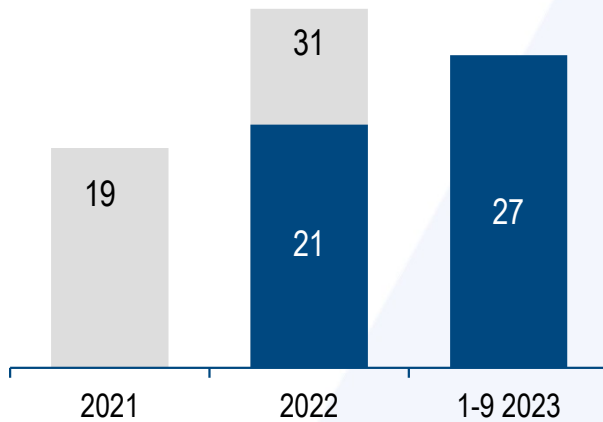


EPS, in EUR	1.33	4.78	3.54
Dividend, in EUR	0.75	2.00	

CAPEX AND CASHFLOW

CAPEX

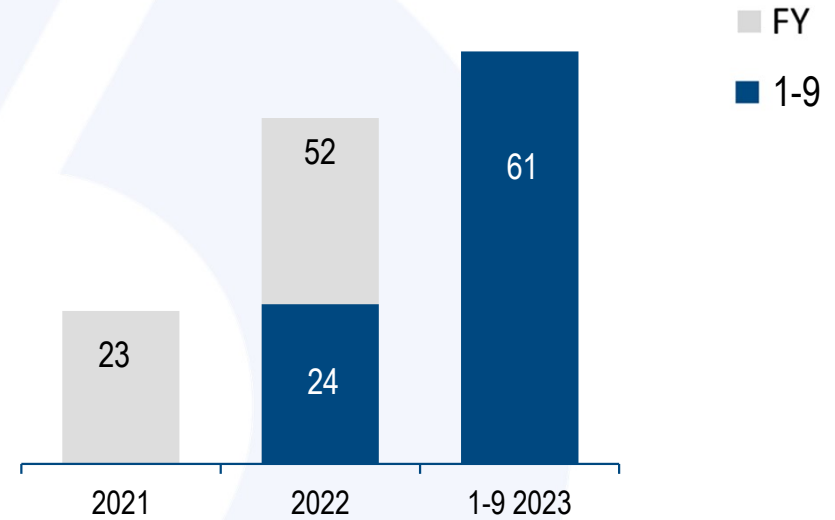
IN MEUR



- CAPEX excluding lease assets

CASHFLOW FROM OPERATING ACTIVITIES

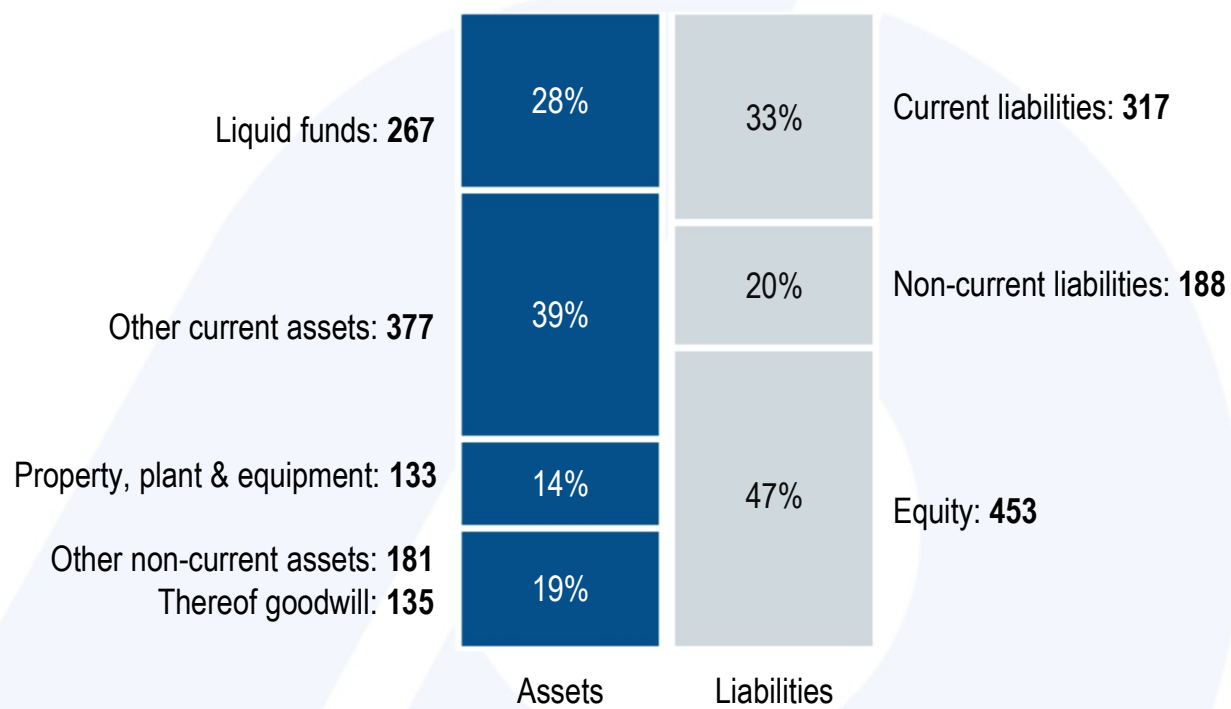
IN MEUR



- Cashflow from operating activities improved significantly (+MEUR 37) year-over-year, mostly driven by higher earnings and lower working capital increases.

BALANCE SHEET

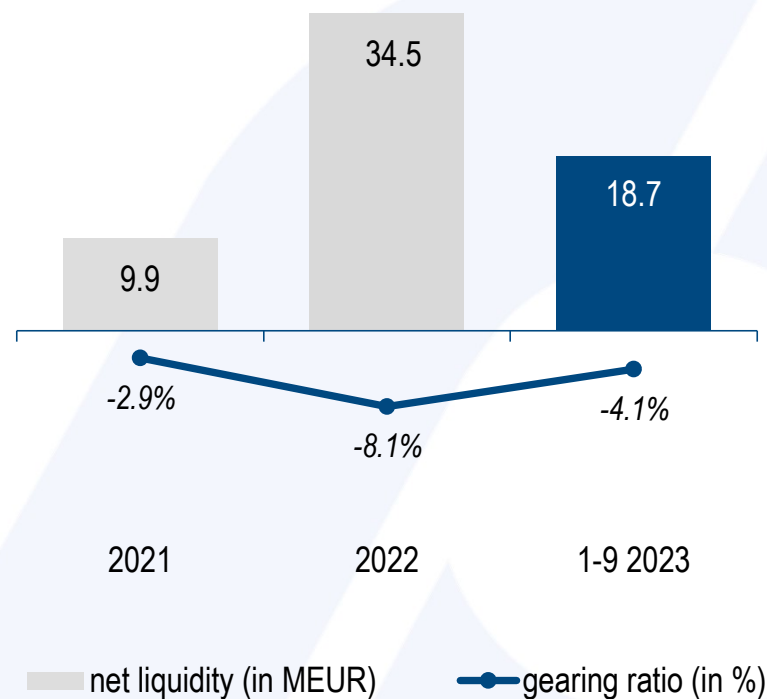
as of 30 September 2023, in MEUR



TOTAL ASSETS MEUR 958

NET LIQUIDITY AND GEARING*

in MEUR



*) Gearing ratio is calculated as net liquidity as a percentage of equity

In Q2 2023, SBO paid a dividend of EUR 2.00 per share which led to a total payout of MEUR 31.5.

On 9 Oct 2023, SBO closed the acquisition of Praxis Completion Technologies. A cash outflow of MEUR 18.8 to an escrow account was recognized in Q3 2023.

OUTLOOK

MARKETS



- Amidst the current uncertainties surrounding the global economy, the oilfield service industry's market remains intact thanks to increased emphasis on energy security, growing demand for oil and gas and insufficient investment in E&P spending in the past.
- Global oil demand is forecast to continue its strong trajectory, with a record 102.9 mb/d demand forecast for the full year of 2024.
- This development will be supported by ongoing high activity in international and offshore markets.
- In addition, the US E&P activities are expected to recover.
- Given the industry fundamentals, we are confident in a sustained, multi-year increase in global upstream investment, and for this cycle to be more durable and robust than previous cycles.

POSITIVE OUTLOOK



Market conditions overall remain favorable and we are in an **excellent position** to take advantage of this environment.



We are **on track to deliver a very strong performance in 2023.**



With the addition of **Praxis** to our portfolio, the undertaking of **new business development initiatives** and by intensifying of our search for **M&A targets** we are confidently looking into the future.

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