

SBO

Conference Call Q1 2025

22 MAY 2025



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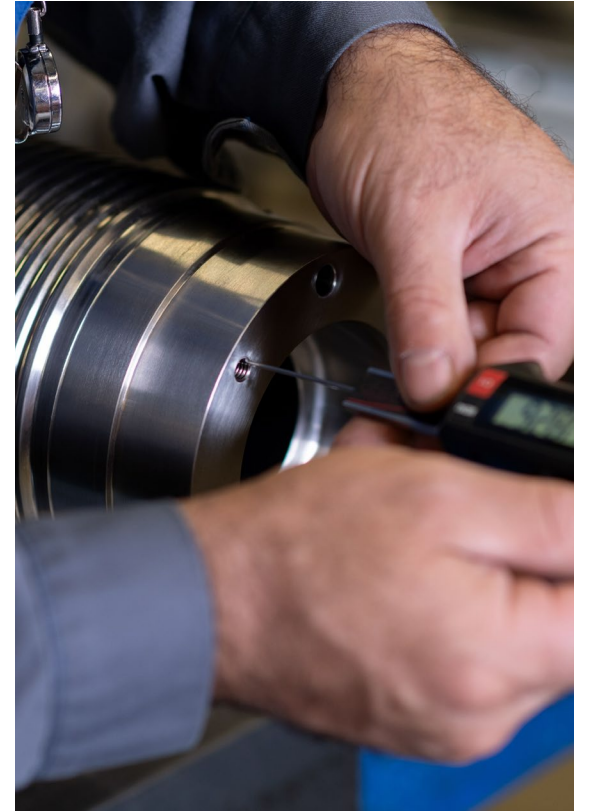


Business results Q1 2025



Q1 2025 Business Highlights

- Market dynamics shaped by declining oil prices, trade tensions and tariff announcements resulting in increased **economic uncertainty**
- **SBO with resilient performance:** Sales declined by 11.9% but **EBITDA margin remained high at 20.4%.**
- Lower sales-driven earnings in **Precision Technology** largely compensated by improved performance in **Energy Equipment.**
- **Free cash flow** increased to MEUR 13.3, **gearing** reduced to 9.7%
- **Technology highlights:** Launch and commercialization of key innovations and upgraded drilling technology started



Q1 2025 Key Financial Highlights

Sales declined
by 11.9%
but remained at
solid level of
MEUR 129

EBITDA at MEUR 26.4
and **EBIT** at MEUR 18.3
- lower earnings in PT
compensated by EE

Free cash flow increased
to
MEUR 13.3;
cash position at
MEUR 323

Net debt further reduced
to
MEUR 47.1;
gearing at 9.7%

Strong
balance sheet
with 50% equity ratio
maintained

Approved **dividend** of
EUR 1.75 p. s.–
MEUR 28 payout in Q2

Earnings remained high despite lower sales

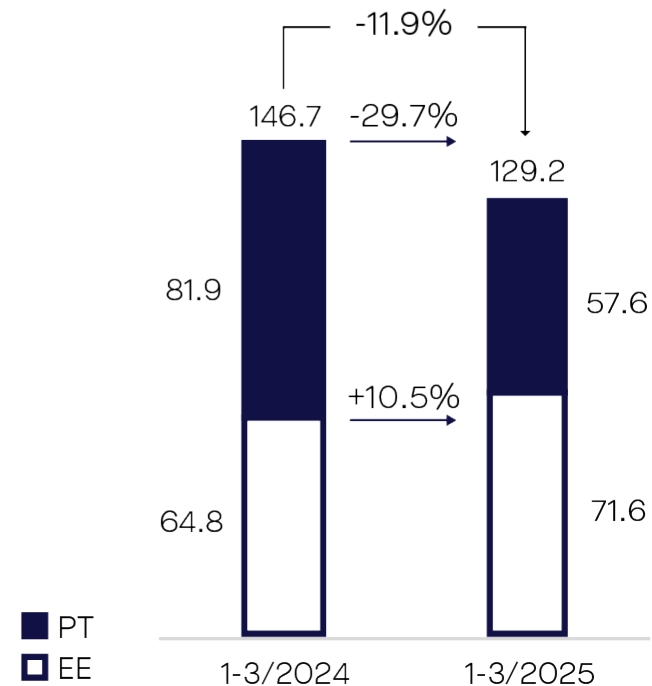
- **Sales** remained at solid levels, albeit 11.9% lower than in Q1 2024, mainly due to a significant decline in the Precision Technology division driven by reduced customer demand.
- **EBITDA and EBIT** slightly below the previous year: reduced sales and lower capacity utilization in PT were largely offset by higher earnings in EE as well as supportive FX gains.
- **EBITDA and EBIT margins** increased.
- **Profit after tax** remained solid at MEUR 13.0, **earnings per share** at EUR 0.83.

in MEUR	Q1 2025	Q1 2024
Sales	129.2	146.7
EBITDA	26.4	28.8
EBITDA margin (%)	20.4	19.6
EBIT	18.3	20.6
EBIT margin (%)	14.2	14.0
Profit before Tax	17.4	19.2
Profit after Tax	13.0	15.0
Earnings per share (in EUR)	0.83	0.95

Sales decline driven by significant reduction in PT, partially offset by double-digit growth in EE

- Group sales declined by 11.9% in Q1 2025.
- Sales in **Precision Technology (PT)** declined by 29.7%, clearly impacted by a further reduction in customer demand.
- **Energy Equipment (EE)** sales grew by 10.5% y/y driven primarily by higher sales in the US and the ongoing expansion internationally.
- **Bookings** of MEUR 108.3 came in 8.7% lower y/y; largely stable compared to Q4 2024 (MEUR 110.8).
- **Order backlog** stood at MEUR 124.1 at the end of March, down from MEUR 141.8 at year end.

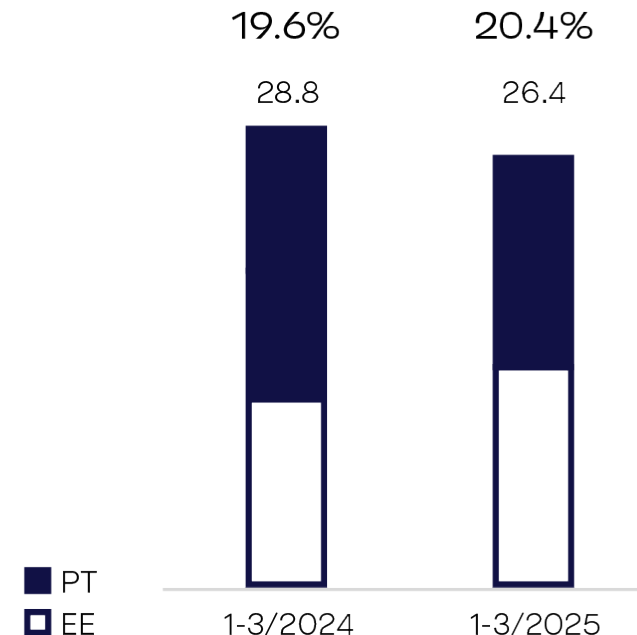
SALES BY DIVISION
in MEUR



Despite lower sales driven earnings in PT, EBITDA margin at 20.4%, thanks to improved performance in EE

- **EBITDA and EBIT** remained solid.
- Earnings in **Precision Technology** were impacted by the 29.7% drop in sales, which drove capacity utilization down, partially compensated by favorable FX gains.
- **Energy Equipment** performance improved compared to Q1 2024, mostly due to the higher sales volume and a more favorable product mix.

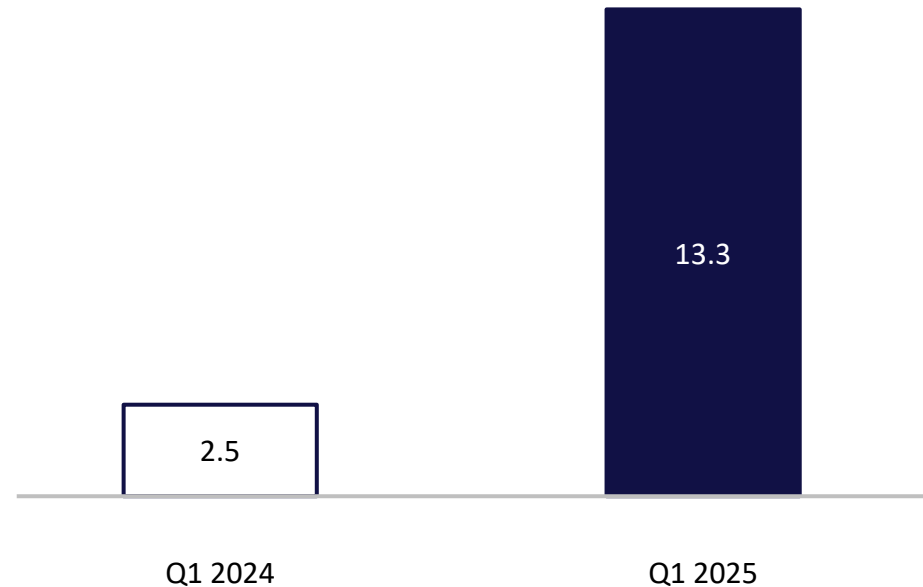
EBITDA
in MEUR | as a % of sales



Free cash flow increased significantly mainly driven by working capital

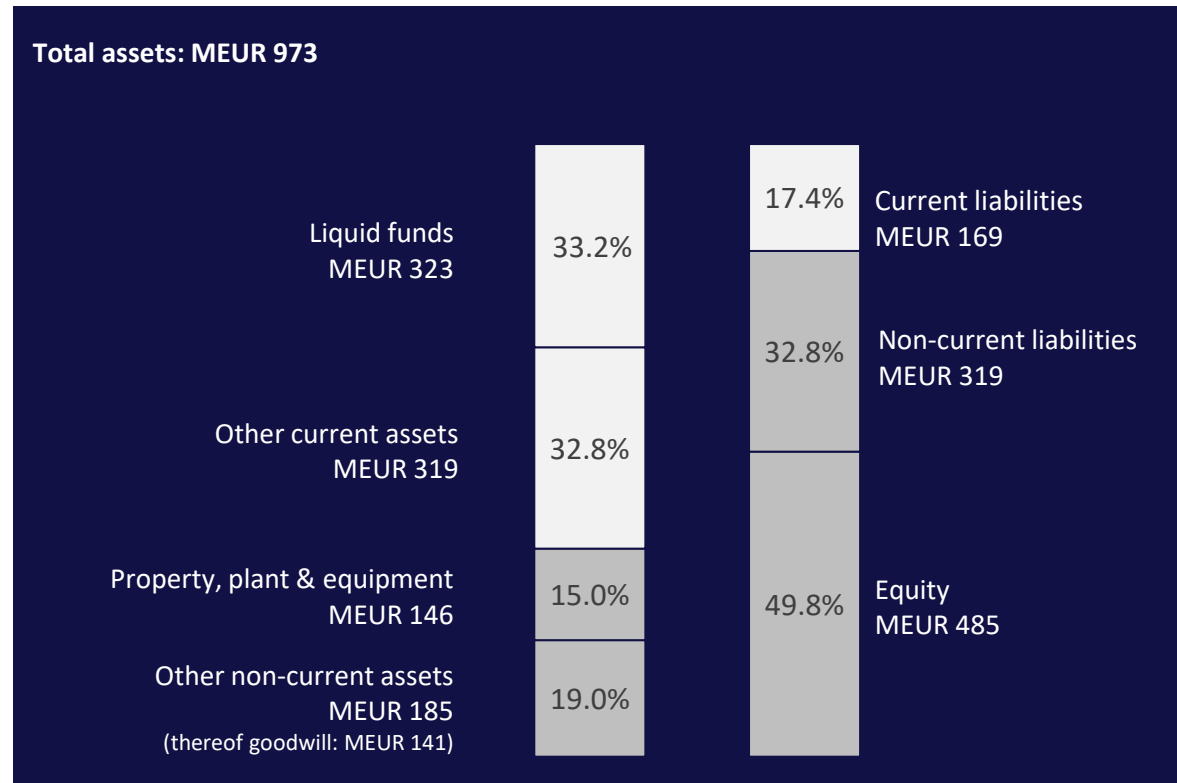
- **Free cash flow** increased by MEUR 10.8 mainly due to MEUR 13.6 **lower working capital needs**.
- **CAPEX** increased to MEUR 10.1 compared to EUR 7.8 in Q1 2024, including the facility expansions in Vietnam and the Middle East.

FREE CASH FLOW
in MEUR



Balance sheet remains very strong: net debt and gearing further reduced

- **Equity** at MEUR 485, reflecting an **equity ratio** of 49.8% (12/2024: 50.0%) slightly impacted by currency translation effects.
- **Cash position** increased to MEUR 323 (12/2024: MEUR 315), driven by the free cash flow.
- **Net debt** further reduced to MEUR 47 (12/2024: MEUR 56).
- **Gearing** further reduced to 9.7% (12/2024: 11.4%).



As of 31 March 2025, in MEUR (percentages rounded to reflect 100%)

Market outlook

- **Market environment** remains complex and challenging: Low oil prices, global trade tensions and continued tariff uncertainty
- **Key customers**, particularly in the Precision Technology division, have **revised their capital expenditure for 2025 downward**, notably in North America.
- With our **global footprint and manufacturing locations** across the US, Europe and Asia we are **well positioned to adjust and optimize our supply chain** as needed.

2025 tariff environment: SBO with strong global setup



USA: strong industrial base

- ~44% of employees
- **>85% local-for-local**
- Limited imports to the US, mainly from Europe



Europe:



- ~27% of employees
- **>90% local-for-global**
- Exports mainly to APAC, ME, US



Vietnam:

- ~7% of employees
- **~80% local-for-regional**
- Exports mainly to APAC, ME



Middle East:



- ~7% of employees
- **~85% local-for-regional**
- Exports mainly to Africa, APAC

Short term priorities are clear - confidence in long-term outlook remains

- **Precision Technology:**
 - “Wait-and-see” approach by customers: lower bookings and push outs
 - Adjusting capacity and cost base
 - Focus on business diversification in attractive industries
- **Energy Equipment:**
 - Cautious market sentiment in the US
 - Focus on high-growth regions, diversification and product innovations
- **Mitigating tariff risks where applicable**

Confidence in the long-term outlook for the energy sector remains due to growing global energy demand, emphasis on energy security and energy transition.

THANK YOU FOR YOUR PARTICIPATION

Next company update: 21 August – Half-year results

SBO

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