

## Press release

Vienna/Ternitz, 19 March 2026

# SBO advances strategic recalibration – solid 2025 results in a challenging market environment

- Sales of MEUR 455.3, market environment marked by lower customer spending
- EBITDA of MEUR 71.0 with a 15.6% margin, EBIT of MEUR 38.5 with an 8.5% margin
- Diversification advanced: Acquisition of 3T Additive Manufacturing, growth in geothermal energy, carbon capture & storage, helium and lithium projects; entry into subsea flow control market through NORSOK listing
- Market expansion in growth regions: Expanded sites in Saudi Arabia and Vietnam, new reline and distribution center in Houston
- Dividend proposal of EUR 0.75 per share, payout ratio of 50.0%

In the 2025 financial year, SBO initiated and advanced its strategic recalibration despite an increasingly challenging market environment. Diversification into new industries and technology fields, expansion into international growth markets, and investments in technology leadership and operational excellence form the foundation for future profitable growth. SBO delivered its technological solutions into future-oriented markets such as geothermal energy, carbon capture & storage (CCS), as well as helium and lithium projects. With the acquisition of 3T Additive Manufacturing, SBO further strengthened its position in 3D metal printing. In parallel, SBO successfully deployed its high-performance materials in the subsea flow control market and expanded its sites in Saudi Arabia and Vietnam. These steps position SBO as a leading provider of high-precision technologies for the most demanding applications beyond the oil and gas industry.

SBO continued to strengthen the foundations for future sustainable growth, while operating in a persistently challenging market environment. An oversupply in the oil market, trade policy uncertainties driven by the introduction of new tariffs, and low oil prices led to reduced customer spending and decreasing drilling and completion activities. *“In addressing the short-term challenges, our operational excellence, cost discipline, and management of industry cycles remain key success factors. We do what is necessary while keeping the short-, medium-, and long-term perspective in mind. Since our focus is on the execution of our strategy, we will continue to invest in diversification, market expansion, and innovation in order to create long-term value”*, says Klaus Mader, CEO of SBO.

Despite the difficult environment, SBO seized market opportunities and achieved solid results in 2025 through cost and efficiency management. SBO's **sales** amounted to MEUR 455.3 (2024: MEUR 560.4, -18.8%). The main driver of this development was lower customer demand, impacted by the difficult market environment and lower spending levels. Customer restraint was particularly evident in the Precision Technology (PT)

division, while the Energy Equipment (EE) division remained more resilient. Lower **bookings** for the full year amounted to MEUR 406.3 (2024: MEUR 483.7), of which MEUR 99.2 was generated in the fourth quarter alone – around 10% above the low point reached in the third quarter of 2025. **Order backlog** at year-end stood at MEUR 89.5 (2024: MEUR 141.8).

**Earnings before interest, taxes, depreciation, and amortization (EBITDA)** amounted to MEUR 71.0 (2024: MEUR 101.9). The decline is primarily attributable to lower capacity utilization and reduced sales in the PT division, although targeted cost reductions and capacity adjustments mitigated the impact of lower sales. Measures implemented in the EE division last year led to an improved profitability in EE. Overall, the EBITDA margin amounted to 15.6% (2024: 18.2%). **Profit from operations (EBIT)** decreased to MEUR 38.5 (2024: MEUR 70.1), corresponding to an EBIT margin of 8.5% (2024: 12.5%). **Profit before tax** amounted to MEUR 32.7 (2024: MEUR 63.6). **Profit after tax** reached MEUR 23.6 (2024: MEUR 45.3). **Earnings per share (EPS)** for 2025 amounted to EUR 1.50 (2024: EUR 2.88).

Based on the solid earnings level and positive cash generation, the Executive Board will propose a **dividend** of EUR 0.75 per share to the Annual General Meeting. This corresponds to a payout ratio of 50%.

#### **Capacity adjustments in PT take effect, EE significantly increases profitability**

In 2025, the **Precision Technology division** generated **sales** of MEUR 189.5 (2024: MEUR 285.3). The financial year was characterized by lower demand from SBO's customers who, as a result of the challenging market environment, significantly reduced or postponed CAPEX and increasingly focused on the maintenance and repair of existing tools. **EBITDA** in the PT division amounted to MEUR 30.6 with a margin of 16.1% (2024: MEUR 67.0; 23.5%). Targeted capacity adjustments as well as related cost and efficiency measures partially compensated the negative impact of the market environment. **EBIT** amounted to MEUR 18.0 with a margin of 9.5% (2024: MEUR 56.7; 19.9%).

The **Energy Equipment division** generated **sales** of MEUR 265.8 in 2025 (2024: MEUR 275.2). Adjusted for negative currency translation effects, sales amounted to MEUR 277.9 exceeding the prior-year level by +1%. Key drivers of this development were new product launches, market share gains in the US and geographic expansion in the Middle East. **EBITDA** in the EE division increased to MEUR 45.8 (2024: MEUR 37.8), supported by the implementation of operational and structural measures initiated in the prior year. As a result, the EBITDA margin increased to 17.2% (2024: 13.7%). **EBIT** increased to MEUR 26.3 with a margin of 9.9% (2024: MEUR 16.7; 6.1%).

#### **Excellent balance sheet structure and strong cash position despite currency effects**

SBO's **equity** amounted to MEUR 421.9 as of 31 December 2025 (2024: MEUR 492.7). The decline was almost entirely driven by the weakening of the US dollar against the EUR and the resulting decrease of the currency translation reserve by MEUR 67.0. The resulting **equity ratio** of 47.2% as of 31 December 2025 (2024: 50.0%) remains at a high level despite the year-on-year reduction.

**Liquid funds** amounted to MEUR 281.5 at year-end 2025 (2024: MEUR 314.7), with around half of the decrease compared to the prior year also being currency translation related. **Net debt** as of 31 December 2025 increased to MEUR 78.1 after MEUR 56.0 in 2024. **Gearing** amounted to 18.5% (2024: 11.4%).

In the financial year 2025, **cash flow from operating activities** (operating cash flow) amounted to MEUR 72.4 (2024: MEUR 98.4). **Capital expenditure on property, plant, and equipment and intangible assets** (CAPEX) amounted to MEUR 50.0 (2024: MEUR 34.6). **Cash flow from investing activities** in the financial year 2025 also includes payments for the acquisition of 3T Additive Manufacturing Limited in the amount of MEUR 4.7 as well as the payment in 2025 for the remaining purchase price of MEUR 3.9 from the Praxis acquisition. As a result, **free cash flow** amounted to MEUR 25.5 (2024: MEUR 66.8). Adjusted for payments for the acquisition of subsidiaries, free cash flow in 2025 arrived at MEUR 34.1.

#### **Market outlook: Oil & gas remain relevant, future markets are growing dynamically**

According to the latest forecasts by the International Energy Agency (IEA), global energy demand will continue to grow in the coming decades. **Oil and gas** continue to play a dominant role in the global energy mix, currently accounting for a combined share of over 50%. Looking ahead to 2050, their share in a continuing growth market for primary energy is estimated at around 47% to 49%. At the same time, **new growth markets** are developing at a rapid pace. According to forecasts, the growth of **geothermal energy** as an energy source is expected to attract investments of more than USD 120 billion between 2025 and 2035. Similarly, drilling activity for **carbon capture & storage (CCS)** is expected to increase significantly from just over 200 CCS wells in 2025 to more than 1,000 wells by 2030. The overall markets for **helium** are forecast to grow at a rate of 7%, while **lithium** is expected to increase by as much as 19%.

The market size for **metal additive manufacturing services** was around USD 1.5 billion in 2025 and is expected to grow to USD 4.8 billion by 2030. In this dynamic environment, SBO is optimally positioned, not least due to the recently completed acquisition of 3T Additive Manufacturing Limited. *“The long-term fundamentals for our business remain intact: oil and gas remain key to the global energy mix. At the same time, significant growth opportunities are opening up in future markets such as geothermal energy, CCS, helium and lithium, 3D metal printing and flow control. Through diversification, technological leadership and financial strength, SBO is ideally positioned to capitalize on these opportunities”*, says CEO Mader.

#### **Company outlook for 2026: Transition year in PT, growth opportunities in EE**

Although current analyses point to a stabilization of the market in 2026, SBO expects the market environment to remain challenging due to the continuing oversupply of oil, volatile oil prices, geopolitical uncertainties, and an evolving tariff environment. Since 28 February, the geopolitical situation in the Middle East has deteriorated materially and become more tense as a result of military actions and responses. *“We are monitoring developments closely. The safety of our employees remains our highest priority. Based on our regional footprint, the main near-term risk to the business is disruption to logistics and transport*

routes. Any further impact will depend on the duration and development of the conflict”, says Klaus Mader.

Several international oilfield service companies, including key customers of SBO in the **Precision Technology division**, characterize 2026 as a “transition year”. SBO expects sales to remain subdued in the PT division in the first half of 2026. An improvement is expected in the second half of the year as the higher bookings since Q4 2025 will convert into sales. SBO is focusing on cost efficiency and capacity management in this area. In the **Energy Equipment division**, SBO sees growth opportunities due to the ongoing internationalization of the well completion business, supported by the opening of a regional manufacturing center in the United Arab Emirates. The relining center in Houston, which opened in January, will help to further strengthen the market position of SBO’s drilling motor business in the US.

### Strategic priority: Diversification into future markets

SBO also expects further growth in 2026 in the area of drilling and completion of next-generation geothermal wells, as well as in the development of CCS, lithium, and helium projects. Building on its expertise in advanced additive manufacturing, SBO will continue to drive growth across space, aerospace, defense, semiconductor, energy, and other industries in 2026.

*“Thanks to our excellent balance sheet structure and high liquid funds, we execute our strategy along the four pillars of diversification, market expansion, technology leadership, and operational excellence. With our financial strength, we will actively pursue organic growth, strategic partnerships, and targeted acquisitions in 2026”*, concludes CEO Klaus Mader.

SBO’s Annual report: <https://www.sbo.at/en/investor-relations/reports-publications#annual-publications>

### SBO’s key performance indicators at a glance

	UNIT	2025	2024
Sales	MEUR	455.3	560.4
EBITDA (Earnings before interest, taxes, depreciation, and amortization)	MEUR	71.0	101.9
EBITDA margin	%	15.6	18.2
EBIT (Earnings before interest and taxes)	MEUR	38.5	70.1
EBIT margin	%	8.5	12.5
Profit before tax	MEUR	32.7	63.6
Profit after tax	MEUR	23.6	45.3
Cash flow from operating activities	MEUR	72.4	98.4
Free cash flow	MEUR	25.5	66.8
Liquid funds as of 31 December	MEUR	281.5	314.7
Net debt as of 31 December	MEUR	78.1	56.0
Equity ratio as of 31 December	%	47.2	50.0
Headcount		1,539	1,596



### About SBO

SBO AG is leading in the manufacture of high-alloy, non-magnetic steels, high-precision components and high-tech equipment for the energy sector and other industrial sectors. The global high-precision technology group, headquartered in Ternitz, Austria, operates worldwide at more than 20 locations with around 1,500 employees. The group delivers cutting-edge technologies backed by a highly innovative product portfolio and strong intellectual property. In its Precision Technology division, SBO specializes in high-precision metal components, ranging from complex steel parts to additive manufacturing solutions for industries requiring maximum accuracy and performance. In the Energy Equipment division, SBO provides high-tech equipment for directional drilling and well completion including high-precision flow control products. Designed for extreme conditions, these solutions perform in high-temperature and high-pressure environments, serving important industries including oil and gas, energy and other industrial sectors. SBO is listed in the leading index ATX of the Vienna Stock Exchange (ISIN AT0000946652). More information: [www.sbo.at](http://www.sbo.at)

### Contact:

Judit Helenyi, Director Investor Relations, SBO AG

phone: +43 2630 315 253

email: [investor.relations@sbo.at](mailto:investor.relations@sbo.at)

[media.relations@sbo.at](mailto:media.relations@sbo.at)