

Press release

Vienna/Ternitz, 20 November 2025

SBO delivers solid performance with clear strategic focus despite increasing market challenges

- Sales of MEUR 358.2 (1–9/2024: MEUR 425.6) resulting from continued low customer spending
- Customer investment restraint in the Precision Technology division weighs on earnings
- EBITDA of MEUR 58.6 or 16.4%, supported by cost reductions and the positive performance of the Energy Equipment division
- EBIT of MEUR 34.9 (1–9/2024: MEUR 51.8) with a margin of 9.7%
- Cash flow from operating activities MEUR 55.8 (1–9/2024: MEUR 64.9) – high liquid funds of MEUR 281.9
- Diversification strategy in progress: Closing of the acquisition of 3T Additive Manufacturing Ltd., expansion in the areas of flow control and geothermal energy

In the third quarter of 2025, SBO continued to execute its long-term strategy despite an increasingly challenging market environment. The Group achieved significant progress across all four strategic pillars – diversification, market expansion, technology leadership and operational excellence. SBO strengthened its position in future-oriented technology fields with the acquisition of 3T Additive Manufacturing, further expanded its role in the growing geothermal market and took an important step into flow-control applications for the subsea industry with the successful NORSOK listing of its proprietary high-performance materials. Technological milestones such as the manufacturing of the one-millionth frac plug underline SBO's innovation strength and core capabilities. Investments in new capabilities, such as the new reline and distribution center in Houston that will become operational in January 2026, further enhance operational efficiency in key markets.

SBO thus remained on track to further strengthen the foundation for future, sustainable growth, while the business performance of the first nine months of 2025 reflected the persistently challenging market environment. Geopolitical uncertainties, new tariffs and a decline in drilling and completion activities in the U.S. led to weaker demand, particularly in the Precision Technology (PT) division. At the same time, the improving performance of the Energy Equipment (EE) division and increasing diversification into new technology and industrial markets confirmed the Group's resilience.

Bookings of MEUR 307.1 (1–9/2024: MEUR 372.9) are a clear sign of customers' currently subdued investment sentiment. SBO's **sales** of MEUR 358.2 (1–9/2024: MEUR 425.6) were 15.8% below the high level of the previous year. **Earnings before interest, taxes, depreciation, and amortization (EBITDA)** amounted to MEUR 58.6 (1–9/2024: MEUR 75.8), with an **EBITDA margin** of 16.4% (1–9/2024: 17.8%). Despite targeted cost-cutting

measures and capacity adjustments, **profit from operations (EBIT)** declined significantly to MEUR 34.9 (1–9/2024: MEUR 51.8) or 9.7% of sales (1–9/2024: 12.2%). The earnings performance was primarily impacted by a decline in sales and the resulting lower capacity utilization in the PT division. The measures implemented in the EE division in the previous year are showing a positive impact, which is reflected in significantly improved profitability. However, this only partially offset the decline in earnings in the PT division.

Profit before tax totaled MEUR 30.5 (1–9/2024: MEUR 47.1). **Profit after tax** reached MEUR 21.6 (1–9/2024: MEUR 34.4), resulting in EUR 1.37 earnings per share (1–9/2024: EUR 2.18).

“The third quarter demonstrated how strongly the current market weakness is impacting our customers’ spending decisions. This is particularly evident in our Precision Technology division. On the other side, the improved performance of the Energy Equipment division is supporting profitability, while diversification into attractive industries is also beginning to deliver first results”, says CEO Klaus Mader about the business development.

Segments

The SBO Group’s business is divided into two segments: Precision Technology (PT) and Energy Equipment (EE). In the **Precision Technology division**, demand further decreased in the third quarter. The constantly changing global customs regulations and their inconsistent interpretations caused considerable uncertainty throughout the supply chain. As a result, customers reduced their budgets and postponed CAPEX. Sales in the first nine months of 2025 amounted to MEUR 150.5 (1–9/2024: MEUR 222.3). EBIT amounted to MEUR 17.4 (1–9/2024: MEUR 45.8), reducing the EBIT margin to 11.6% (1–9/2024: 20.6%).

The market environment for the **Energy Equipment division** was characterized by varying dynamics, particularly in the third quarter: A further decline in activity in North America contrasted with stable demand in the MENA region, Latin America, and Asia. Despite the market slowdown SBO generated sales of MEUR 207.7 in this division in the first nine months of 2025 (1–9/2024: MEUR 203.3), representing an increase of 2.2% and even 5.5% foreign exchange adjusted. Profitability also improved significantly as a result of the operational and structural improvements implemented in 2024. These measures enabled SBO to partially offset the decline in earnings in the PT division. EBIT almost tripled to MEUR 22.2 (1–9/2024: MEUR 7.9), with an EBIT margin of 10.7% of sales (1–9/2024: 3.9%).

Key Balance Sheet Figures and Cash Flow

SBO’s balance sheet structure remains strong. As of 30 September 2025, **equity** stood at MEUR 419.0 (31 December 2024: MEUR 492.7), impacted by MEUR 67.7 unfavorable currency translation effects, mostly due to the weakening of the US dollar from 1.0389 on 31 December 2024 to 1.1741 on 30 September 2025. This resulted in an **equity ratio** of 47.6% (31 December 2024: 50.0%).

Net debt amounted to MEUR 77.9 (31 December 2024: MEUR 56.0), while the **gearing ratio** stood at 18.6% (31 December 2024: 11.4%). **Cash flow from operating activities** amounted to MEUR 55.8 (1–9/2024: MEUR 64.9). **Free cash flow** adjusted for the MEUR 4.8 purchase price payment for 3T Additive Manufacturing Ltd. amounted to MEUR 29.6 (1–9/2024: MEUR 42.5). **Cash and cash equivalents** amounted to MEUR 281.9 as of the reporting date (31 December 2024: MEUR 314.7). Adjusted for the negative exchange rate effects in the first three quarters of 2025, cash and cash equivalents would be MEUR 15.7 higher due to translation effects.

Despite the market headwinds, the Group's financial position remained very robust. SBO focused on cost control, efficiency improvements, and targeted investments in the implementation of its strategy to ensure efficiency, technological strength, and long-term growth.

Outlook

The market environment continues to be characterized by a high degree of uncertainty. The International Energy Agency (IEA) currently expects an oversupply of oil in 2025 and 2026 and thus subdued oil prices. In contrast, global gas consumption is expected to reach a historic high in 2026 and grow by just under 2%. Geopolitical tensions and regional differences in demand dynamics as well as the continuous changes in tariffs are impacting planning and have led to limited visibility at SBO for the year 2026. Thanks to its technological expertise and consistent cost management, SBO is able to operate profitably and strengthen its competitive position even in a volatile and currently challenging market environment.

At the same time, SBO is continuing to advance the implementation of its strategic goals. The expansion of the **flow control** business will be further advanced in the coming quarters: The recently achieved technological qualifications create the basis for SBO to position itself sustainably in this demanding market segment. In line with the strategy presented earlier in 2025, SBO will leverage its existing materials expertise to target new industrial applications in order to open up additional, high-margin business areas. In addition, **geothermal energy** is gaining increasing importance as a long-term growth driver. The market for high-tech equipment used in technically demanding geothermal drilling is still at an early stage but is developing dynamically and therefore offers new opportunities for SBO's high-performance materials and precision components.

3D metal printing is also rapidly evolving into a key technology of modern manufacturing. Due to its high design flexibility and the ability to efficiently produce complex structures, it is widely applied in the space, aerospace, defense, energy and other industries. The market for metal additive manufacturing services is expected to grow from around USD 1.5 billion in 2025 to approximately USD 4.8 billion by 2030. SBO is perfectly positioned in this dynamic environment, not least thanks to the recent acquisition of 3T Additive Manufacturing Ltd. Despite short-term challenges, SBO is therefore on track to actively capture medium to long-term growth opportunities.

CEO Klaus Mader concludes: *"In an environment marked by uncertainty and caution, SBO remains firmly on course. The task now is to navigate the current market situation with*

efficiency and cost discipline in the short term, while at the same time we are investing in areas where we will create long-term value.”

More information in SBO’s Q3 report: [Quarterly and half-yearly publications](#)

SBO’s key performance indicators at a glance

	UNIT	1 – 9/2025	1 – 9/2024
Sales	MEUR	358.2	425.6
EBITDA (Earnings before interest, taxes, depreciation, and amortization)	MEUR	58.6	75.8
EBITDA margin	%	16.4	17.8
EBIT (Earnings before interest and taxes)	MEUR	34.9	51.8
EBIT margin	%	9.7	12.2
Profit before tax	MEUR	30.5	47.1
Profit after tax	MEUR	21.6	34.4
Cash flow from operating activities	MEUR	55.8	64.9
Free cash flow	MEUR	24.8	42.5
Liquid funds as of 30/09/2025 / 31/12/2024	MEUR	281.9	314.7
Net debt as of 30/09/2025 / 31/12/2024	MEUR	77.9	56.0
Equity ratio as of 30/09/2025 / 31/12/2024	%	47.6	50.0
Headcount as of 30/09/2025 / 31/12/2024		1,516	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 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

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