

HUNTING PLC - CAPITAL MARKETS DAY

PRECISION ENGINEERING IN A CHANGING WORLD



Today's Agenda

Welcome

Hunting 2030 Strategy and Investment Case

Jim Johnson

Perforating Systems

Jason Mai

Subsea

Dane Tipton

Advanced Manufacturing

Scott George

Questions and Answers

Panel

Coffee Break

OCTG, Premium Connections and Accessories

Jim Johnson, Scott George, Daniel Tan

Energy Transition – Carbon Capture and Geothermal

Sean O'Shea

New Technologies

Stewart Barrie

Financial Framework

Bruce Ferguson

Questions and Answers

Panel

Final Comments

Jim Johnson

Presenters



Jim Johnson
Chief Executive



Jason Mai
PERFORATING SYSTEMS
Managing Director, Hunting Titan



Dane Tipton
SUBSEA
Managing Director, Subsea Technologies



Scott George
**OCTG AMERICAS & ADVANCED
MANUFACTURING**
Managing Director, North America



Daniel Tan
OCTG INTERNATIONAL
Managing Director, Asia Pacific



Sean O'Shea
ENERGY TRANSITION
Global Director for Sales - Energy Transition



Stewart Barrie
NEW TECHNOLOGIES
Managing Director, EMEA



Bruce Ferguson
Finance Director

Hunting 2030 – a roadmap for robust profit growth and shareholder returns

01

A compelling product, technology and manufacturing platform supported by strong IP and know-how

02

Strong market fundamentals for oil and gas, non-oil and gas, geothermal and carbon capture sectors

03

Strong revenue growth outlook to 2030, targeting c.\$1.3 billion sales p.a. by 2025 with EBITDA margins of c.15%, and c.\$2 billion sales p.a. by the end of the decade

04

\$1 billion of cumulative free cash flow projected by 2030, supporting higher dividends along with a ROCE of c.15% by 2025

Strong revenue growth post-COVID

39% revenue growth delivered in 2022
>25% revenue growth projected for 2023*

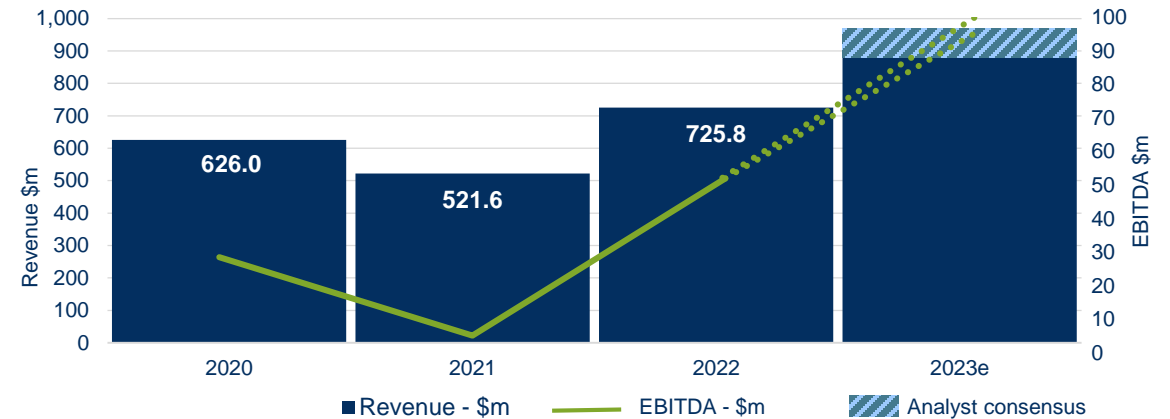
7% EBITDA margin in 2022
10 – 11% margin projected for 2023*

Offshore and international growth
coming through in 2023

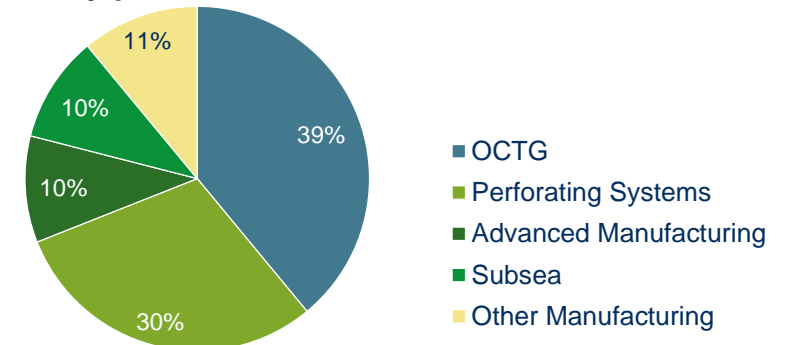
Significant restructuring completed since 2020

Focus on product line financials to
support transparency

Group financial performance 2020 – 2023e*



Projected 2023e revenue by product line



*2023e revenue/EBITDA based on analyst consensus at 12 September 2023

Source: Company

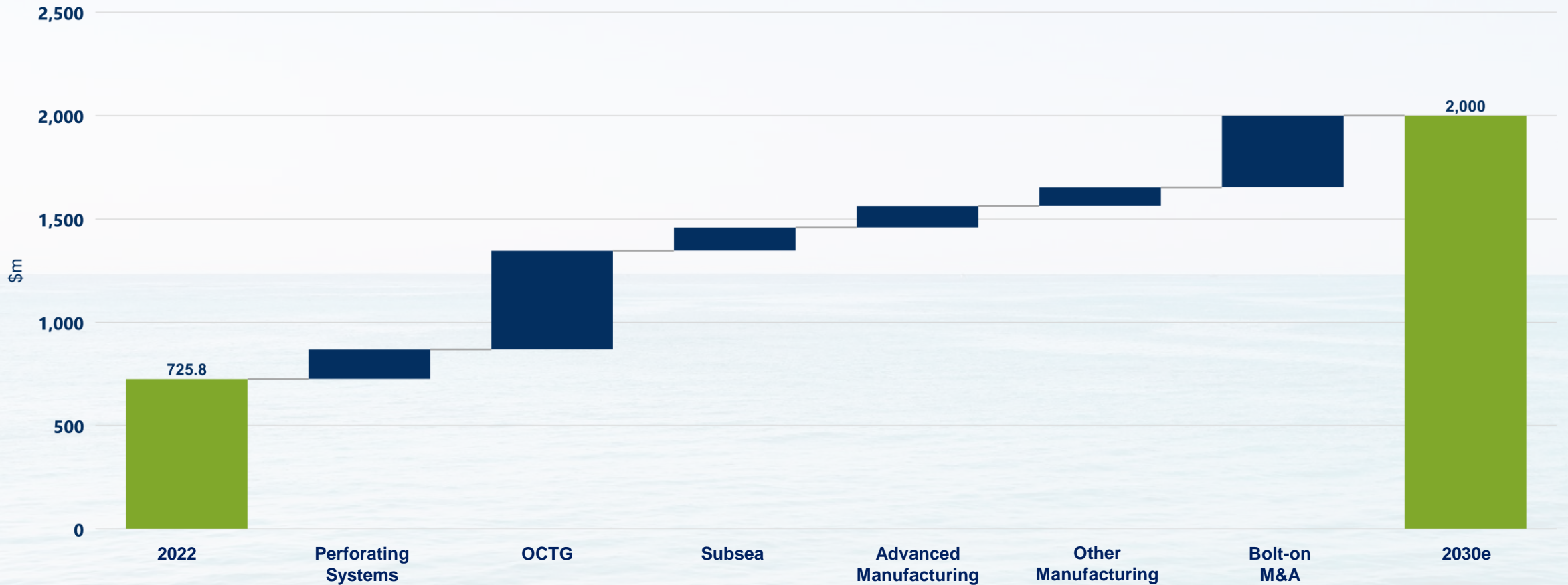
A diversified product portfolio to leverage energy and non-oil and gas growth to 2030



A strategy to drive strong cash flows and returns

	Revenue growth ambition		EBITDA margin
PERFORATING SYSTEMS	2023 – 2025: CAGR c.10%	Energy Transition revenue ambition of \$250 million p.a. by the end of the decade delivered through all product lines	14 – 16% by 2025
SUBSEA	2023 – 2025: CAGR c.26%		
OCTG	2023 – 2025: CAGR c.19%		
ADVANCED MANUFACTURING	2023 – 2025: CAGR c.29%		
OIL and GAS (Group)	2023 – 2025: CAGR c.14%		
NON-OIL and GAS (Group)	2023 – 2025: CAGR c.54%		
LEVERAGING CORE COMPETENCIES FOR SUSTAINABLE GROWTH TO 2030 AND BEYOND			

c.\$2 billion revenue p.a. targeted by 2030



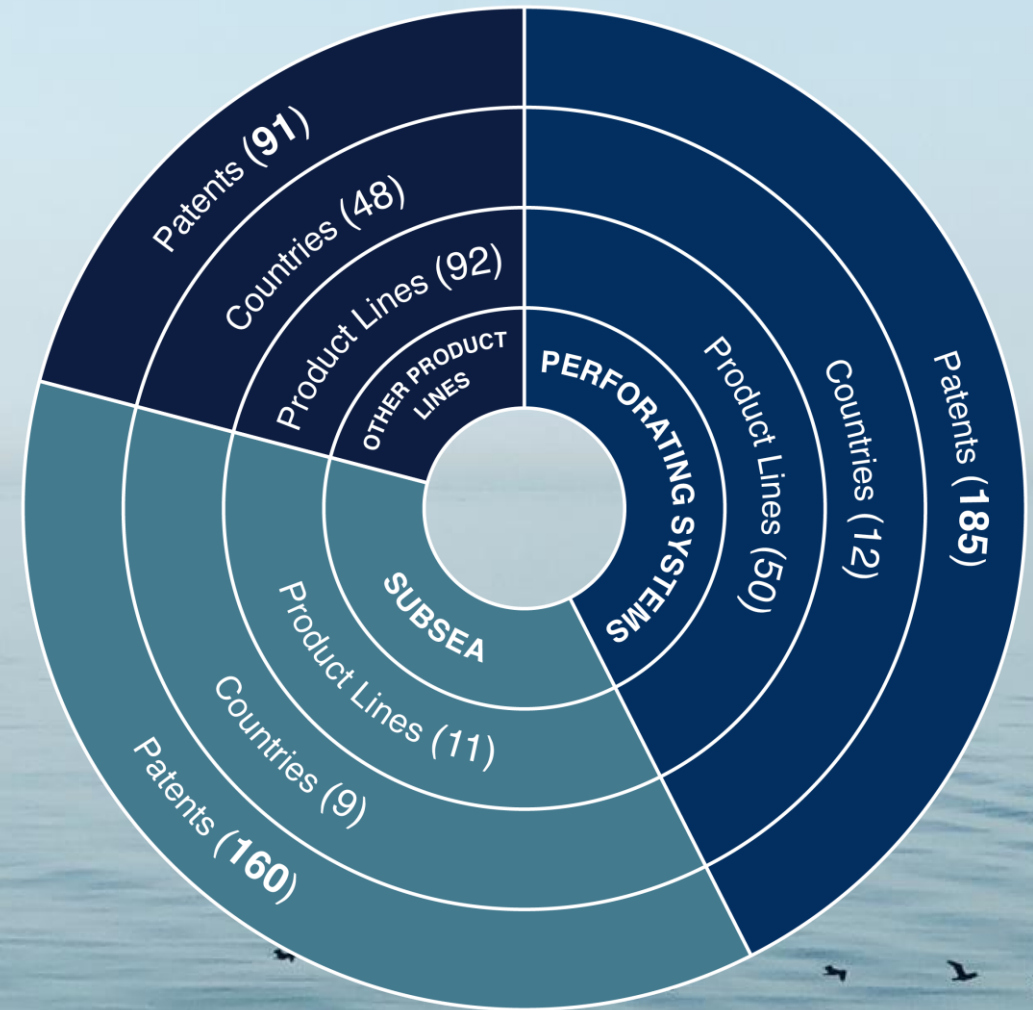
IP to drive innovation and competitiveness

Over 500 patents and trademarks across
key technologies and geographies

Strong R&D focus

Competitive edge

Market leadership



Established operating footprint for energy today...

Our operations and markets



...and tomorrow

Our operations and markets



Blue chip customer base across multiple critical markets



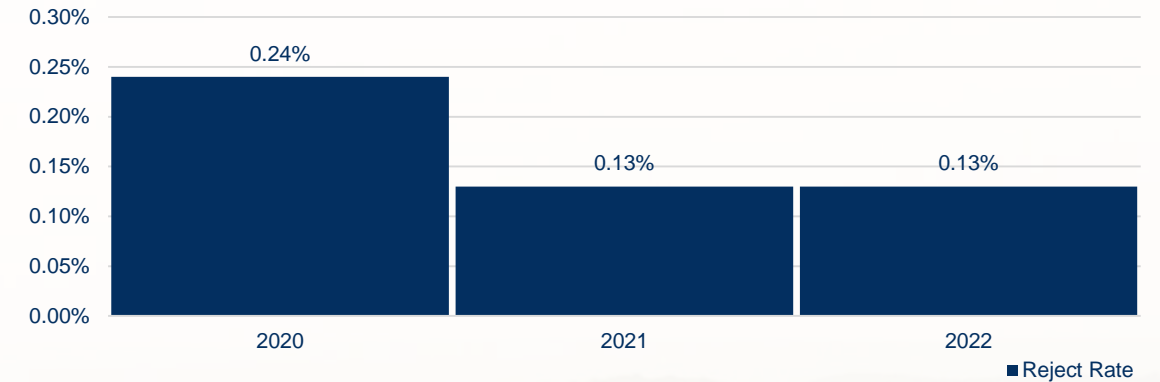
ESG & Sustainability – skilled employees driving quality and HSE

Strong culture
based on highly
skilled and
trained
workforce

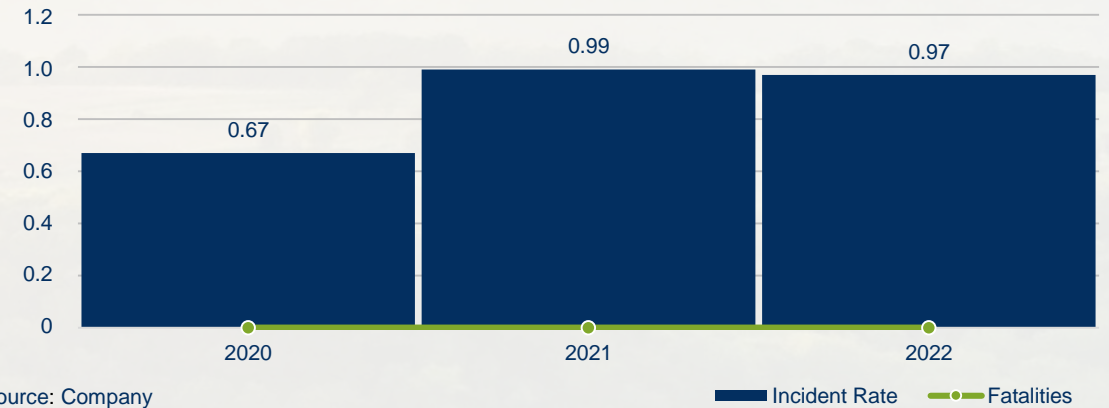
Leading
Quality
Assurance

Robust
HSE

Manufacturing reject rate



Recordable incident rate / fatalities

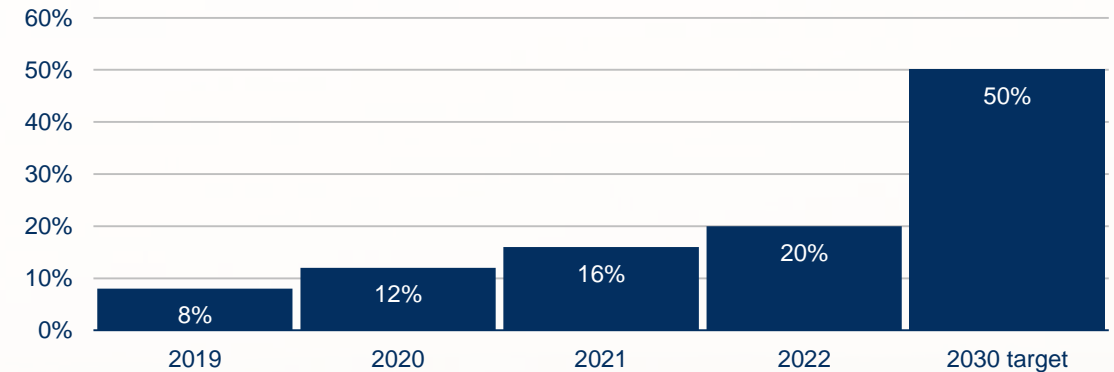


Source: Company

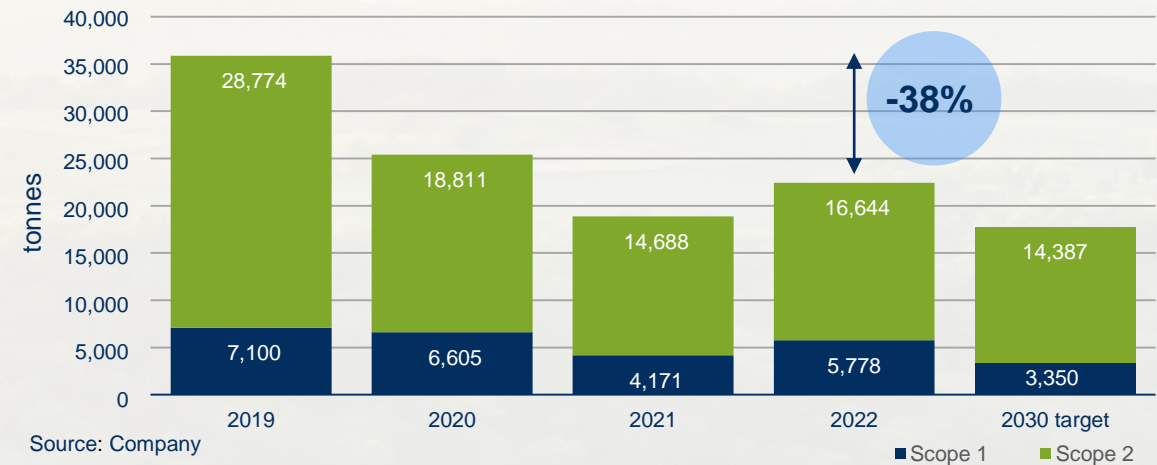
Continued improvement on key ESG metrics driving client loyalty



Renewable energy purchased



Scope 1 and 2 GHG emissions



Strong market fundamentals to 2030 and beyond

Steady global oil and gas demand to 2050

Demand to increase from c.102mmbopd to c.108mmbopd by 2030

Steady capital expenditures of c.\$550 billion p.a. to at least the end of the decade

c.22mmbopd supply gap opening up, as key fields deplete

Source: Wood Mackenzie July 2023

Deepwater / ultra deepwater to see strong growth

100% increase in capex forecast to \$90 billion p.a. by 2028

Driven by South America, Africa and Asia Pacific where drilling activity is strong

Source: Wood Mackenzie July 2023

Energy transition markets indicating robust growth to 2050 for both geothermal and carbon capture

Large growth in geothermal primary energy capacity to 2030

772 Mtpa of new CCUS capacity by 2030, with additional 200 Mtpa capacity post-2030

Source: Wood Mackenzie July 2023

Key non-oil and gas markets, including aviation, commercial space, defence and medical devices remain strong and growing

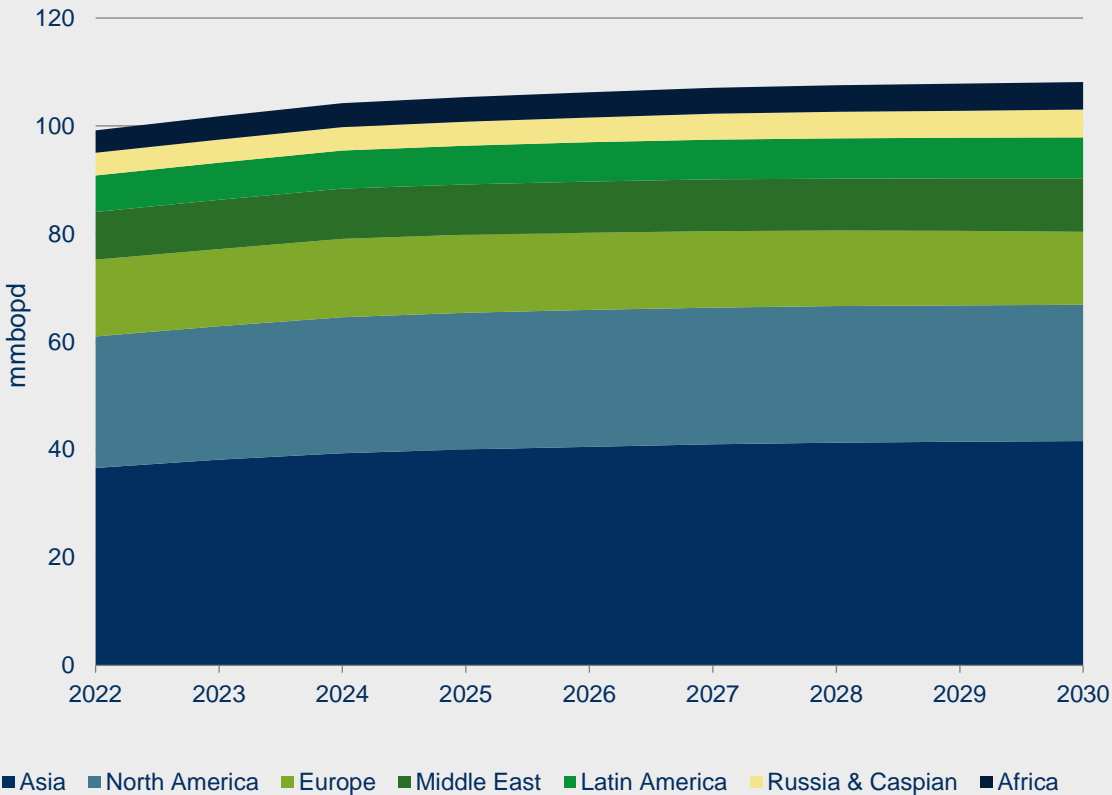
Medical electronics market estimated to be \$248.4 billion by 2030

Commercial space annual global spend \$1 trillion by 2030

Source: Precedence Research / US Government / McKinsey & Co

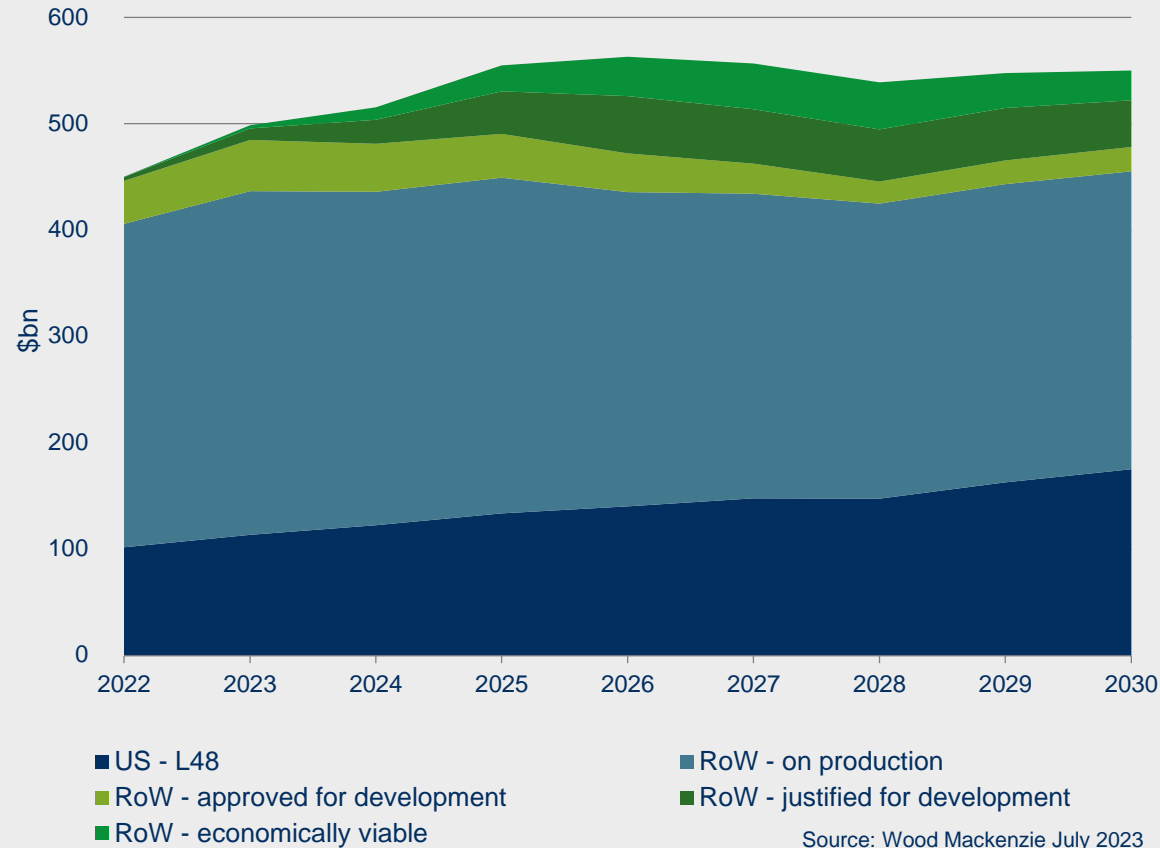
Robust oil and gas demand and committed industry capex

Worldwide oil demand by region (2022 – 2030)



Source: Wood Mackenzie July 2023

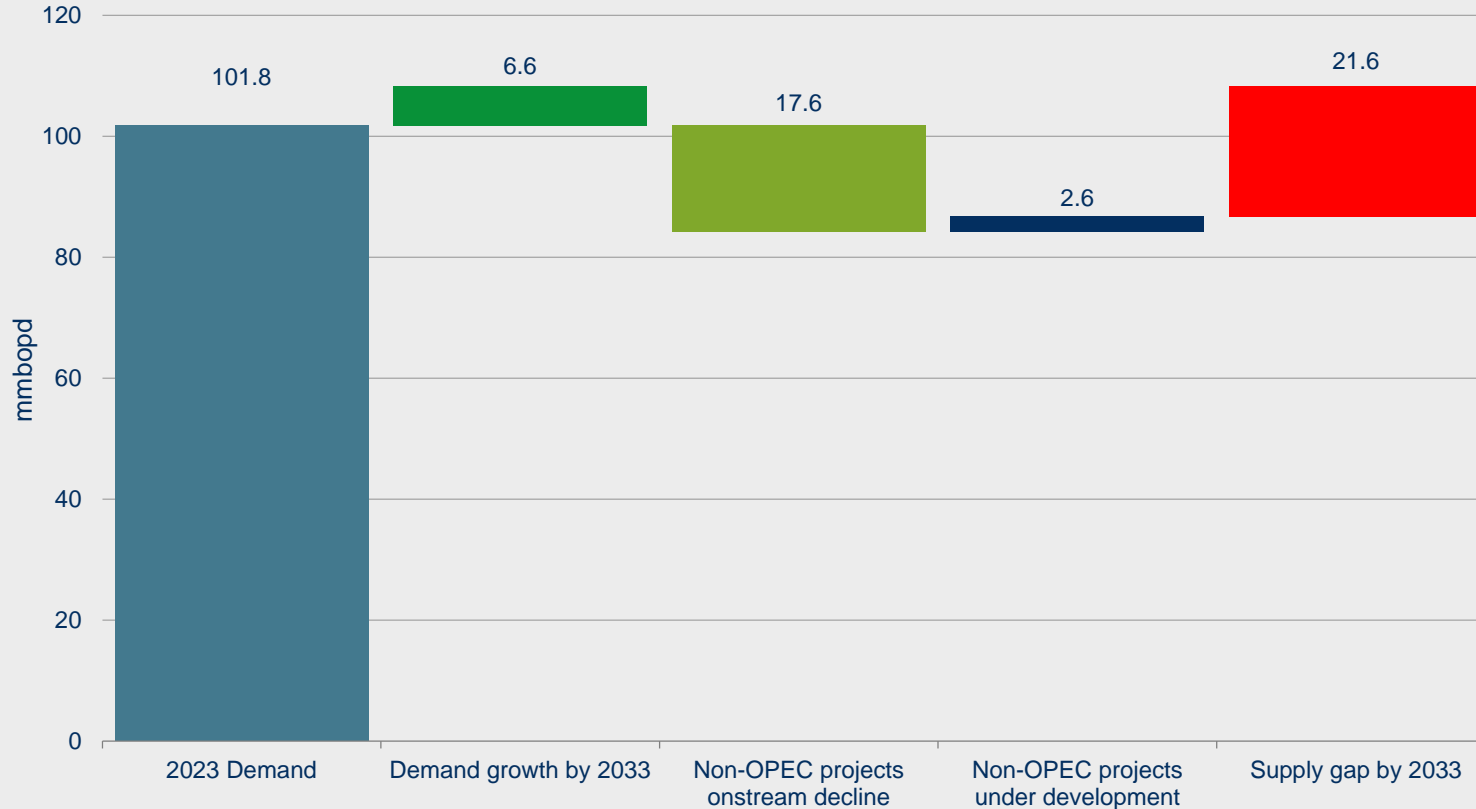
Upstream capex by category (2022 – 2030)



Source: Wood Mackenzie July 2023

Significant under-investment in production, coupled with ongoing field depletions, indicating a c.20% supply gap

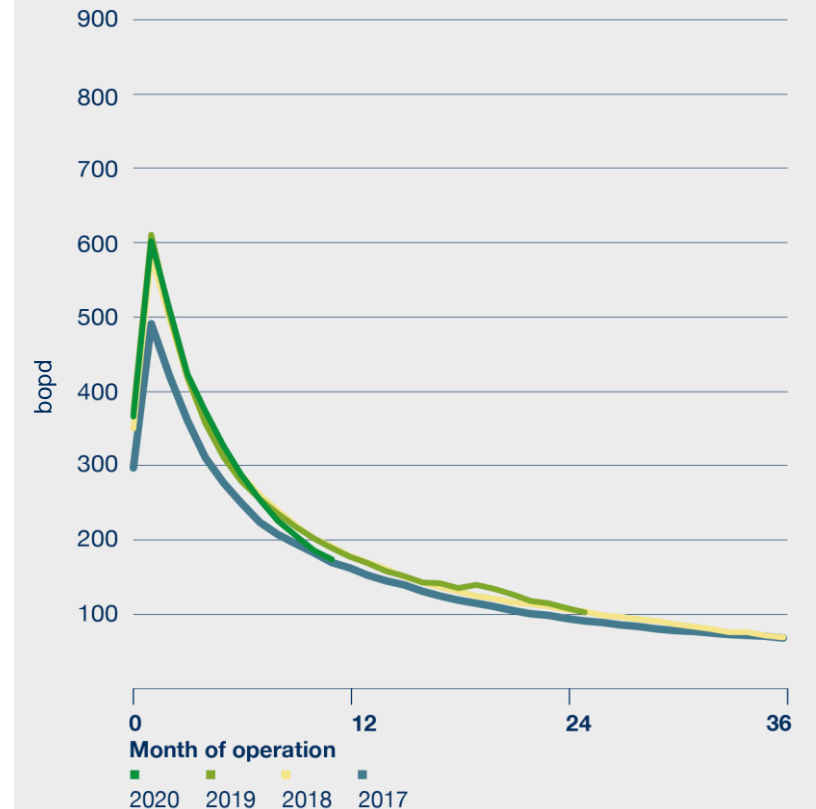
Global oil supply



Source: Wood Mackenzie July 2023

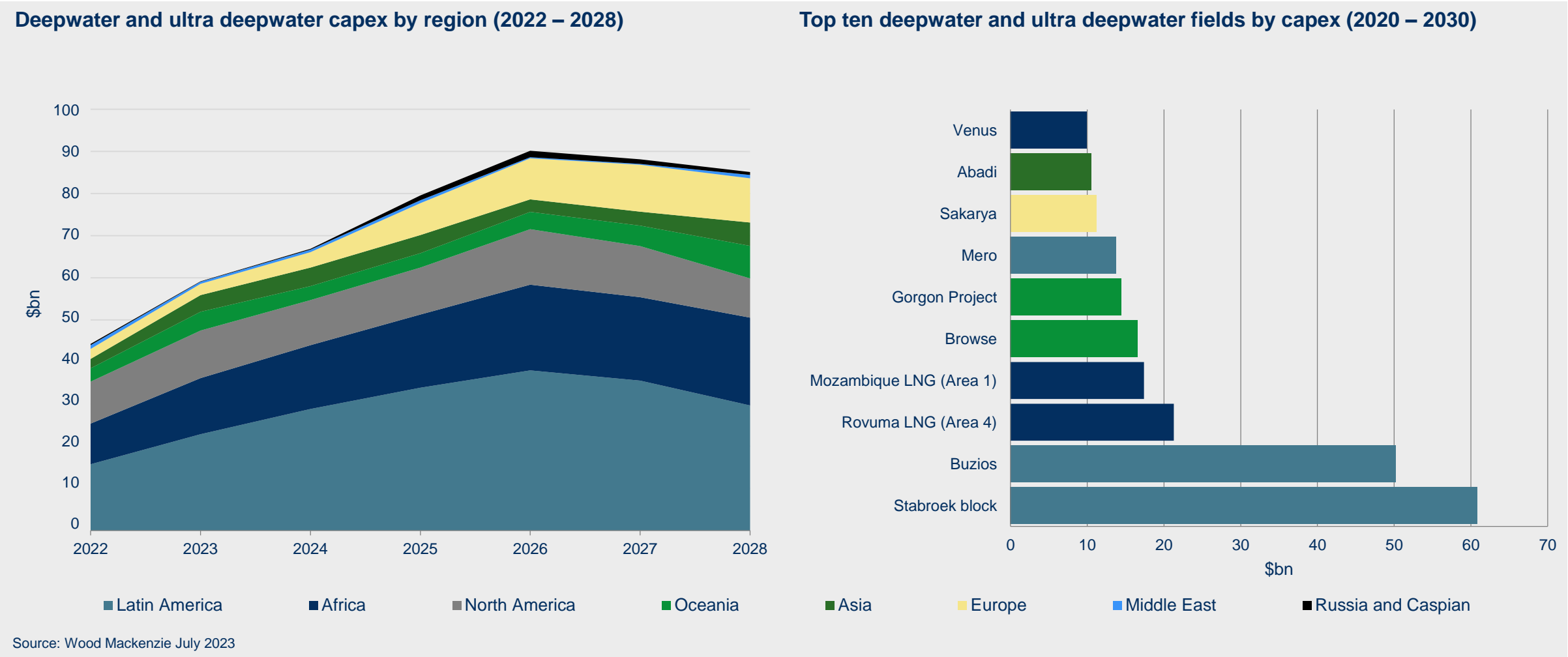
Shale oil production profile

Permian



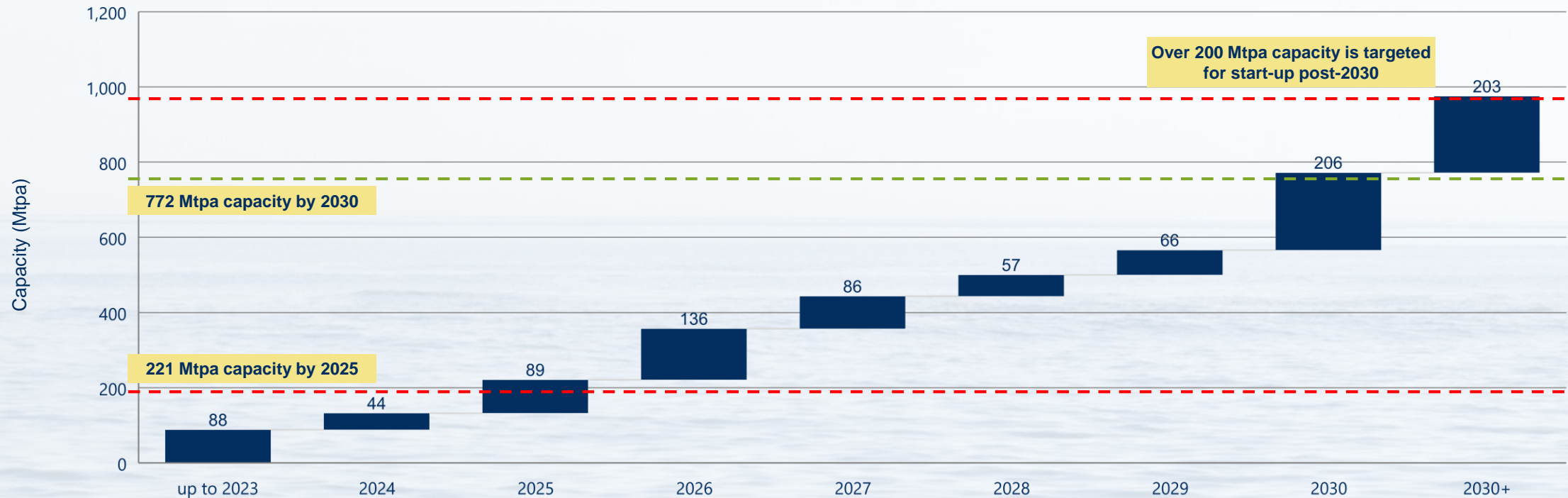
Source: EIA

Deepwater expenditures seeing high growth to the end of the decade



Significant carbon capture capacity planned to end of decade supporting the energy transition

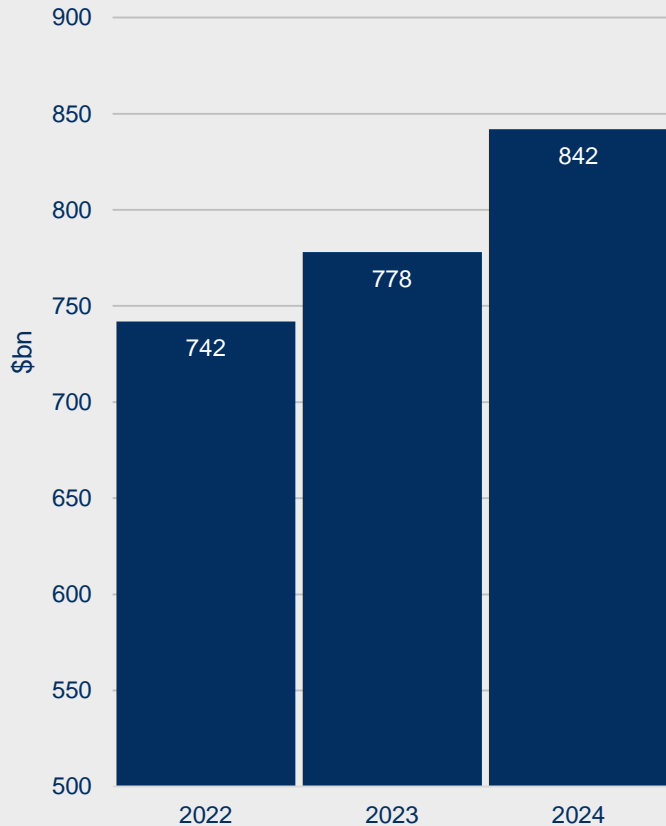
Planned CCUS capacity additions by year of announced start-up



Source: Wood Mackenzie July 2023

Non-oil and gas markets seeing impressive growth providing visibility of opportunities for Advanced Manufacturing

US defence budget



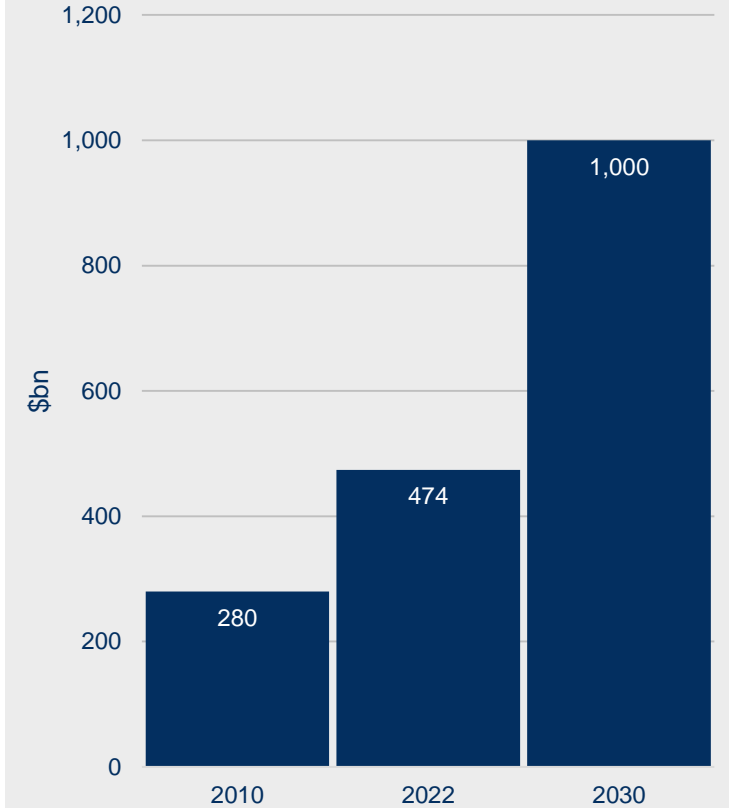
Source: US Government

Medical devices

The medical electronics market was estimated at \$81.6 billion in 2020 and is expected to hit \$248.4 billion by 2030, poised to grow at a CAGR of 11.8% to 2030

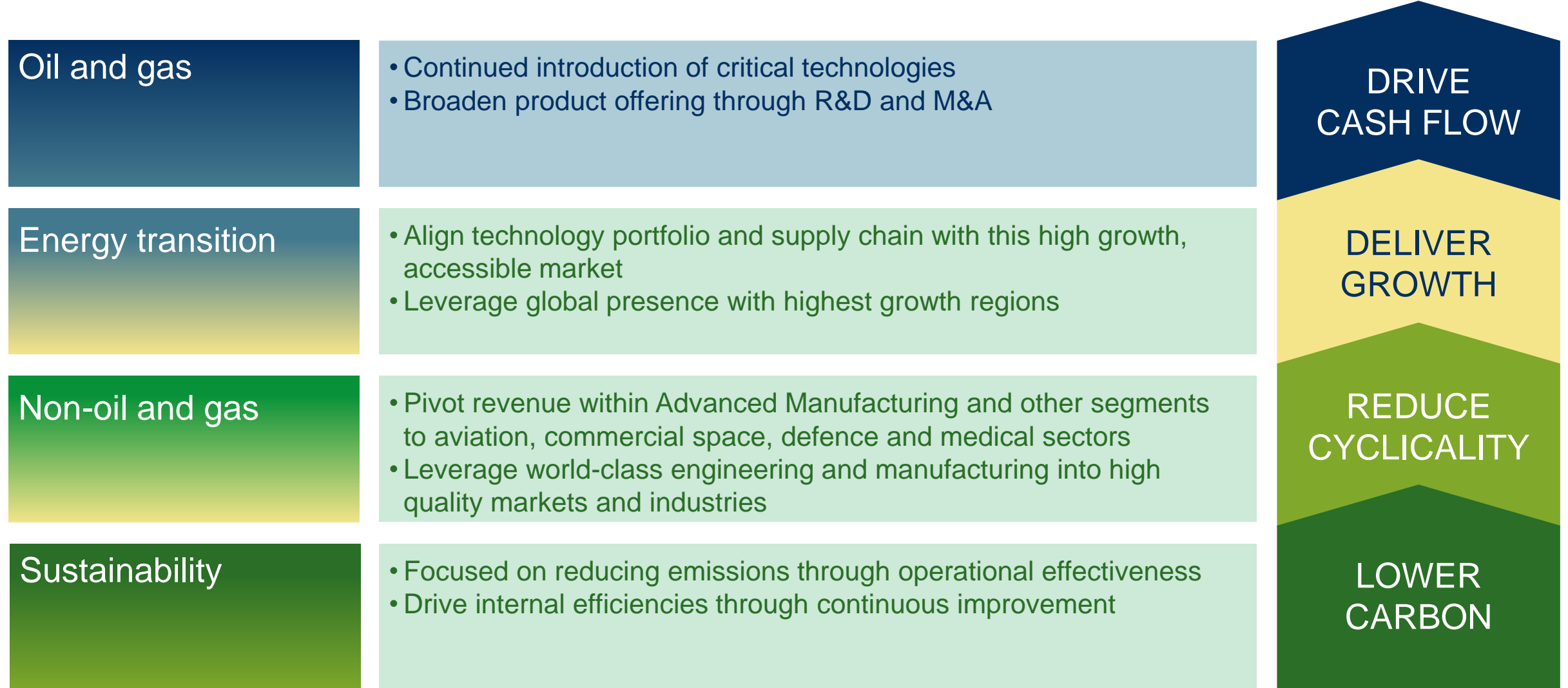
Source: Precedence Research

Commercial space market

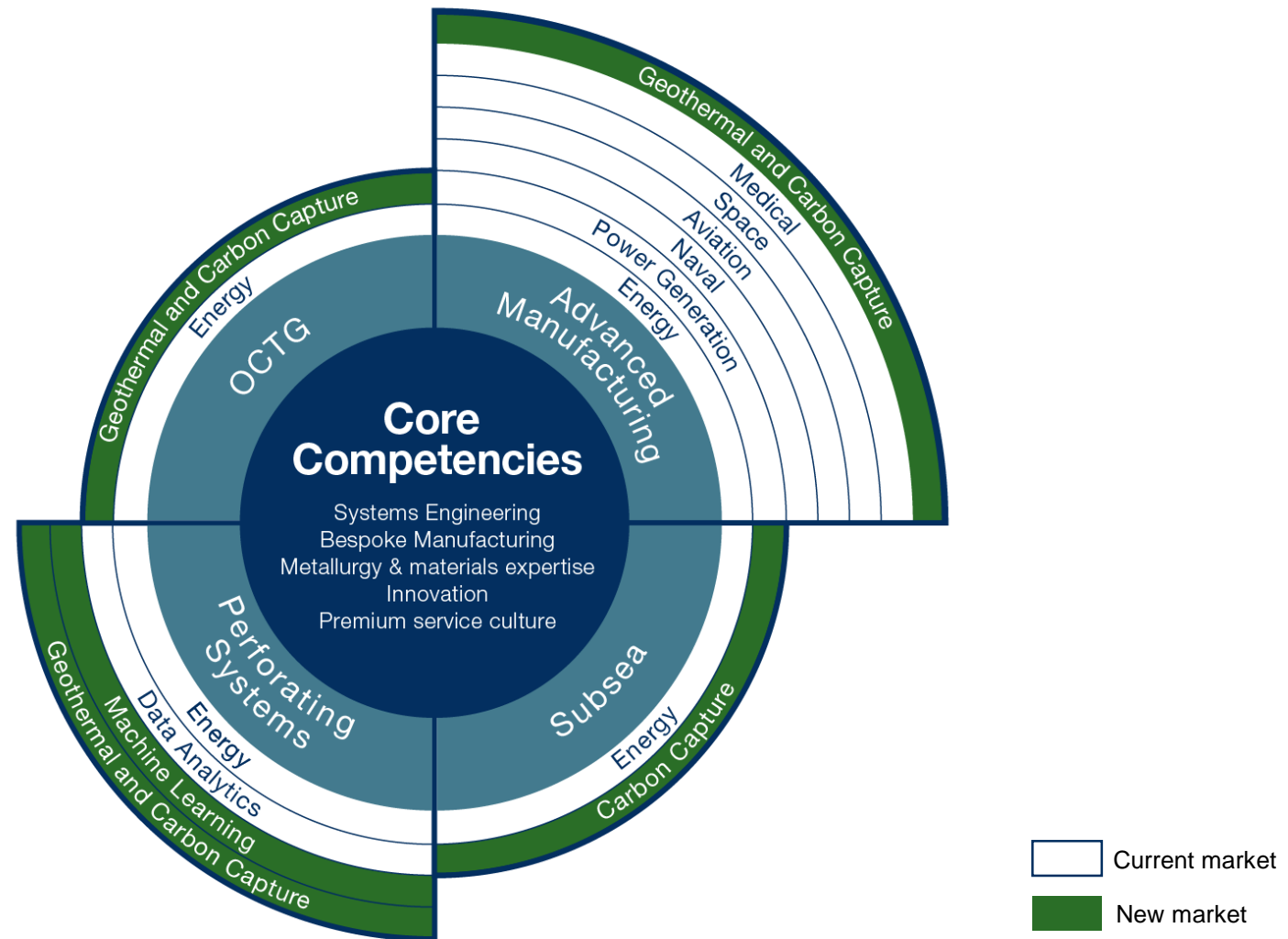


Source: McKinsey & Co.

A resilient long-term growth strategy



Core competencies for high-growth markets



A focused strategy and strong investment proposition

01

A compelling portfolio of IP, technology and manufacturing

02

Blue chip customers for multiple end-markets

03

Long-term resilience through diversification and growth in energy transition

04

Exposure to high-growth markets, including offshore and international

05

HSE, Quality Assurance and Carbon Ownership driving stronger customer relationships

06

Robust revenue outlook with strong margins to drive cash flow and increased shareholder returns

PRECISION ENGINEERING IN A CHANGING WORLD

GLOSSARY

3D	Three-dimensional	LNG	Liquefied Natural Gas
AGS	Advanced Geothermal System	m	Million
AOR	Attic Oil Recovery	M&A	Mergers and Acquisitions
APAC	Asia Pacific	MEA	Middle East and Africa
bn	Billion	mmbopd	Millions Barrels Of Oil Per Day
bopd	Barrels of Oil per Day	Mtpa	Million Tonnes Per Annum
c	Cents	NAM	North America
c.	Circa	NGL	Natural Gas Liquids
CAGR	Compound Annual Growth Rate	Ni Alloy	Nickel Alloy
capex	Capital Expenditure	NPV	Net Present Value
CCUS	Carbon Capture, Utilisation and Storage	O&G	Oil and Gas
CO ₂	Carbon Dioxide	OCTG	Oil Country Tubular Goods
CMM	Coordinate Measuring Machine	OEM	Original Equipment Manufacturer
CNC	Computerised Numerical Control	OOR	Organic Oil Recovery
Cr	Chrome	OP	Oriented Perforating
CRA	Corrosion Resistant Alternative	OPEC	Organization of the Petroleum Exporting Countries
DPO	Days Payables Outstanding	opex	Operating Expenditure
DSO	Days Sales Outstanding	p.a.	Per Annum
e	Expected	PCE	Pressure Control Equipment
E&P	Exploration and Production	PLG	Pre-Loaded Guns
EBITDA	Adjusted profit before share of associates' and joint ventures' results, interest, tax, depreciation, impairment and amortisation	R&D	Research and Development
EDM	Electrical Discharge Machining	ROCE	Return On Average Capital Employed
EIA	Environmental Investigation Agency	RoW	Rest of World
EMEA	Europe, Middle East and Africa	SE	Southeast
ERP	Enterprise Resource Planning	SHP	Sam Houston Parkway
ESG	Environmental, Social and Governance	sqm	Square Metres
EU	European Union	SURF	Subsea, Umbilicals, Risers and Flowlines
FAM	Flow Access Module	TCP	Tubing Conveyed Perforating
FCF	Free Cash Flow	tn	Trillion
FPSO	Floating Production Storage and Offloading	TSJ	Titanium Stress Joint
GDP	Gross Domestic Product	TTP	Thru Tubing Perforating
GHG	Greenhouse Gas	UC	Unconventional
GW	Gigawatts	UK	United Kingdom
HSE	Health, Safety and Environment	UKCS	United Kingdom Continental Shelf
IP	Intellectual Property	US	United States of America
ITAR	International Traffic in Arms Regulations	WL	Wireline
k	Thousand	XMT	Christmas Tree ("Tree")
KM	Kilometre	\$	US Dollars
LCS	Laboratory Controlled at Source		