



FINANCIAL FRAMEWORK

Attractive investment case

01

Revenue projected to grow to c.\$1.3 billion p.a. by 2025 driven by current market momentum, and to c.\$2 billion p.a. by 2030

02

EBITDA margins increasing to c.15% by 2025 with further progression by 2030

03

c.\$325 million free cash flow generation by 2025
>\$1 billion cumulative free cash flow generation by 2030

04

Financial discipline to drive cash generation, with return on capital employed of c.15% by 2025 and further improvement by 2030

05

Strong balance sheet and liquidity, with prudent approach to debt, resulting in net leverage <1.5x

06

Increased returns to shareholders, with an increasing dividend policy (+10%) and potential for share buybacks

Strong period of recovery and growth

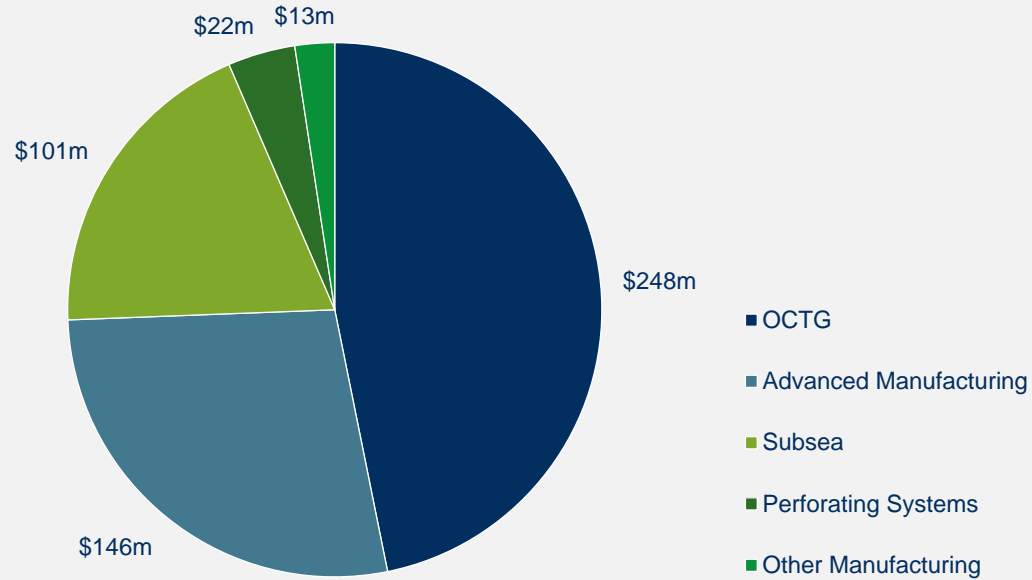
	H1 2023 \$m	H2 2022 \$m	H1 2022 \$m
REVENUE	478	390	336
EBITDA	48.7	28.4	23.6
ADJUSTED PROFIT BEFORE TAX	23.1	7.7	2.5
ORDER BOOK	530	473	326

Half year 2023 highlights

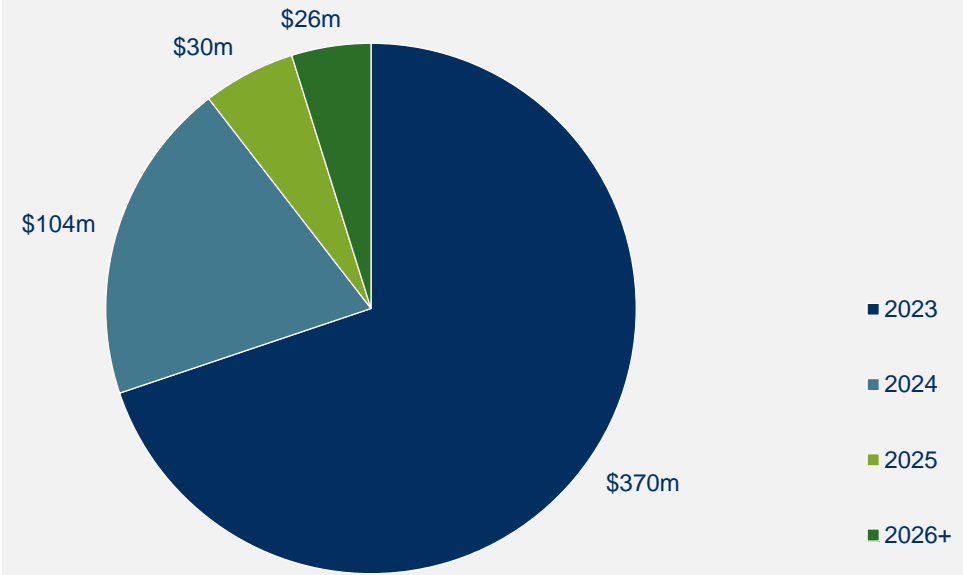
- Revenue up 42% on H1 2022
- EBITDA margin now >10% as volumes increase along with selected price increases
- Record order book – 63% increase on H1 2022
- Strong recovery across all products and regions; confidence high for this to continue, based on industry momentum

Future growth underpinned by record order book, growing tender pipeline and strong market fundamentals

Order book by product



Order book by year of delivery



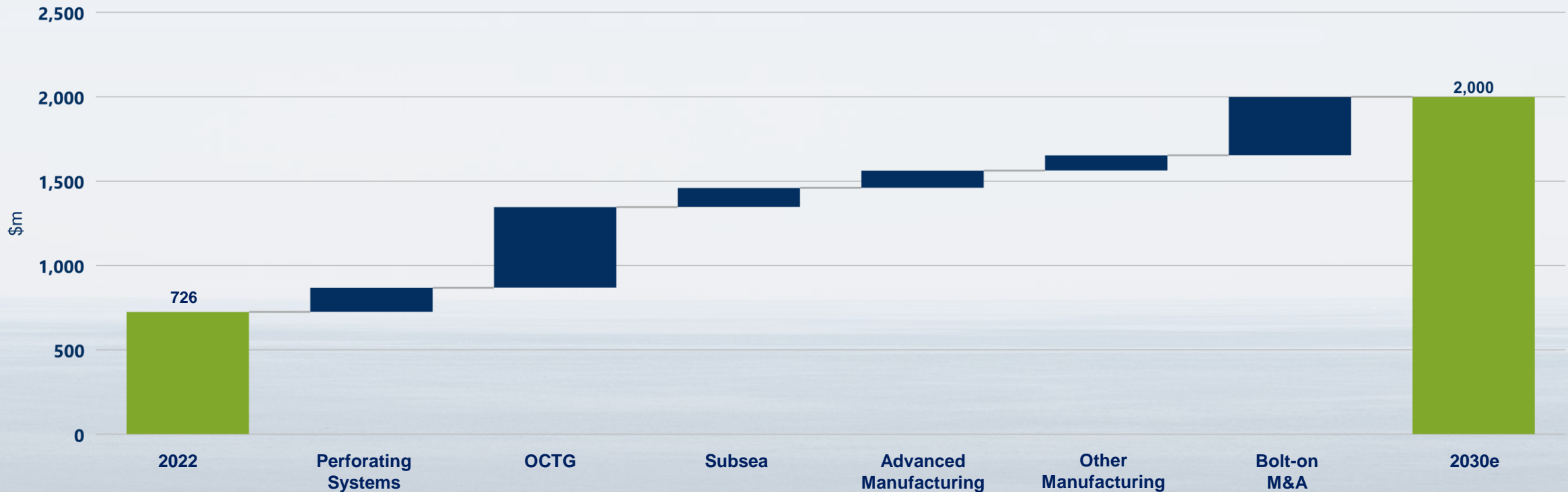
\$1 billion tender pipeline strong across Americas, Middle East and Asia Pacific

Subsea orders and projects accelerating

Energy Transition opportunities are prolific

Market fundamentals across all product lines resilient

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



c.13% of non-oil and gas sales by 2025 and c.25% by 2030

Offshore capex to double by 2028

South America to deliver strong growth to Group

Energy Transition to be a major revenue stream

Middle East and APAC OCTG opportunities accelerating

Delivering a more efficient business platform

Efficiency

2020 – 2022

- Reduced fixed costs by \$40 million p.a.
- Disposed of EMEA OCTG pipe trading business
- Divested high capex/low cash generating US drilling tools into joint venture
- Consolidated Singapore facilities from three to one
- Exited high capital Canadian OCTG business
- Consolidated distribution centres across North America

2023 – 2025

- Further 10% operational footprint reduction planned globally
- \$6 million p.a. reduction in fixed costs
- Dispose of non-core investments and product lines
- Simplify management structure and back office services
- Complete the roll out of D365 ERP globally

Protect against the downside

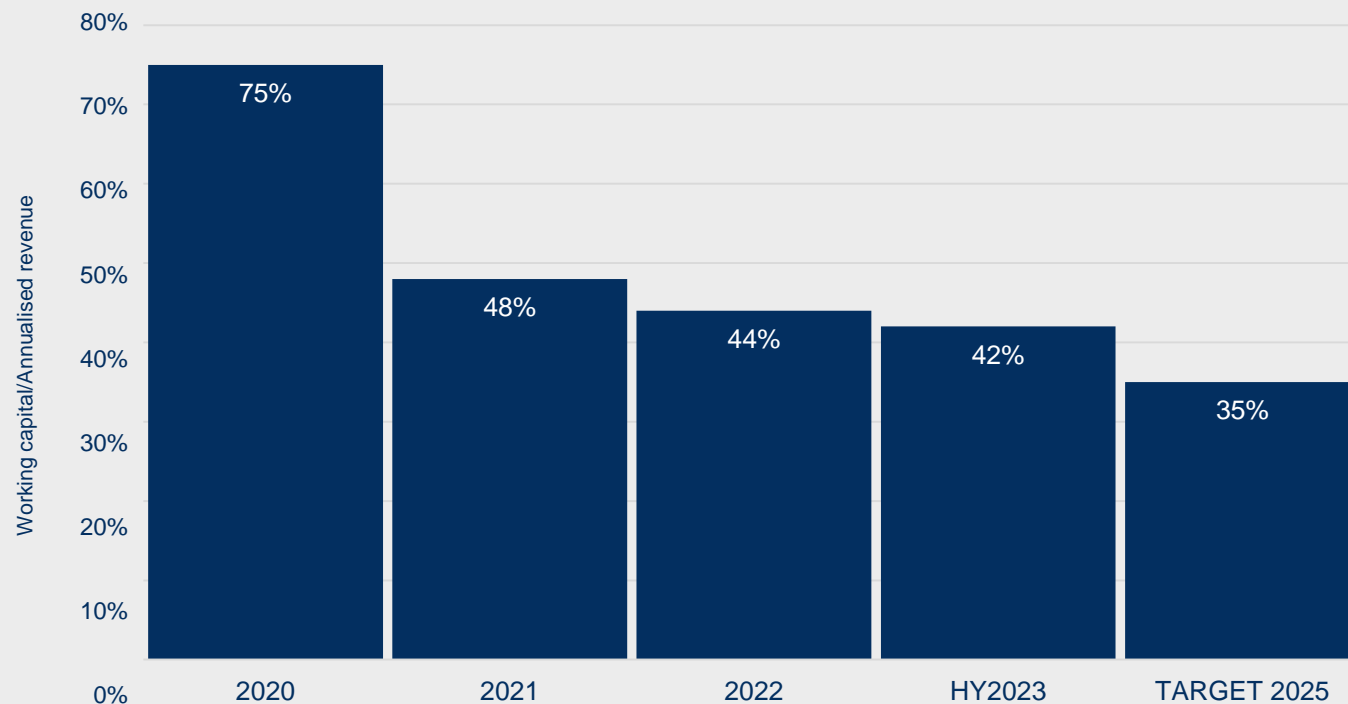
Revenue/EBITDA break-even now c.\$425 million – down from c.\$520 million

EBITDA margin growth to 14 – 16% through increased efficiencies and operating leverage



Expect similar margins between oil and gas and non-oil and gas

Driving strong balance sheet efficiency



Working Capital Targets:

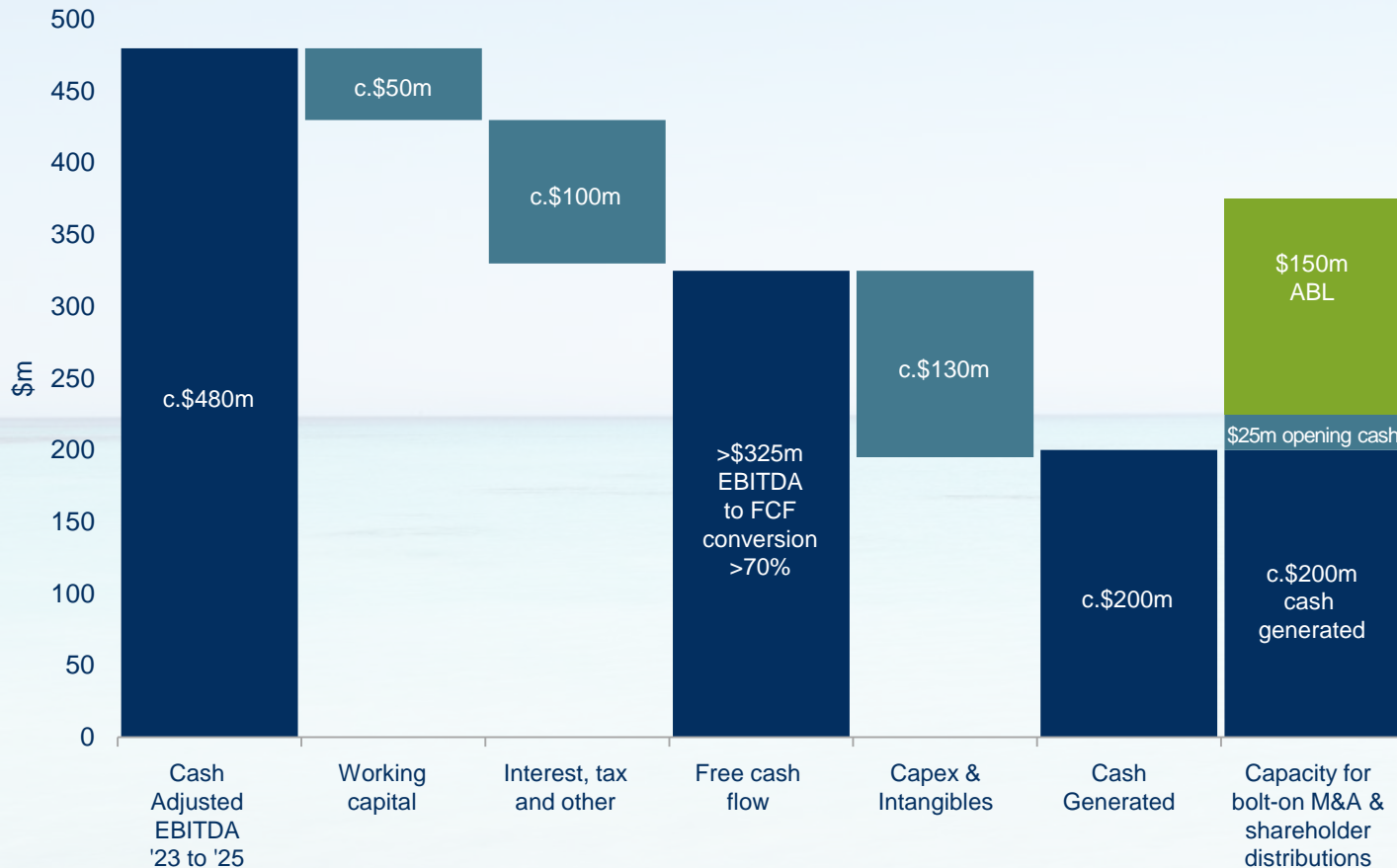
- Inventory days: 130 days
- DSO: 75 days
- DPO: 45 days

Working capital optimisation programmes to deliver further improvements

2025 Targets

Working capital/annualised revenue c.35%
ROCE c.15%

Generating >\$325 million of FCF by 2025



2023 – 2025

Targeting free cash flow conversion of 70%

Cash + ABL = \$375 million capacity for M&A and shareholder distributions

2023 – 2030 Ambition

>\$1 billion cumulative free cash flow

Capital allocation policy

01

Invest in
the business
Capex and
investment in
organic growth

Target of 1.0 – 1.25 x
depreciation

02

Dividends
Progressive
dividend policy

10% growth per annum
i.e. \$220 million in distributions
2023 – 2030

03

Value accretive
M&A
Disciplined
approach to valuation

Target sectors include
Subsea, Completions
and non-oil and gas

04

Additional
Shareholder
Distributions

Surplus cash offers
opportunities for buybacks
post-2025

Strong balance sheet and liquidity resilient to 2025 and beyond

Guidance for 2023 and 2024

Product Group	2023 Forecast EBITDA Margin	2024 Forecast EBITDA Margin
OCTG	10 – 12%	Stable
Perforating Systems	11 – 13%	Improving
Subsea	8 – 10%	Improving
Advanced Manufacturing	9 – 12%	Improving
Other Manufacturing	5 – 7%	Stable

Group

EBITDA: \$96m – \$100m

EBITDA: \$125m – \$135m

EBITDA margin: 10 – 11%

EBITDA margin: 11 – 13%

FCF: \$30m – \$60m
Total Cash & Bank: \$0 – \$25m

FCF: >70% EBITDA

Key deliverables

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Final comments

01

A diversified product and technology offering to deliver growth to 2030

02

c.\$2 billion revenue p.a. by 2030 and an EBITDA margin of c.15% by 2025

03

c.\$325 million of cumulative free cash flow by 2025
c.\$1 billion of cumulative free cash flow by 2030

04

Targeted ROCE of c.15% by 2025 as financial performance drives higher returns

05

Increasing dividend delivering c.\$220 million return to shareholders to 2030

06

A strong underlying market to drive performance and growth

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		

PRECISION ENGINEERING
IN A CHANGING WORLD

HISTORICAL REVENUE & EBITDA BY PRODUCT GROUP

	FY 2020			FY 2021			FY 2022			H1 2023		
	Revenue \$m	EBITDA \$m	%	Revenue \$m	EBITDA \$m	%	Revenue \$m	EBITDA \$m	%	Revenue \$m	EBITDA \$m	%
OCTG	264.7	12.8	5%	172.5	(7.4)	(4%)	258.8	16.2	6%	213.4	24.1	11%
Perforating Systems	154.5	6.4	4%	181.7	8.5	5%	251.9	27.3	11%	126.8	13.7	11%
Subsea	69.8	4.8	7%	58.8	4.7	8%	69.0	3.4	5%	42.5	3.2	8%
Advanced Manufacturing	74.3	1.9	3%	59.6	0.7	1%	75.1	0.9	1%	53.1	4.5	8%
Other Manufacturing	62.7	0.2	-	49.0	(3.4)	(7%)	71.0	4.2	6%	42.0	3.2	8%
Total	626.0	26.1	4%	521.6	3.1	1%	725.8	52.0	7%	477.8	48.7	10%