Well positioned to capture market opportunities

RESULTS PRESENTATION FOR THE YEAR ENDED 31 DECEMBER 2018

www.huntingplc.com

Group Summary

2018 remained US onshore centric

- Financials remain robust
  - Year-end net cash of $61.3m
  - Strong cash generation in the year of $30.9m
  - Excellent year-on-year improvement in revenues, profits and margins
  - Return on capital employed continues to strengthen
  - Amend and extend bank facility in place providing good levels of liquidity
- Continuing development of new/modified technologies to meet customer demand
  - Premium and Semi-Premium proprietary thread forms
  - Variants of Perforating Guns, Instrumentation and Charge technologies
  - Subsea coupling technologies to enhance reliability and performance in more hostile environments
  - 63 patents granted in the year
- Acquisition opportunities being considered within target areas of Completions and Subsea Technologies
- Recommenced shareholder dividend payments during the year
- Capital investment remains modest - $30.1m in 2018
- Production capacity expansion projects at Hunting Titan due for completion Q2 2019
- Formation of Executive Committee raises profile of next tier of management

Group Income Statement[1]

Strong performance underpinned by US onshore completions

	2018 $m	Margin %	2017 $m	Margin %
Revenue	**911.4**		724.9	
Gross profit	**275.1**	***30***	175.4	*24*
EBITDA	**142.3**	***16***	56.0	*8*
Profit from operations	**104.7**	***11***	14.3	*2*
Finance expense	**(0.7)**		(1.5)	
Profit before tax	**104.0**		11.5	
Tax charge	**(22.0)**		(1.0)	
Profit after tax	**82.0**		10.5	
Effective tax rate	**21%**		9%	
Diluted EPS	**49.6c**		8.0c	
Final dividend per share	**5.0c**		Nil	
Total dividend per share	**9.0c**		Nil	
ROCE	**9%**		1%	

[1] Results are before amortisation of intangible assets acquired in business combinations and exceptional items.

Segmental Results[1]

Cost control measures have contained losses outside North America

	2018		2017	
	Revenue	**Results from Operations**	Revenue	Results from Operations
	$m	**$m**	$m	$m
Hunting Titan	**418.2**	**106.9**	312.8	66.4
US	**327.1**	**15.6**	218.9	(22.9)
Canada	**44.8**	**(1.8)**	36.5	(3.3)
Europe	**86.2**	**(10.9)**	89.2	(13.7)
Asia Pacific	**107.0**	**(0.8)**	88.1	(4.4)
Middle East, Africa and Other	**24.2**	**(2.9)**	18.6	(6.7)
Exploration and Production	**2.6**	**(1.4)**	3.3	(1.1)
Inter-segmental elimination	**(98.7)**	**-**	(42.5)	-
	911.4	**104.7**	724.9	14.3

[1] Results are before amortisation of intangible assets acquired in business combinations and exceptional items.

Revenue by Product Grouping

Particularly strong revenues from Perforating Systems

	2018 $m	2017 $m	*Change*
Perforating Systems	**404.1**	305.6	*+32%*
OCTG and Premium Connections	**277.4**	254.8	*+9%*
Advanced Manufacturing	**98.5**	61.1	*+61%*
Intervention Tools	**46.4**	34.3	*+35%*
Drilling Tools	**27.6**	25.8	*+7%*
Subsea	**30.5**	20.8	*+47%*
Other	**24.3**	19.2	*+27%*
Exploration and Production	**2.6**	3.3	*-21%*
	911.4	724.9	*+26%*

Amortisation & Exceptional Items

Reduced footprint in the African region

	2018 **$m**	2017 $m
Amortisation of acquired intangible assets	**29.3**	29.1
Closure of South African facility	**(2.0)**	10.0
Closure of Kenya joint venture	**2.0**	-
	29.3	39.1

Group Balance Sheet

Strong net cash position despite working capital increase

	2018 $m	2017 $m
Property, plant and equipment	**360.2**	383.3
Goodwill and intangible assets	**329.7**	355.7
Working capital	**436.5**	344.0
Taxation	**13.7**	(6.0)
Provisions	**(14.2)**	(18.0)
Other	**3.9**	22.7
Net cash	**61.3**	30.4
Net assets	**1,191.1**	1,112.1

Working Capital

Hunting Titan main driver of working capital increase

	2018 $m	2017 $m
Inventories		
- Raw materials	**107.5**	92.2
- Work-in-progress	**64.7**	44.7
- Finished goods	**176.0**	144.1
	348.2	281.0
Receivables	**231.1**	185.5
Payables	**(142.8)**	(122.5)
Total	**436.5**	344.0
Inventory days	**185**	167
Receivable days	**78**	72

Capital Investment

Spend constraints remain in place

	2018 $m	2017 $m
Hunting Titan	**12.6**	-
US – Drilling Tools – mud motor fleet	**5.2**	1.5
US – Dearborn – plant and machinery	**1.5**	-
Other plant and machinery	**10.8**	9.9
	30.1	11.4

Group Cash Flow

Working capital increase to meet 2019 requirements

	2018 $m	2017 $m
EBITDA	**142.3**	56.0
Add: share-based payments	**13.2**	11.9
	155.5	67.9
Working capital	**(96.6)**	(39.9)
Finance charges	**(2.0)**	(2.4)
Tax (paid) refund	**(2.6)**	6.5
Proceeds from sale of PPE	**16.4**	6.2
Pension scheme refund	**10.6**	9.7
Capital investment	**(30.1)**	(11.4)
Intangible assets investment	**(6.6)**	(5.5)
Dividend to PLC equity holders	**(6.6)**	-
Purchase of treasury shares	**(5.7)**	-
Other	**(1.4)**	1.2
Net cash inflow	**30.9**	32.3

A Balanced Portfolio

Operations

<u>Global Footprint</u>
North America
Europe
Asia Pacific
Middle East

<u>Strong Asset Base</u>
Modern fleet of equipment, flexible to manufacture across product lines

Strategic investments to address capacity constraints

Markets & Products

<u>All Phases Of The Well Life Cycle</u>
Construction
Completion
Intervention

<u>All Environments</u>
Onshore
Offshore, including Deepwater

<u>All Applications</u>
Conventional
Unconventional

Continuing product innovation

Core Values

Customer focused

Culture of Quality

Social and Environmental Responsibility

Management longevity

Financial Discipline

Operational Overview

- North America
  - All US segments profitable
  - AMG group recovery in 2018
  - Record year for Hunting Titan
  - Connection technology sales growth in the US Shale markets
  - Improving sales in a challenging Canadian market

- International
  - Asia and Middle East - OCTG markets promising
  - Europe - focus on OCTG, Well Intervention and TEK-HUB development
  - MENA reorganisation

US Manufacturing	AMG	Hunting Titan
• Return to profitability in 2018	• Electronics 130% increase in production • Dearborn almost $52m backlog	• Produced 89% more perforating guns in 2018 v 2017

Asia Pacific	Well Intervention	MENA
• Increase in offshore activities OCTG and AMG	• Shifting approach to market share gains	• Slimming down Middle East footprint to return to profit

US Manufacturing

Return to Profitability

- The US Manufacturing Division, accounting for almost 40% of Hunting's footprint, manufactures proprietary products, customer specified products and is an internal supplier to other Hunting segments
- When the Gulf of Mexico was running more than forty rigs, the US Manufacturing division had a robust order book underpinned by strong offshore activity
- In 2018, US Manufacturing generated a profit with less than twenty rigs running in the Gulf of Mexico by evolving and diversifying

Pre 2014 Focus:

Offshore OCTG Threading

OEM Manufacturing Mainly Offshore

Adapting to the Reality of the US Market

- Retained Core Offshore Capabilities
- Threading New Shale Connection at Ameriport and Ramsey
- Supporting US Onshore Completion and Hunting Titan Brand
- More Pressure Control Equipment
- Customer Partnering To Provide Value beyond Manufacturing
- Emphasis on Developing and Manufacturing Proprietary Products

Source: Spears

US - Advanced Manufacturing Group (AMG)

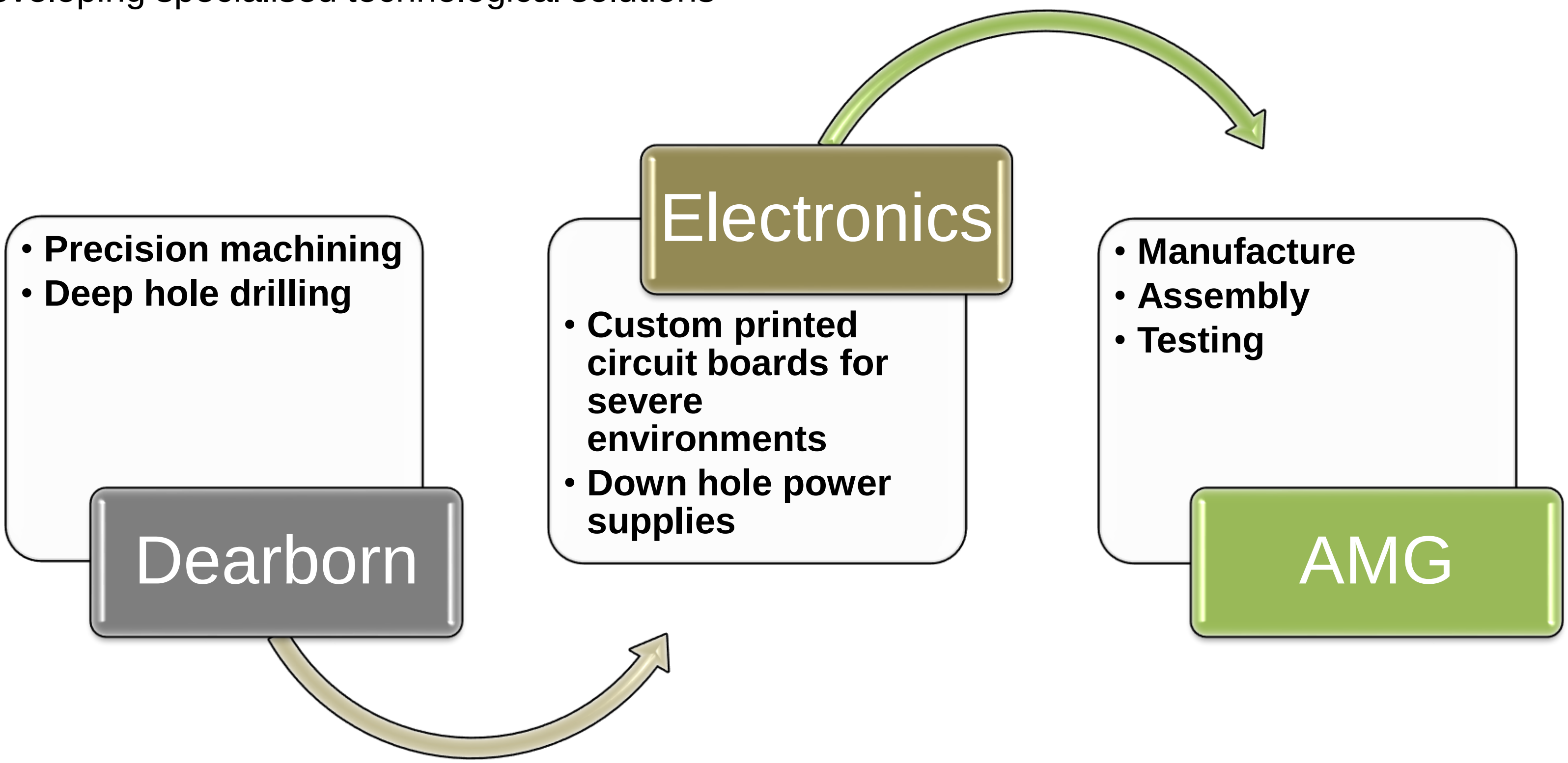
Capturing Opportunities

- Hunting's AMG segment, which includes the Electronics and Dearborn businesses, was hard hit in the downturn as customers reduced or delayed orders for components or complex expensive tools
- Managing through the cycle, Electronics and Dearborn diversified to other sectors
- Electronics
  - Improved capacity absorption with increased Hunting Titan switch manufacturing
  - With increased production scale and a competitive cost structure, we have capitalised on external opportunities both in and outside of the oil and gas industry
- Dearborn
  - In addition to its core oil and gas business, Dearborn applied unique expertise to other sectors including defense, aviation and space applications
  - Outside of Hunting Titan, the AMG segment is a significant profit contributor and has positive prospects for 2019
  - A consistent order stream has enabled Dearborn to build a backlog of almost $53m during 2018

US – AMG

Technology Shift and Integration

- While Dearborn and Electronics have stabilised, revenue opportunities continue to increase as well technology evolves
- As customers face increasingly difficult wellbore challenges, we continue to focus on innovation, developing specialised technological solutions



US Onshore
OCTG – TEC-LOCK™

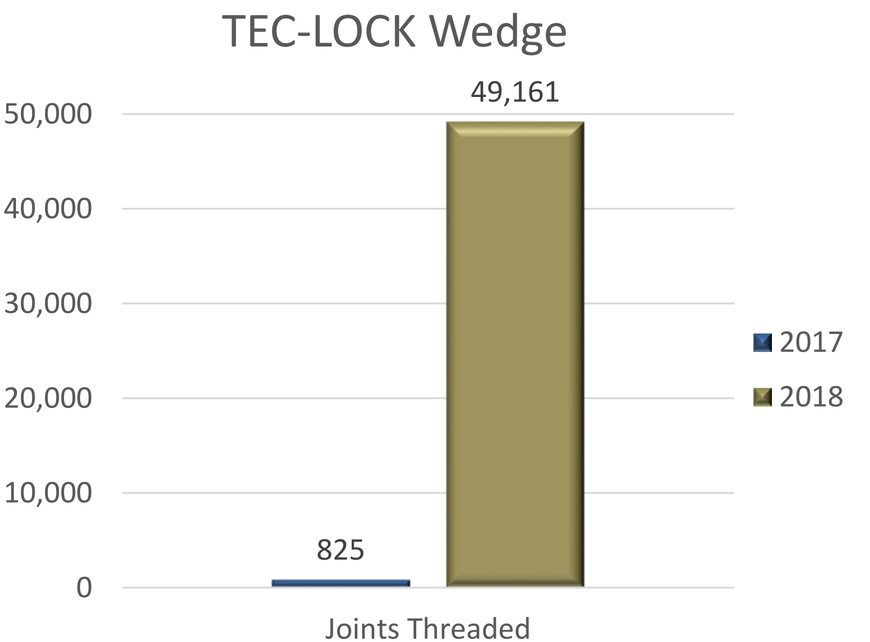
- Longer laterals require connection technology that can withstand extreme loads of compression and torque, while having a slim design to reduce drag when pushing the string out for extended reach
- Hunting's TEC LOCK™ connection achieves this at an economic price point
  - The TEC-LOCK™ Wedge connection is very robust. During a torque test in our lab, on 5 ½" casing the connection remained intact while the pipe body crushed at 46,500 pounds of torque
  - In the first year of production the connection exceeded our market projections, with over 2 million feet of OCTG with TEC-LOCK™ connections for US shale

TEC-LOCK BTC

Above API grade connection with semi premium performance

TEC-LOCK Wedge

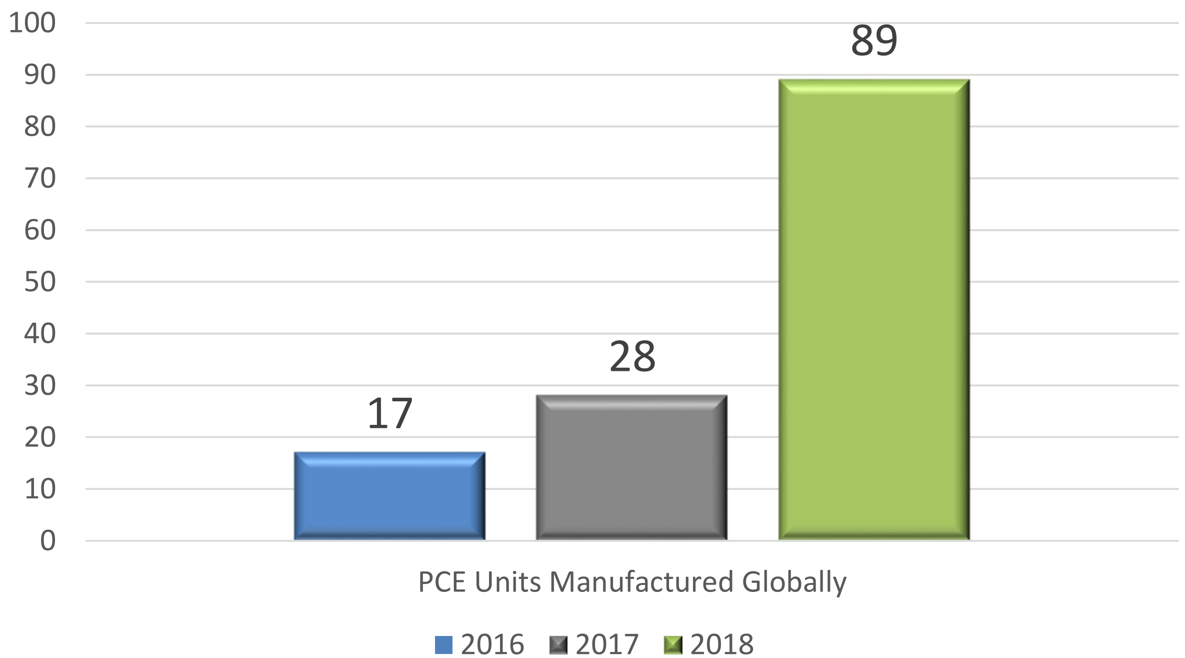
Semi-Premium Connection with high performance at an economic price point



US Onshore

Intervention Tools

- Once in production, wells require periodic maintenance
- Hunting has used the increasing number of completed wells as an opportunity to capture additional revenue streams by increasing our Pressure Control Equipment (PCE) production
- Utilising our distribution network and global footprint, we are able to supply PCE and associated Slickline and Wireline tools to customers on demand



Offshore Markets

- Global deepwater oil production is forecast to increase by 700,000 bpd in 2019 to a record high of 10.3m bpd
- Deepwater capex is expected to rise from $50bn today to $60bn by 2022
- Adjusting to the lower price environment, the focus has turned to projects that are profitable with oil below $60 dollars a barrel
- For Hunting, revenue opportunities from sources that were dormant during the downturn including the Shelf of the Gulf of Mexico and the North Sea are returning, driven by smaller independents
- Our US Manufacturing operations supporting the Gulf of Mexico have received orders for completion equipment and Premium Connection threading for both Shelf and Deepwater applications

- The Subsea Segment has completed research and development for the high pressure, high temperature (HPHT) Gas Service Metal Seal Hydraulic Coupling

Source: Oilprice

International Market

- We continue to adjust and adapt to the market
  - MENA reorganisation:
    - Moving OCTG sales under Asia Pacific umbrella, Well Intervention businesses under European Operations and Saudi Arabian Joint Venture focused on “in country” OSC opportunities
  - Asia Pacific and European businesses developing strategies to compete in growing markets such as India and Norway
- Leverage the global sales channels to capitalise on our specialised capabilities
  - Dearborn realising increased sales from Asia Pacific markets through inter-divisional collaboration
  - Subsea booking 2019 business for Gorgon, ONGC and Lingshui
- Continue to grow the Hunting Titan business internationally
  - Sale of Magnetic Orienting tools in Argentina
  - FlexPerf system sold to operators in Norway

Hunting Titan
New Products

HYPERfecta
- High Temperature charge used in high temperature completion environments
  - Next generation of Perfecta charge
  - Using HSX explosive technologies for use in ultra-high temperatures

Power Charges
- Explosive device that activates a frac plug for isolating zones during the perforating process
  - #10 Power charge released to market
  - #20 Power charge released to market

T-set ONE Setting Tool
- Tool used in setting bridge plugs, packers and cement retainers on wireline and TCP
  - Improves safety
  - Improves redress time

H-2 Perforating Charges
- New technology employing a charge puck concept to provide a compact array of charges
- Using cluster methodologies allowing for 3 charges in the same plane

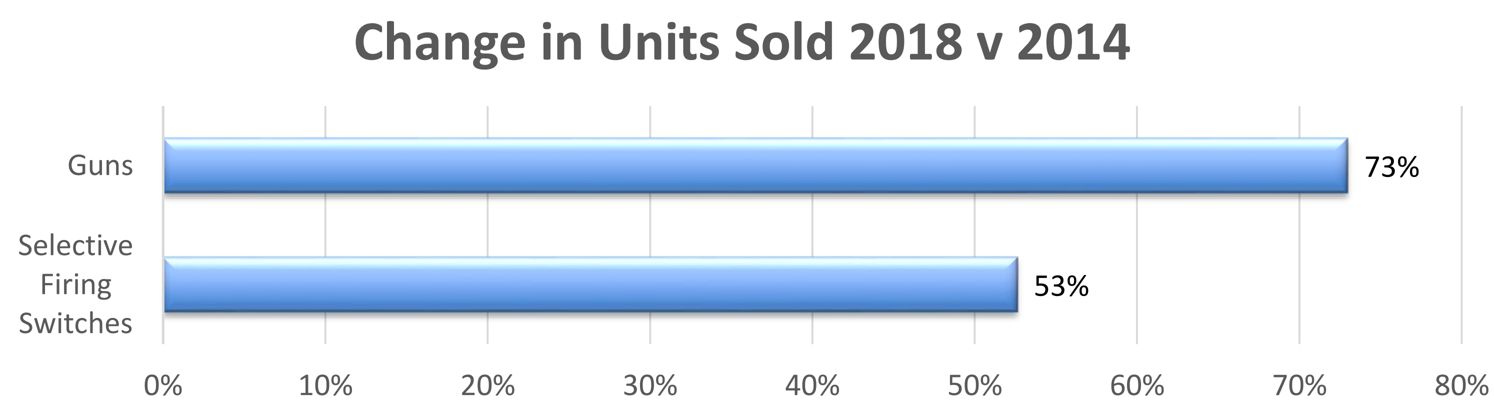
H-2 Perforating System
- Shorter gun allowing for perforation shots to be clustered in a single plane, delivering a greater perforation force

The H-2 Perforating system and charges are the subject of patents pending

Hunting Titan

Well Completions – Guns and Instrumentation

- 2018 was a record year for Titan, leveraging our global footprint, strong distribution channels and continued development of new products
- We internally produce guns using our Titan and US Manufacturing capacity and our global facilities in Canada, China and Mexico
- Demand continues to grow. Despite a lower rig count, the volume of guns and selective firing switches sold have increased by over 70% and 50% respectively between 2014 and 2018 as a result of greater well intensity



Source: Spears

Hunting Titan

Product Volume Drivers

HUNTING

Well Completion Activity

- Titan revenue is directly correlated with the number of US wells completed

Service Intensity

- More Stages = more components, means more revenue opportunity
- Technology advancements continue to increase the stage per well count

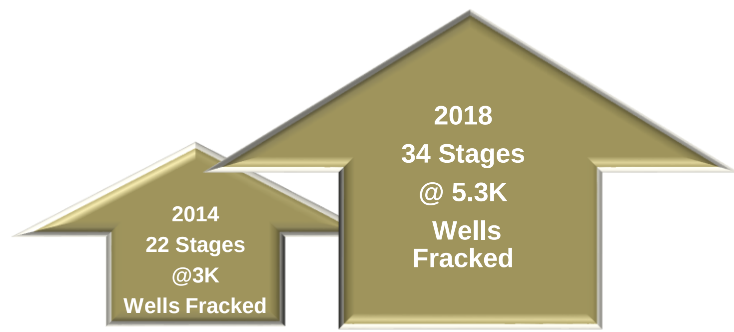
Technology Shaping the Market

- Addressable switch technology (ControlFire®)
- Consistent hole perforation (EquaFrac®)
- Continued development of technology (H-1, H-2)

2018: 23% increase in Well Completions over 2017

2019: Projections are the same number of Well Completions as 2018

The Permian basin today pulls <u>3 times</u> the number of overall perforating components down-hole as compared to 2014 as a result of a greater number of stages



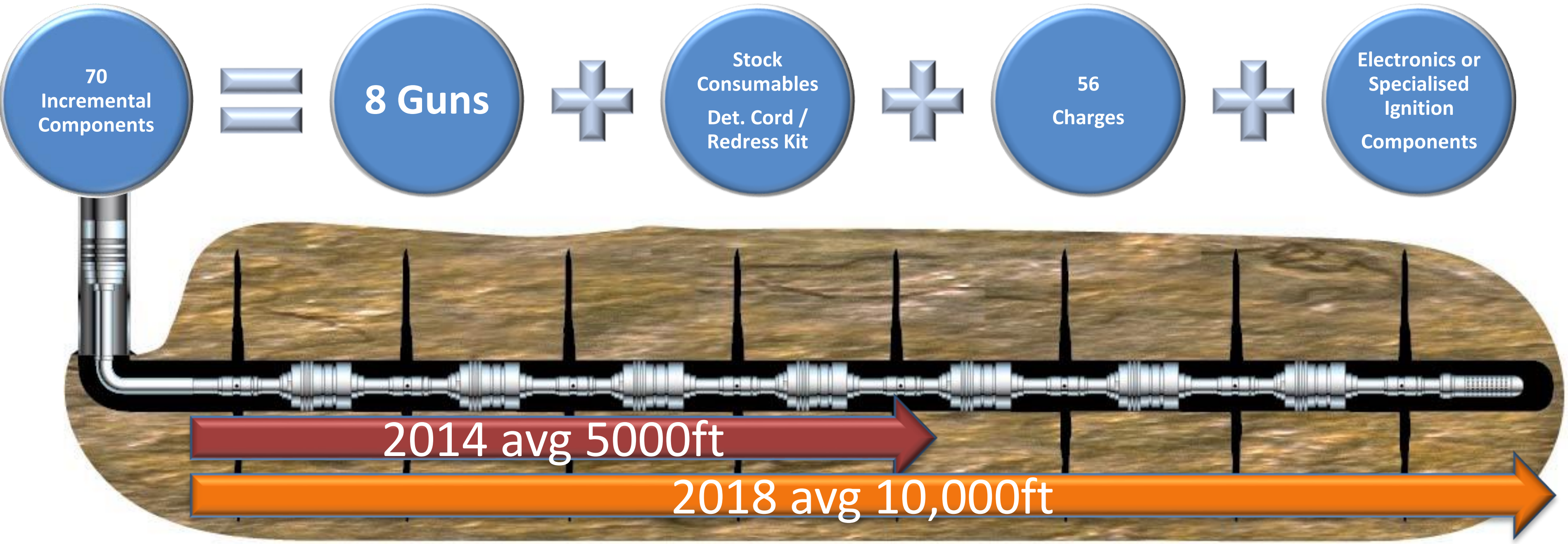
Technology helps the industry lower cost and increase hydrocarbon recovery

Source: Barclays, Rystad

Hunting Titan

Service Intensity – The Consumption Multiplier

- Based on a typical configuration today, for each stage added to a well, over 70 individual pieces of kit are required
- Each of these components incorporate varying levels of technology and specialisation
- For the industry, the cost of a component is weighed against performance, reliability and safety advantages to determine value
- Based on our industry knowledge, we continue to develop competitively priced technology required by our customers

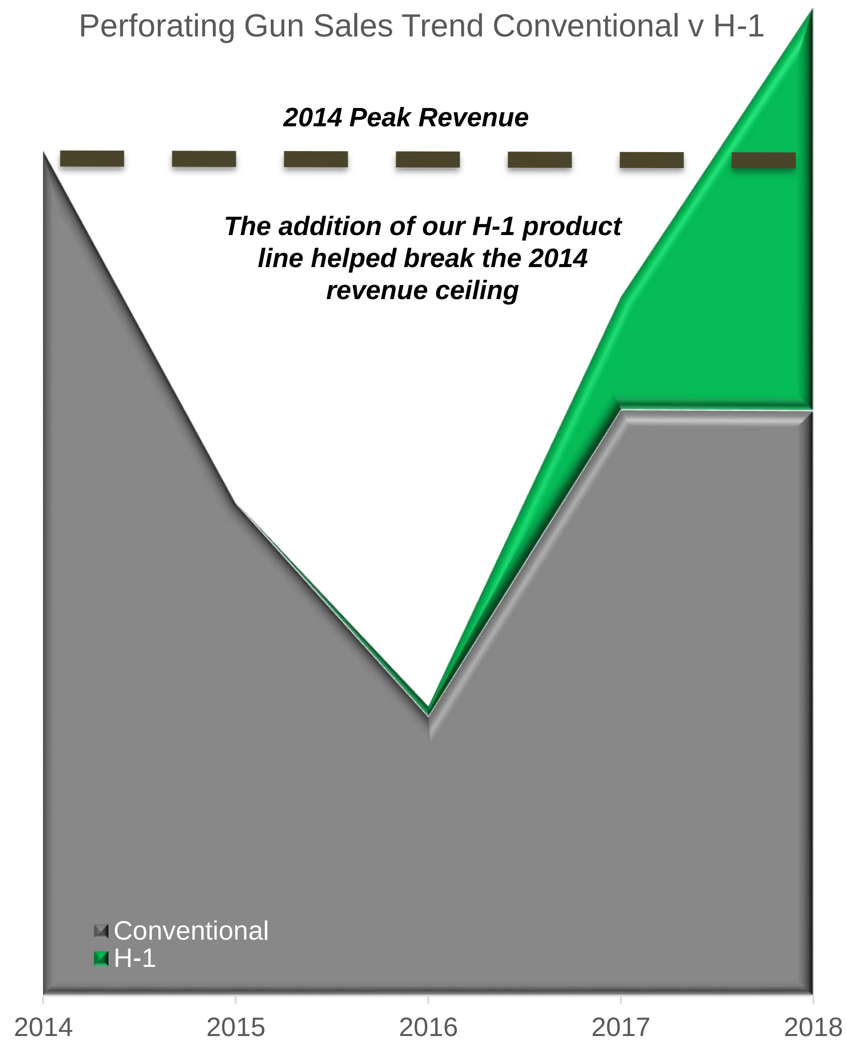


Source: E&P Magazine

Hunting Titan H-1

Gun Market Update

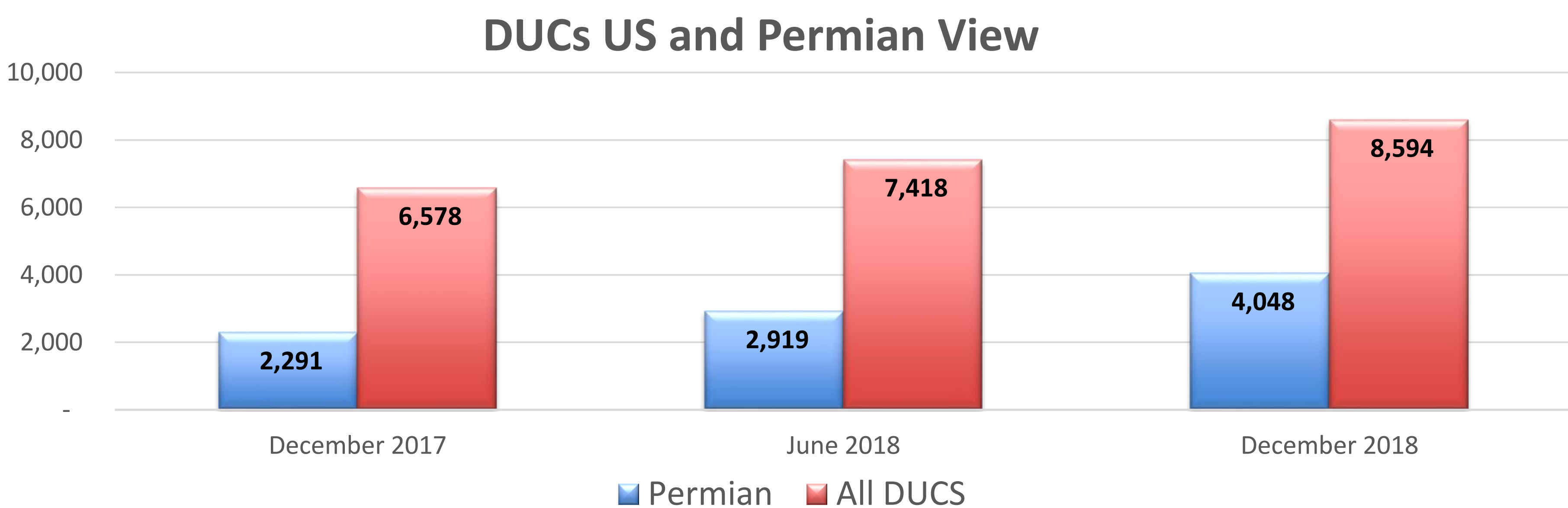
- In 2018, the H-1 System helped push Titan beyond 2014 revenue levels for gun sales with one out of four guns sold being an H-1 System
- In 2019, we expect the ratio to improve to one out of every three guns being an H-1 System
- Technology Drives Growth
  - Customer Requirements
    - More Reliability
    - Improved Safety
    - Improved loading speed
    - Overall reduction in costs
- H-1 Delivers
  - Near 100% tested reliability
  - Modular design and radio frequency safe
  - Four times faster loading than conventional guns
  - Combination of reliability, safety and less manpower required lowers overall cost
- Platform for growth
  - H-2 System launch in 2019 continues to evolve the concept



Hunting Titan

US Onshore – Well Completion

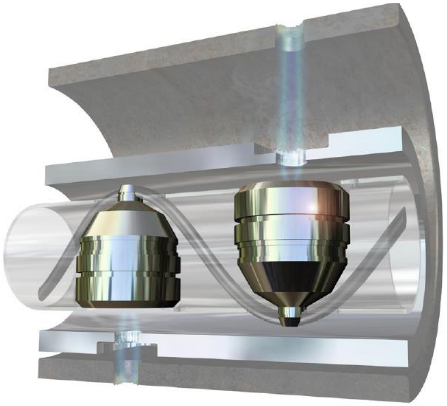
- The drilled but uncompleted (DUC) well count in the US grew by 31% during 2018 underpinned by a 77% DUC increase in the Permian basin
- Factors contributing to the Permian DUC increase include lack of pipeline capacity, oil price volatility and associated budgetary constraints
- Additionally, greater intensity and increasingly complex completion configurations have increased the time frame between drilling and production from about three months to five months since 2017
- For Hunting, the DUCs represent a backlog due to our exposure to US unconventional completion market



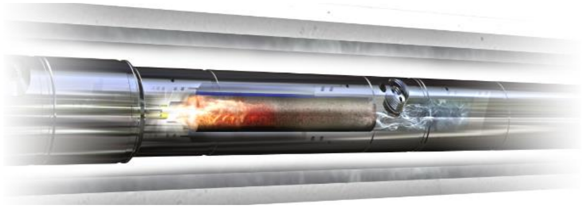
Source: EIA, E&P Magazine, Pioneer Natural Resources

Hunting Titan

Capital Investment Update

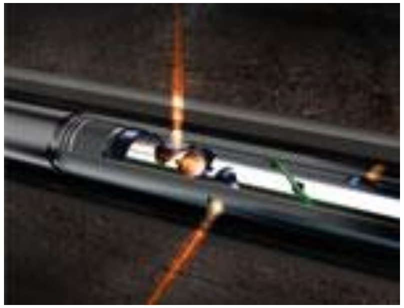


- Shaped Charge Production - Milford, Texas Adds Over 30% Capacity
  - $11.9m investment started in 2018, expected completion by end of May 2019
  - Market trend that charge consumption per well is up over 90% in the last four years
  - This investment puts us in the optimal position to not only increase capacity, but also lower the cost of production with more efficient automated equipment and process flow



- Power Charge Product Line - Milford, Texas
  - Titan completed the $2.9m investment for the manufacture of our newly created PowerSet product line that will be launched in Q1 2019
  - Successful execution of our strategy to develop leading intellectual property coupled with high speed automated production

- Perforating Gun Production Capacity Expansions - Pampa, Texas
  - Completion of the $3.6m expansion by March 2019
  - Demand for the H-1 Perforating System has matched machining capacity
  - Compared to a conventional gun, the H-1 machining operations are more complex as a result of the modular design
  - The investment in capacity relieves the machining constraint for the H-1 system, increases levels of automation on all gun production lines and reduces costs



M&A Market Opportunities

- Pursuing a strategy to acquire bolt on businesses or purchase intellectual property to complement our product lines
- Seeing more private equity and value escalation
  - Private equity injected significant capital into the oilfield service space during the downturn
  - Private equity exit expectations exceed perceived market value
  - This factor is evident in valuations, with many of the deals we review having multiples far exceeding industry norms
- Valuations tilted to forward projections versus actual results
  - EBITDA growth projections may be unrealistic
  - Valuations based on these forward projections
- Valuations are expected to normalise in the near term as the valuation emphasis will shift from projections back to actual results
- In the interim, our goal is to acquire businesses at realistic valuations. As an experienced buyer, the valuation has to be reasonable and generate positive returns for our shareholders

Summary of Investment Case

- Robust financial footing
- Broad technology based product portfolio focused on the oil and gas industry
- Modern, well-equipped and geographically well-positioned facilities within global energy markets
- Financial strength for bolt on technology-focused acquisitions
- Experienced and focused management team to take the Group forward
- Excellent HS&E standards maintained
- Established reputation for quality branded products and services

Appendix

Estimated Pre-Tax Pro-Forma[1] Adoption of IFRS 16 Lease Accounting

Group Income Statement – Year Ended 31 December 2018[2]

	Reported	Reverse operating lease charge	Deduct depreciation and finance charge	Pro-forma restated
	$m	$m	$m	$m
Revenue	**911.4**	**-**	-	911.4
Gross profit	**275.1**	**4.5**	(4.3)	275.3
Operating income / expenses	**(170.4)**	**4.6**	(3.9)	(169.7)
Profit from operations	**104.7**	**9.1**	(8.2)	105.6
Net finance charge	**(0.7)**	**-**	(2.3)	(3.0)
Profit before taxation	**104.0**	**9.1**	(10.5)	102.6
Taxation[3]	**(22.0)**	**-**	-	(22.0)
Non controlling interests	**2.8**	**(0.7)**	0.7	2.8
Profit attributable to parent	**84.8**	**8.4**	(9.8)	83.4
EBITDA	**142.3**	**9.1**	-	151.4
Basic EPS – cents	**51.6**			50.8
Diluted EPS – cents	**49.6**			48.9

[1] Utilises modified 2A approach and assumes transition occurs on 1.1.2018 for the purposes of restating 2018 from IAS 17 to IFRS 16
[2] Results are before amortisation of intangible assets acquired in business combinations and exceptional items
[3] Tax effects have not been calculated as the tax rules in certain jurisdictions are still being finalised

Estimated Pre-Tax[1] Pro-Forma Adoption of IFRS 16 Lease Accounting

Group Balance Sheet – As at 31 December 2018

	Reported as at 31.12.18 under IFRS 17	Right of use assets	Lease liabilities and Provision released	Reported as at 31.12.18 under IFRS 16
	$m	$m	$m	$m
Property, plant and equipment	360.2	-	-	360.2
Right of use assets	-	40.4	-	40.4
Goodwill and intangible assets	329.7	-	-	329.7
Working capital	436.5	-	-	436.5
Taxation[2] – not adjusted	13.7	-	-	13.7
Other net liabilities[3]	(10.3)	-	4.2	(6.1)
Capital employed	1,129.8	40.4	4.2	1,174.4
Net cash (debt)	61.3	-	(49.1)	12.2
Net Assets	1,191.1	40.4	(44.9)	1,186.6

[1] Utilises modified 2A approach and assumes transition occurs on 1.1.2018 for the purposes of restating 2018 from IAS 17 to IFRS 16
[2] Tax effects have NOT been calculated as the tax rules in certain jurisdictions are still being finalised
[3] Includes minor changes expected due to changes on onerous lease and restoration liability changes

Adoption of IFRS 16 – Key Points

1) Formal adoption is from 1 January 2019
2) Modified retrospective adoption with no restatement of prior years
3) Approximately 100 leased assets being capitalised as "Right-of-use Assets" – mainly leasehold properties
4) Bank covenants measured against pre IFRS 16 financials
5) Pro-forma figures shown are before any potential impact from taxation as guidelines are awaited from tax authorities within the jurisdictions we operate, on whether they propose tax law changes following the introduction of IFRS 16