

**For Immediate Release****4 March 2021****Hunting PLC**

("Hunting" or "the Company" or "the Group")

**Results for the year ended 31 December 2020**

Hunting PLC (LSE:HTG), the international energy services group, today announces its results for the year ended 31 December 2020.

Performance in the year was adversely impacted by the reduction in activity in the global oil and gas market. The Group's strong year-end cash and bank, coupled with improving market indicators, position the Group well for the year ahead and support the final dividend proposed by the Board. Hunting's resilience through the past 12 months demonstrates its ability to respond decisively despite challenging market conditions, while also executing key strategic initiatives that will deliver future growth.

**Financial Summary\***

- Revenue \$626.0m (2019 - \$960.0m)
- EBITDA \$26.1m (2019 - \$139.7m)
- Underlying loss from operations of \$16.4m (2019 - \$94.3m profit)
- Amortisation of acquired intangible assets and exceptional items totalling \$203.6m charged in the year (2019 - \$47.5m)
- Reported loss from operations of \$220.0m (2019 - \$46.8m profit)
- Underlying diluted loss per share 10.0 cents (2019 - 43.9 cents earnings per share)
- Reported diluted loss per share 143.2 cents (2019 - 23.5 cents earnings per share)
- Net assets of \$976.6m (31 December 2019 - \$1,223.8m)
- Total cash and bank of \$101.7m (31 December 2019 - \$127.0m)
- Final dividend of 4.0 cents per share proposed (2019 - nil) and payable on 14 May 2021 to shareholders on the register on 23 April 2021, subject to approval at the Company's AGM

*\*Underlying results are based on reported results before amortisation of intangible assets recognised as part of a business combination and exceptional items. Reported results are based on the statutory results as reported under International Financial Reporting Standards as adopted by the EU.*

**Operational and Corporate Highlights****\$32.8m acquisition of Enpro Subsea Limited ("Enpro") completed in February 2020.**

- Enpro is a leader in subsea production technology, offering low cost, flexible field development solutions including well production and intervention modules to enhance recovery from oil and gas wells. Enpro is now integrated into the Subsea business division.
- Revenue from Subsea products increased 57% to \$69.8m (2019 - \$44.5m), largely as a result of our Enpro and RTI acquisitions.

**Divestment of US Drilling Tools business completed in December 2020.**

- Hunting transferred key operating assets to Rival Downhole Tools LC, in exchange for a 23.5% equity position within the expanded Rival business.

**New business model in Canada implemented in August 2020.**

- Hunting has closed its manufacturing operation in Calgary, Alberta, and opened a sales office to pursue new business opportunities. Future customer OCTG requirements are to be completed by in-country licensees.
- A field service centre has been retained in Nisku, with Hunting Titan continuing to operate its network of distribution centres across Western Canada.

**Investment in Well Data Labs, a well analytics company, completed in February 2021.**

- Hunting has provided \$2.5m in convertible capital financing to support Well Data's growth ambitions.
- Key investment in the high growth data analytics sub-sector of the drilling market.

**New products launched in the year to broaden customer offering.**

- Completion of detonating cord manufacturing line at Milford, Texas, to increase Hunting Titan's product offering. The new line has an annual production capacity of c.3.0 million feet.
- New V3.0 ControlFire® switch launched to enable higher level of in-field reliability.

- Additional variants of the E-SUB™, H-1® and H-2™ Perforating Systems launched in the year.
- Rental offering launched for T-Set™ One setting tool.

**Non-oil and gas revenue more resilient in the year with good progress in this area within the Advanced Manufacturing group.**

- Medical and aviation certifications secured at Hunting Electronics to support diversification.
- Hunting Dearborn reports increase in non-oil and gas order book, including aviation and space orders.
- UK business secured new geothermal project win.
- Oil and gas revenue declined 36% to \$586.2m (2019 - \$918.7m).
- Non-oil and gas revenue has been more resilient at \$39.8m (2019 - \$41.3m), increasing to 6% of revenue (2019 - 4%).

**Significant restructuring across the Group to align with the prevailing market and to reduce cost base.**

- Five operating sites and three distribution centres closed or mothballed during the year.
- 35% of workforce released as market conditions declined.

**Board changes.**

- Bruce Ferguson appointed Finance Director in April 2020, following shareholder approval at the AGM.

Commenting on the results Jim Johnson, Chief Executive, said:

*"The early weeks of 2021 have seen a steady increase in a number of key market indicators, including a rising WTI oil price and improving rig count. This positive sentiment, if sustained, bodes well for the global energy industry for the coming months as operators seek stability across the sector to enable them to confirm new drilling programmes and capital investment. Supporting this sentiment is the availability of COVID-19 vaccines and the rollout of immunisation programmes across the World.*

*"Within the US market, our Hunting Titan segment has seen a steadily improving revenue profile in recent months as onshore activity levels have increased. The business has reopened a distribution centre to meet this demand and has made selective additions to headcount. Hunting Titan's technology offering continues to be industry-leading, which will support new sales opportunities both in the US and internationally as onshore drilling programmes recommence.*

*"The Group's US operating segment, which provides equipment to both onshore and offshore projects, anticipates accelerating activity in H2 2021, following the slowing of offshore projects in the second half of 2020.*

*"In Canada, our new business model is seeing good customer acceptance as we work with our new licence partners. Hunting's European operations report optimism for the year ahead as deferred drilling programmes recommence. In the UK, a number of clients have already indicated that drilling will take place in 2021, while in the Netherlands international orders received since the start of the year will ensure our OCTG facility will remain busy for the short-term.*

*"In the Middle East and Asia Pacific, new opportunities are emerging following the increase in the oil price and the beginning of vaccination programmes, with growth now projected from the middle of the year.*

*"The Group has made strong inroads into new sectors in the year. Our presence in the medical devices, aviation and space sectors has increased and our various operating segments have all progressed initiatives that utilise our core competencies, as well as diversify our revenue streams.*

*"The Board of Hunting believes that the Group has been decisive in its actions during 2020 to manage the market downturn. The Group enters 2021 a leaner organisation, with its global capabilities intact and poised to capitalise on any new opportunities presented."*

**Group Results Narrative**

For access to narrative on the Group's results (incorporating the Chairman's and Chief Executive's Statements, Outlook, Market Analysis, Group Review and Segmental Review) for the year ended 31 December 2020 please click on the following link.

[http://www.rns-pdf.londonstockexchange.com/rns/0954R\\_1-2021-3-3.pdf](http://www.rns-pdf.londonstockexchange.com/rns/0954R_1-2021-3-3.pdf)

**Financial Statements and Notes to the Accounts**

For access to the Financial Statements and Notes to the Accounts for the year ended 31 December 2020 please click on the following link.

[http://www.rns-pdf.londonstockexchange.com/rns/0954R\\_2-2021-3-3.pdf](http://www.rns-pdf.londonstockexchange.com/rns/0954R_2-2021-3-3.pdf)

**Listing Rules / Disclosure Guidance and Transparency Rules Information**

For access to Hunting's Business Model and Strategy, Risk Management (including Principal Risks) and Key Performance Indicators information and the Statement of the Directors' Responsibilities for the year ended 31 December 2020 please click on the following link.

[http://www.rns-pdf.londonstockexchange.com/rns/0954R\\_3-2021-3-3.pdf](http://www.rns-pdf.londonstockexchange.com/rns/0954R_3-2021-3-3.pdf)

Page number references refer to the full Annual Report when available.

*The linked documents provide access to all major financial and operational disclosures contained in the Group's 2020 Annual Report and Accounts. The complete 2020 Annual Report and Accounts will be published on 18 March 2021 and can then be accessed at [www.huntingplc.com](http://www.huntingplc.com).*

The financial information set out in the above links does not constitute the Company's statutory accounts for the years ended 31 December

2020 or 31 December 2019, but is extracted from those accounts. Statutory accounts for 2019 have been delivered to the Registrar of Companies and those for 2020 will be delivered in due course. The auditor has reported on those accounts; their reports were unqualified, did not draw attention to any matter by way of emphasis without qualifying their report and did not contain statements under s498(2) or (3) of the Companies Act 2006. Whilst the financial information included in this preliminary announcement has been computed in accordance with International Financial Reporting Standards, this announcement does not itself contain sufficient information to comply with IFRS.

#### **Analyst Briefing and Webcast**

Hunting PLC will host an analyst webcast on Thursday 4 March 2021 commencing at 1:00p.m. GMT.

The live webcast can be accessed via the following link:

<https://webcasting.buchanan.uk.com/broadcast/600fdb93c4904929abd81ff1>

Analysts wishing to participate in a Q&A session following the webcast must contact Buchanan at [hunting@buchanan.uk.com](mailto:hunting@buchanan.uk.com) to receive the dial-in details.

For further information please contact:

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Notes to Editors:

About Hunting PLC

Hunting PLC is an international energy services provider to the world's leading upstream oil and gas companies. Established in 1874, it is a premium listed public company traded on the London Stock Exchange. The Company maintains a corporate office in Houston and is headquartered in London. As well as the United Kingdom, the Company has operations in China, Indonesia, Mexico, Netherlands, Norway, Saudi Arabia, Singapore, United Arab Emirates and the United States of America.

The Group reports its 2020 Full Year Results in US dollars across five segments: Hunting Titan, US, Canada, Europe, Middle East and Africa ("EMEA") and Asia Pacific. From 1 January 2021, a sales and administration function will remain in Calgary to support the Group's presence in Canada and the results under the new business model will be reported in the US segment.

Hunting PLC's Legal Entity Identifier is 2138008S5FL78ITZRN66.

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