



Hunting PLC

(“Hunting” or “the Company” or “the Group”)

Results for the year ended 31 December 2021

Hunting PLC (LSE:HTG), the international energy services group, today announces its results for the year ended 31 December 2021.

Whilst the reduction in activity in the global oil and gas market from 2020 continued into last year, the second half of the year saw improved trading, supported by recovering commodity prices.

The Group’s strong year-end cash and bank position, coupled with its new \$150m Asset Based Lending facility provides significant liquidity and balance sheet optionality. This includes the ability to pursue new growth and diversification opportunities.

Financial Summary*

- Revenue \$521.6m (2020 – \$626.0m)
- EBITDA \$3.1m (2020 – \$26.1m)**
- Underlying loss from operations of \$35.1m (2020 – \$16.4m)**
- Amortisation of acquired intangible assets and exceptional items impacting loss from operations totalling \$44.6m charged in the year (2020 – \$203.6m)
- Reported loss from operations of \$79.7m (2020 – \$220.0m)
- Underlying diluted loss per share 27.1 cents (2020 – 10.0 cents)**
- Reported diluted loss per share 53.2 cents (2020 – 143.2 cents)
- Net assets of \$871.3m (31 December 2020 – \$976.6m)
- Total cash and bank of \$114.2m (31 December 2020 – \$101.7m)**
- Final dividend of 4.0 cents per share proposed (2020 – 4.0 cents) and payable on 13 May 2022 to shareholders on the register on 22 April 2022, 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 UK.*

***Non-GAAP measure. Please see the 2021 Annual Report and Accounts pages 216 to 221.*

Operational and Corporate Highlights

Completion of a restructuring of European OCTG businesses, to prepare for the return to growth in the North Sea.

- Sale of \$31.5m of inventory to Marubeni-Itochu (“MI”), as part of restructuring agreement, following an impairment charge of \$5.2m.
- Hunting acquires MI’s 40% interest in the residual accessories manufacturing business for \$3.8m and secures exclusive three-year threading services deal.
- Impairment of the Fordoun property by \$8.6m and a provision of \$0.9m recognised following the transaction.

\$5.1m equity investment in Cumberland Additive Inc.

- Transaction gives Hunting access to new additive manufacturing and 3D printing technology.
- Provides the Group with further non-oil and gas and traditional energy opportunities.

Joint venture agreement signed with Jindal SAW Limited to access high growth Indian OCTG market.

- Hunting to enter a 49:51 joint venture company and will build a premium threading manufacturing facility in Nashik district, India during 2022.

\$2.5m convertible financing provided to Well Data Labs (“WDL”).

- The agreement gives Hunting access to software and analytics capabilities.
- Hunting Titan collaborating with WDL on new products for US onshore completions market.

Continued progress on building non-oil and gas capabilities.

- The Group has pursued new sales opportunities in the year, with the development of defence, space and medical revenue streams.

Subsea Spring business expanding rapidly, with good demand for titanium and steel stress joints.

- Significant order wins in the Gulf of Mexico and internationally reported in December 2021 and January 2022.

Board Changes.

- As announced on 11 February 2022, Richard Hunting will retire from the Group after nearly 50 years of service on 20 April 2022.
- The Group also announces the proposed appointment of Paula Harris as a new independent, non-executive Director. The appointment is being submitted to shareholders for approval at the Company's 2022 Annual General Meeting.

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

“Hunting’s trading outlook continues to brighten as the world steadily escapes the negative economic impact of COVID-19.

“Years of under investment in the energy sector have narrowed the gap between supply and demand fundamentally providing the basis for an increase in oilfield service activity due to enhanced profitability for our E&P clients.

“For the Company, every business unit and region is witnessing increased demand for its products as evidenced by rising backlogs which have notably expanded since the start of the year given a new budget cycle.

“While COVID-19-related operational issues continue to persist into Q1 2022, albeit less as the days go on, the Company is well-positioned for a much-improved 2022 given our robust portfolio of technology-enhanced products coupled with the benefit of strategic moves undertaken in the past year”.

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 2021 please click on the following link.

[\[INSERT PDF 1\]](#)

Financial Statements and Notes to the Accounts

For access to the Financial Statements and Notes to the Accounts for the year ended 31 December 2021 please click on the following link.

[\[INSERT PDF 2\]](#)

Listing Rules / Disclosure Guidance and Transparency Rules Information

For access to Hunting's Business Model and Strategy, Risk Management (including Principal Risks), Approach to Sustainability, Key Performance Indicators and the Statement of the Directors' Responsibilities for the year ended 31 December 2021, please click on the following link.

[\[INSERT PDF 3\]](#)

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 2021 Annual Report and Accounts. The complete 2021 Annual Report and Accounts will be published on 17 March 2022 and can then be accessed at 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 2021 or 31 December 2020, but is extracted from those accounts. Statutory accounts for 2020 have been delivered to the Registrar of Companies and those for 2021 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 briefing and webcast at its registered office on Thursday 3 March 2022 commencing at 9:30a.m. GMT.

The live webcast can be accessed via the following link:

<https://webcasting.buchanan.uk.com/broadcast/61f2d0e712956e448c99515c>

Analysts wishing to participate in a Q&A session can do so by submitting questions via the chat function of the webcast and these will be addressed by management during the live webcast. If you have any queries relating to this then please email hunting@buchanan.uk.com.

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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 principal operations in Canada, China, Indonesia, Mexico, Netherlands, Singapore, United Arab Emirates and the United States of America.

The Group reports across four segments: Hunting Titan, North America, Europe, Middle East and Africa ("EMEA") and Asia Pacific.

Hunting PLC's Legal Entity Identifier is 2138008S5FL78ITZRN66.