

For Immediate Release

17 April 2024



**Hunting PLC**

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

**AGM and Q1 2024 Trading Update  
and  
Directorate Change**

Hunting PLC (LSE:HTG), the global engineering group, issues the following Trading Update for Q1 2024, ahead of its Annual General Meeting that will take place today at 10:30a.m. BST in London.

**Highlights**

- Positive start to the year, with EBITDA of c.\$28.9 million during Q1 2024 (Q1 2023 - c.\$22.4 million), marginally ahead of management's expectations.
- Sales order book remains healthy at c.\$544.0 million (Q1 2023 - c.\$492.9 million), with tender pipeline for new OCTG orders remaining buoyant.
- OCTG and Subsea product groups reporting a good first quarter, ahead of management's expectations, as offshore and international activity continues to be strong.
- Advanced Manufacturing business also reporting a positive quarter, with a good mix of energy and non-oil and gas sales.
- Perforating Systems has reported a slower first quarter, as US onshore markets remain soft; however, the outlook for H2 remains more positive as international activity is projected to drive new drilling.
- Total cash and bank / (borrowings) of c.\$(33.6) million at quarter-end reflecting new orders, which are driving higher inventory and receivables.
- Full-year guidance remains unchanged with both EBITDA of c.\$125-135 million and EBITDA margin of 12-13% targeted. EBITDA to Free Cash Flow conversion of 50% still anticipated for the full year, driven by increased EBITDA and robust working capital management.

Commenting on Q1 2024 trading and the market outlook, Hunting's Chief Executive, Jim Johnson said:

*"The year has started positively for the Group, with Q1 2024 results marginally ahead of management's expectations, and well ahead of the Q1 2023 result, which demonstrates the continued growth momentum of the Group. Our OCTG, Subsea and Advanced Manufacturing product groups are continuing to see strong momentum as offshore and international activity remains robust. While Perforating Systems has had a slow start to the year, H2 2024 is likely to see stronger activity as increased LNG exports in the US drive natural gas demand."*

*"It is particularly pleasing to see our Q1 2024 EBITDA result surpassing the Q4 2023 result, given the strong result delivered in the prior quarter, with Subsea being our standout performer this quarter."*

*"2024 is likely to be a further year of growth for the industry driven by geopolitical and macro-economic factors. Therefore, management remains confident of delivering its current EBITDA guidance, given the broad-based strength of the global oil and gas sector."*

**Trading Statement**

\$ million	Q1 2024	Q4 2023	Q1 2023
Sales order book	544.0	565.2	492.9
Revenue	244.9	228.1	211.5
EBITDA	28.9	28.2	22.4
EBITDA margin	12%	12%	11%
Working Capital	469.6	415.9	456.5
Total cash and bank / (borrowings)	(33.6)	(0.8)	(59.8)

EBITDA in Q1 2024 was c.\$28.9 million, which compares to c.\$22.4 million in Q1 2023 and \$28.2 million in Q4 2023. EBITDA margin remains in line with management's expectations with full-year guidance remaining between 12-13%, as product mix, some higher product pricing and stronger facility utilisation continue to improve performance.

Driven by the current sales order book, coupled with some forward purchasing of raw materials associated with imminent projects, working capital has increased in the quarter. Management remains confident of delivering a reduction in inventory throughout the balance of the year, which will release cash and, coupled with the improved EBITDA, remains focused on delivering an EBITDA to Free Cash Flow conversion of c.50%. The final dividend recommended for 2023 of 5.0 cents per share is due for payment on 10 May 2024, following shareholder approval on 17 April 2024, which will absorb c.\$7.9 million.

The Group's OCTG product lines have commenced the year strongly, with activity in North and South America and Asia Pacific supported by buoyant levels of offshore and international projects. Tender activity across the Middle East has remained very positive in the period, which supports the projected revenue growth in this product line in the short to medium term. OCTG accessories manufacturing has continued to deliver good results supported by strong activity in South America, specifically in Guyana and Brazil.

Results for the Group's Subsea product lines have been strong during Q1 2024, as orders for titanium and steel stress joints, hydraulic valves and couplings and flow access modules have increased, given the strong offshore drilling environment.

The Group's Advanced Manufacturing product lines continue to report good growth as energy-related and non-oil and gas sales momentum continue to increase.

Hunting's Perforating Systems product lines continue to target increasing international sales as market activity in South America and the Middle East continue to improve. The onshore US market has been less resilient in the period due, in part, to the lower activity and soft pricing for natural gas. However, activity levels are projected to improve in the second half of the year as new LNG capacity comes on stream in the US, which will support higher exports.

In summary, the majority of the Group's product lines have reported a positive start to the year, leading to management retaining its full-year EBITDA guidance of \$125-135 million.

### Directorate Change

As previously announced, Jay Glick, Company Chair, will be retiring as a Director at the conclusion of the AGM with Stuart Brightman succeeding Mr Glick as Hunting PLC's Company Chair.

The Board thanks Jay for his services to the Company since 2015, chairing the Company from 2017 and overseeing the Group through the COVID-19 pandemic and subsequent recovery. Jay has overseen the rollout of the Hunting 2030 Strategy which was launched at the Company's Capital Markets Day in 2023 and which continues to be executed by management.

### Date of H1 2024 Trading Statement

Hunting PLC's next Trading Statement will be announced on Monday 8 July 2024.

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**Notes to Editors:**

About Hunting PLC

Hunting is a global engineering group that provides precision-engineered equipment and premium services, which add value for our customers. 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 in US dollars across five operating segments: Hunting Titan; North America; Subsea Technologies; Europe, Middle East and Africa ("EMEA") and Asia Pacific.

Hunting PLC's Legal Entity Identifier is 2138008S5FL78ITZRN66.

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