Company Chair's Statement

The past year was very successful as the Company achieved a number of strategic goals, which has given an air of optimism for future success. The progress made during 2024 on the path to reach our 2030 targets, outlined in the Capital Markets Day, demonstrates that we remain on track. On behalf of the Directors, I would like to thank the senior leadership team and our wider workforce for the progress made in the year.

Revenue

$1,048.9m

(2023 – $929.1m)

Dividend per share declared

11.5 cents

(2023 – 10.0 cents)

150 years, moving forward

Company Chair's Statement continued

Hunting 150th anniversary
In April 2024, the Company celebrated its 150th anniversary. The special occasion allowed a look back at the remarkable accomplishments in our history as well as providing an air of optimism for the future.

There was participation in the celebrations across all of our regions of operation by so many individuals who are part of the fabric and culture of the Company and who make being part of Hunting very special.

Market environment
During 2024, there were many changes in the geopolitical backdrop facing the Group. These events bring a positive outlook for the future of energy markets from both an energy security and regulatory environment perspective.

Offshore and international markets offer multi-year growth opportunities, with the Company delivering success, particularly in South America, with our Subsea products group, but also in the Middle East with the securing of the major OCTG orders with Kuwait Oil Company ("KOC").

The onshore North American market was more challenging in 2024 as lower natural gas prices curtailed activity. We will aggressively manage the costs within our control in this area of the market, roll out new technology, and drive efficiencies in the year ahead to restore profitability to the Hunting Titan operations.

The political climate in the UK has led to a reduction in drilling over recent years, leading to losses for the EMEA operating segment. This has resulted in a major restructuring, which was announced in January 2025, with the aim of aligning our cost base with the outlook for the region.

Financial performance
Hunting has delivered another year of strong financial results. Revenue grew 13% from $929.1m in 2023 to $1,048.9m in 2024.

The major contributor to this increase was the successful award of the $231m KOC contracts. This award was the result of several years of tender and vendor qualification. The planning and execution of this contract demonstrates the Company's ability to manage large scale projects. During the project, the commercial terms meant that our working capital profile was well managed, which is another achievement in the year, as our strong year-end total cash and bank/(borrowings) result makes clear. Our Subsea product group also delivered on major projects in Guyana, continuing the success with ExxonMobil.

EBITDA grew 23% from $102.4m in 2023 to $126.3m, as a result of the growth in the OCTG and Subsea product groups.

Our adjusted profit before tax was $75.6m compared to $50.0m in 2023. Following the $109.1m impairment within the Hunting Titan operating segment, the loss before tax was $33.5m (2023 – $41.1m profit).

Free cash flow of $139.7m increased by $140.2m from 2023. Major contributors to this strong result included working capital efficiency gains and earnings results.

The refinancing of our committed borrowing facilities, completed in October 2024, also supports the Group's 2030 ambitions. At the year-end, our balance sheet strength gives the Company the ability to further invest in our strategic initiatives.

With the year-end total cash and bank/(borrowings) results noted above of $104.7m at 31 December 2024, we have the firepower to execute growth both organically and through M&A.

The Company is very disciplined in identifying acquisition opportunities that are consistent with the Capital Markets Day commitments, and which meet our financial targets.

Dividend
Based on our success in the year, and in line with our Capital Markets Day commitments, the Directors are declaring a Final Dividend of 6.0 cents per share (2023 – 5.0 cents) which takes our total dividend for the year to 11.5 cents per share (2023 – 10.0 cents) or an increase of 15%. The Final Dividend is subject to approval at the Company's Annual General Meeting on 16 April 2025.

Board succession
Over the past four years, the Board's succession plan has been executed in a manner that aligns our skill sets with future strategy.

In January 2024, Margaret Amos joined the Board. Margaret brings significant aerospace expertise to Hunting, which is an area we seek to grow in the coming years as we continue to diversify our revenue streams.

In April 2024, John ("Jay") Glick stepped down as Company Chair. Jay led the Company through challenging times and set the path for the future strategy. We thank him for his years of service to the Company and wish him well for the future.

In February 2025, we announced the retirement of Annell Bay after ten years' service to the Company.

Annell's accomplishments as Chair of the Remuneration Committee are significant and include the process of developing and gaining shareholder approval for the 2024 Directors' Remuneration Policy.

Both Jay and Annell have been instrumental in assisting me in my transition to Company Chair.

In H2 2024, the Nomination Committee began a process to appoint a new, independent, non-executive Director. On 3 March 2025, we announced the appointment of Catherine ("Cathy") Krajicek. Cathy brings to the Board deep oil and gas industry knowledge and significant international experience to assist in continuing our long-term growth plans in the energy sector. Cathy will automatically retire and offer herself for reappointment by shareholders at the Company's 2025 Annual General Meeting.

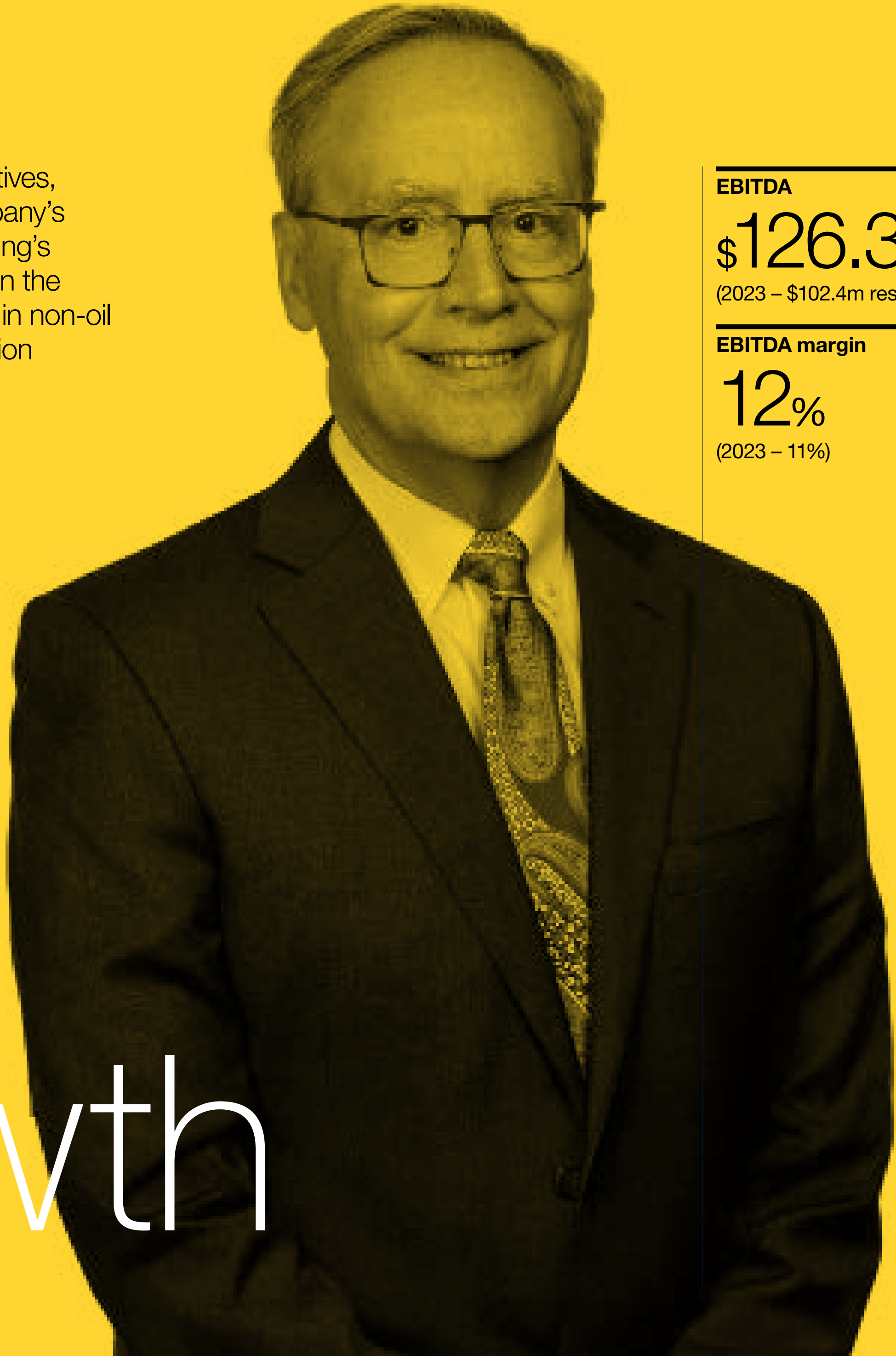
Since my appointment as Company Chair in April 2024, I have been extremely impressed with the quality and depth of our team. The management team is focused on executing the Capital Markets Day strategy and reaching the outlined targets.

The culture of technology, safety, and employee engagement is visible across the Company. The transparency and trust with our shareholders has been evident in all my meetings. I look forward to the continued success of the Company.

Stuart M. Brightman
Company Chair
6 March 2025

Chief Executive's Report

2024 has seen the delivery of several key growth objectives, which were presented to our stakeholders at the Company's Capital Markets Day ("CMD") in September 2023. Hunting's long-term strategy involves our continued participation in the global energy market, as well as growing our presence in non-oil and gas markets, as a trusted innovator and key precision manufacturer of critical technology and products.



A year of growth

EBITDA

$126.3m

(2023 – $102.4m restated)

EBITDA margin

12%

(2023 – 11%)

Chief Executive's Report continued

On behalf of the Board I would like to thank our workforce for their commitment in the year and delivering an excellent set of results, Their efforts have, collectively, enabled the Group to deliver another year of growth and allows us to look to the future with continued confidence.

A reflection of the Group's success in 2024 can be seen in the sales order book, which reached record levels of c.$700m during H1 2024 following the award of two contracts from the Kuwait Oil Company ("KOC") totalling $231m. The growth seen within our OCTG, Subsea, Advanced Manufacturing, and Other Manufacturing product groups has contributed to a robust year-end order book of $508.6m (2023 – $565.2m). Although this is slightly down on the prior year, it provides a solid underpin to the year ahead.

The Company made excellent progress by increasing its revenue and profits in the international and offshore segments of the energy market, highlighted by the record orders from KOC for the provision of OCTG with Hunting's proprietary premium connections, as well as solid execution of key orders for ExxonMobil and TPAO for our titanium stress joints through our Subsea product group.

In addition to the progress seen within the OCTG and Subsea product groups, Hunting has delivered growth within other product groups in the year. Our Advanced Manufacturing product group has seen a further increase in its financial results, supported by increases in non-oil and gas markets, with our Dearborn precision engineering business unit reporting a sales order book mostly comprised of aviation and commercial space contracts. This provides a good indication of the Group's ability to enhance, over time, its non-oil and gas revenue and profit base, which is another pillar of our long-term strategy.

In the year, Hunting secured material orders for its licensed Organic Oil Recovery ("OOR") technology, to supply the technology to major exploration and production companies who operate in the North Sea. The announcement in August is another milestone and example of Hunting's commercial leverage and innovation, given the years of pilot testing completed with many blue-chip clients. The production uplift delivered by the technology creates value for our customers at a relatively low cost and has great potential for most brown field production assets. We look forward with confidence, recognising that this technology will be a major profit driver of the Group in the medium term.

Hunting has started to deliver on its Energy Transition strategic ambition. In the year, the Group secured a number of OCTG orders for geothermal projects in North America, Europe, and Asia Pacific, as the drive for lower carbon energy accelerated. The global Energy Transition market has seen a slowing of carbon capture projects, but the Directors note that the long-term storage capacity ambition for global projects remains unchanged, with Hunting well placed to gain market share, benefit from an uptick in activity as bottlenecks clear, and deliver more qualified connections to the market.

The Group has also seen success with its joint venture in India, where the business, in partnership with Jindal SAW, delivered a profit contribution of $2.3m in its first full year of operations. Along with our joint venture partners we are looking at further opportunities in the fast-growing Indian market.

The global oil and gas industry is a dynamic, and often volatile, industry to operate in and in the year, this volatility was evident within the US onshore completions market. With the average WTI crude oil price and the average Henry Hub natural gas price being lower than 2023, activity within the US shale basins has been subdued as the US onshore rig count declined year-on-year. Our Perforating Systems product group, mostly delivered through our Hunting Titan operating segment, was adversely impacted by this market decline and reduction in activity. Hunting Titan reported lower revenue in the year than in 2023, as volumes reduced leading to lower average margins and a lower EBITDA result compared to the prior year.

The EMEA operating segment also reported an extremely challenging year, as activity in the North Sea continued to decline as the UK government's tax regime drove clients to reduce activity and even fully exit the region. The long-term outlook for EMEA has led to the decision to restructure Hunting's operations in the region, as announced in January 2025. This will likely see a smaller number of operating sites across this operating segment.

Despite some headwinds faced by the Group, Hunting's strategic initiatives have contributed to a year-on-year improvement in revenue and EBITDA, which have supported an increase in our dividend distributions, a commitment made to our shareholders at the CMD.

Hunting's achievements in the year taken together have led to improved results, which are summarised below. But the strength of our differentiated technology and diversified product portfolio has again been proven, as we have captured major opportunities with customers across many global regions.

Market overview

The Group's key market metrics, as noted on page 19, are predominantly driven by prevailing commodity prices, which reflect the supply/demand dynamics of the global oil and gas industry as well as other factors, including geopolitics.

In our Market Summary section on pages 40 to 42, we note that the average WTI crude oil price was $76 per barrel in the year, or 3% lower than 2023. This was driven by weakening sentiment due to lower economic growth in countries like China, being offset by conflicts in Ukraine and the Middle East, which has supported prices in the year.

In September 2024, a notable step-down in sentiment and pricing was observed as OPEC indicated that it would start to unwind its production cuts. This led to a more negative outlook in the second half of 2024.

The Henry Hub natural gas price has also reported highly volatile pricing, but for different reasons. The strong production levels seen in the US onshore in the year led to excess gas production, which drove pricing lower, which in turn led to a lower average rig count, particularly in the gas-focused basins such as the Haynesville and Marcellus shale basins. With the absence of appropriate levels of offtake to LNG terminals, gas drilling declined in the year, which, as noted above, reduced the demand for our Perforating Systems products.

In the round, the global price of crude oil has been at levels which has supported continued activity within international markets. Activity in South America and the Middle East has continued to grow, providing opportunities for many of our product groups.

Chief Executive's Report continued

Operational review

The Group's North America operating segment, which comprises OCTG and Advanced Manufacturing product groups, delivered a solid year of growth, as both energy-related and non-oil and gas sales initiatives continued to be rolled out. The Group's onshore-focused premium and semi-premium connections businesses reported good progress as market share gains were captured, while our Electronics and Dearborn business units also increased revenue and profits. Hunting's Canadian OCTG business, which uses third-party licensed threading partners, also delivered another strong year.

Hunting's Asia Pacific operating segment has been the stand-out performer for the Group during the year and will provide good support to the Group's results for 2025, as the KOC orders are concluded in the first half of the year. By leveraging the segment's strategic supply chain, Hunting has applied its proprietary premium connections to Chinese steel mills' pipe, leading to record revenue, profits, and margins being delivered by the operating segment.

Hunting's Subsea Technologies operating segment, which comprises our Stafford, Spring and Enpro business units, delivered an exceptional year of growth as offshore markets grew considerably. The Spring business unit executed on a number of orders for titanium stress joints for ExxonMobil ("Exxon"), which helped drive revenue and EBITDA margin growth in the year.

The Hunting Titan operating segment reported lower revenue and profits due to subdued onshore drilling across North America in the year. The US industry therefore has been highly competitive due to the lower activity reported. However, Hunting Titan's international sales, into countries such as Argentina and Saudi Arabia, were robust and have grown year-on-year. Due to the lower results and margins, coupled with a more subdued short-term outlook in the US, the carrying value of the goodwill relating to the Hunting Titan operating segment was impaired, as noted in the Finance Report.

As noted above, the EMEA operating segment reported a challenging year, with the downturn in EMEA's performance impacting both the OCTG and Other Manufacturing product groups, leading to operating losses for the segment. Partially offsetting this, the Group's Netherlands OCTG business reported good success in capturing geothermal orders for in the Netherlands, with end-users from the agriculture and utility sectors, demonstrating the multi-sector interest in low carbon energy.

Delivering the Hunting 2030 Strategy

The Hunting 2030 strategic pillars are summarised on pages 10 to 16. During 2024, the Group delivered on several key objectives, which align with our 2030 ambitions. As noted above, Hunting has made notable progress in growing its OCTG product group. Hunting has delivered good growth in the US domestic market, despite difficult trading conditions across the North American shale basins. Demand for our TEC-LOCK Wedge™ connection in the US continued to grow during the year, with the length of laterals steadily increasing as drilling efficiencies continued to be captured. In Canada, our performance was ahead of 2023, as the rig count and well count were supported by sustained levels of activity. Hunting's Asia Pacific operating segment secured the $231m orders from KOC in May/June 2024, which transformed the financial performance of the product group and the Asia Pacific operating segment. The product group also saw increased sales of accessories and well completion packages to South America in support of the intense activity levels in Brazil and Guyana. In summary, our 2030 ambitions remain on track, given the progress within the OCTG product group in the year.

Hunting's Subsea product group also reported an impressive year of growth, as key orders from Exxon were delivered. The Subsea Spring business unit delivered its titanium stress joints to the Yellowtail project in the year, which contributed to the increase in revenue and profitability of the product group. The Subsea Stafford business unit reported a decent year, as demand for hydraulic valves and couplings remained robust, while the Enpro business unit also delivered a further year of growth as projects in West Africa and South America were developed. A notable success in the year has been the cross selling of our products to Exxon, with Enpro's Flow Intervention System being utilised on the Liza project, following the development of Hunting's relationship with Exxon through its Spring business. Late 2025 should see further orders coming from Exxon for the Group's titanium stress joints, reflecting the lumpier nature of Subsea Spring's order book and results profile. However, given the long-term development plan for Guyana and other deepwater plays, the outlook for the product line remains extremely robust.

With the depressed results from the Perforating Systems product group and EMEA operations, Hunting's drive to deliver a stronger EBITDA margin has been partially held back, although the year-on-year increase in the reported EBITDA margin to 12% reflects another step towards our goal of 15%.

The Directors note that both the OCTG and Subsea product groups have delivered EBITDA margins well in excess of our stated goal of 15%, and with the cost cutting and efficiency measures announced for the Hunting Titan and EMEA operating segments, 2025 should see a year of further progress towards our medium-term goal of EBITDA margins greater than 15%.

With working capital totalling $355.5m in the year (2023 – $415.9m), the Group's working capital to revenue ratio was 29% (2023 – 46%), which is ahead of our CMD target of 40%.

Our EBITDA to free cash flow conversion rate was 111% in the year (2023 – (0.5)%), which meets our ambition of delivering c.50% conversion. In the year, our cash flows have improved thanks to the continued focus by management on containing and substantially improving our working capital profile, partly achieved through the use of financial instruments to accelerate the collections of cash, leading to total cash and bank/(borrowings) of $104.7m at 31 December 2024 (2023 – $(0.8)m).

With the improved performance of the Group in the year, coupled with the substantial increase in the year-end cash position, the Directors have increased the Final Dividend proposed by 20% to 6.0 cents per share (2023 – 5.0 cents per share), which gives the total dividend paid for the year of 11.5 cents per share (2023 – 10.0 cents per share), an increase of 15% year-over-year.

The Directors are, therefore, confident that our 2030 ambitions remain on track, with further progress to be delivered in the coming years.

Chief Executive's Report continued

2024 Operational Highlights

Retain focus on global oil and gas opportunities, specifically growing international, subsea and offshore business

$231m of contracts secured with Kuwait Oil Company
Product group: OCTG
In H1 2024, the Group announced the securing of record orders with KOC for OCTG threaded with Hunting's proprietary SEAL-LOCK XD™ premium connection. The orders are a result of over five years of collaboration between Hunting, KOC and Hengyang Valin Steel in China to qualify the Group's connections and OCTG raw material. The order commenced in July 2024 and will continue into 2025.

Continuation of major orders from ExxonMobil and TPAO for Hunting's titanium and steel stress joints
Product group: Subsea
Throughout 2024, the Group continued to execute on major orders for its titanium and steel stress joints ("TSJs"). The large orders for TSJs received in 2023 were worked on through the year for Guyana and the Black Sea. Orders were completed for the Yellowtail project in Guyana in the year, with work on the Uaru and Whiptail projects continuing into 2025.

API threading licence at Nashik, India, facility secured
Product group: OCTG
The Group's joint venture facility in Nashik, India, received its API threading licence in May 2024, which will support new tender activity across India. Management anticipates that the addressable market in India is c.$300-$400m per year for OCTG and accessories manufacturing, with the Jindal Hunting Energy Services joint venture being an early mover in-country, as local content requirements increase to meet India's growing energy requirements.

Five-year manufacturing agreement with Chevron
Product group: OCTG
Hunting's US OCTG business entered into a new five-year manufacturing agreement with Chevron in the Gulf of Mexico, which will support the OCTG product group to the end of the decade.

Deliver sales order book and revenue progress in non-oil and gas, energy transition and low carbon solutions

Orders with an expected total value of $60m for licensed Organic Oil Recovery technology
Product group: Other Manufacturing
In August 2024, the Group received orders which, dependent on volumes and assumed extensions, could result in up to $60m of revenue for the deployment of its licensed OOR technology into the North Sea. The orders were secured with two major operators on the UK Continental Shelf and will be delivered over the next five years.

$14.7m of energy transition sales completed in the year
Product group: OCTG
Hunting continued to win OCTG orders for geothermal and carbon capture projects in North America, Europe and Asia Pacific in the year. Orders for projects in the utility and agriculture sectors were won in the Netherlands, supporting Hunting's long-term strategy of revenue diversification.

Strategic partnership expansion with CRA-Tubulars B.V.
Product group: OCTG
In August 2024, Hunting secured the exclusive sales, manufacturing, and distribution rights for $0.3m for CRA-Tubular's novel titanium-lined carbon fibre tubing, which has strong long-term market growth opportunities in carbon capture projects in North America and Europe, for five years. The collaboration will enable the Company to accelerate further testing of tubulars and connections against key connection standards.

$0.9m investment in Cumberland Additive
Product group: Advanced Manufacturing
In September 2024, Hunting invested a further $0.9m in Cumberland Additive, taking our interest to 30.7%, which will enable us to access 3D manufacturing opportunities across multiple sectors and applications.

Strong focus on long-term profitability of the Group

Restructuring of the Hunting Titan operating segment
Product group: Perforating Systems
Over the last 12 months Hunting has delivered cost savings in the segment to align with the long-term outlook for the US onshore completions market. The Wichita Falls operating site and a number of distribution centres were closed in the year. In March 2025 as part of wider cost savings initiatives, further restructuring was announced which included a 5% reduction in headcount to deliver additional SG&A savings.

Restructuring of the EMEA operating segment
Product group: OCTG
With the further decline in North Sea oil and gas activity, primarily driven by UK political ambitions to decarbonise its energy supply chain, a restructuring of the Group's EMEA operations was announced in January 2025. Annual cost savings are expected to be c.$8-$9m.

Expansion of manufacturing in Dubai
Product group: OCTG/Other Manufacturing
During the year, the well testing product line continued its move from the Netherlands facility to Dubai together with Singapore's well intervention product line to increase efficiencies and to be closer to our customers and pipeline of opportunities.

Expansion of collection of greenhouse gas data
Product group: All product groups
The Group expanded its scope 3 greenhouse gas data collection to include the Subsea Technologies, EMEA and Asia Pacific operating segments following on from the collection of Hunting Titan's scope 3 data for the first time in 2023.

Chief Executive's Report continued

Group financial summary

Hunting reports a 13% increase in revenue in the year as international market activity, in particular, continued to grow strongly. Revenue in 2024 was $1,048.9m compared to $929.1m in 2023. H1 2024 revenue was $493.8m (2023 – $477.8m), while H2 revenue was $555.1m (2023 – $451.3m), this result being predominantly supported by the contribution from the KOC orders, which were recognised from September onwards. Non-oil and gas revenue was broadly flat in the year at $75.1m (2023 – $75.9m).

Group EBITDA increased 23% to $126.3m in the year (2023 – $102.4m restated) as strong increases in the OCTG and Subsea product groups were delivered; however, this was tempered by the lower contribution from the Perforating Systems product group. Group EBITDA margin increased to 12% (2023 – 11%) as the higher margin product groups progressed the result.

The Hunting Titan operating segment delivered revenue of $230.3m in the year (2023 – $259.2m), being 11% lower than the prior year. With lower volumes and some pricing declines in gun system product lines, the segment recorded an EBITDA result of $0.6m in the year (2023 – $21.9m). This led to a decline in the EBITDA margin for the segment to 0% (2023 – 8%).

The North America operating segment reported a 4% increase in revenue to $388.4m in the year (2023 – $374.7m), as robust sales from the Group's OCTG and Advanced Manufacturing product groups were delivered. EBITDA increased to $62.2m (2023 – $53.8m restated) or by 16% in the year. EBITDA margin for the segment, therefore, increased to 16% (2023 – 14%).

The Subsea Technologies operating segment reported an impressive year of growth as key orders were executed in the year, leading to revenue of $147.1m (2023 – $98.6m) or an increase of 49%. Given the increased utilisation of facilities and improved contractual terms for key orders, EBITDA was $30.0m (2023 – $13.7m) and margins advanced to 20% (2023 – 14%).

The EMEA operating segment reported more subdued results in the year, as previously discussed, with revenue slightly lower at $87.7m (2023 – $88.2m). EBITDA declined to a loss of $7.9m (2023 – $1.7m profit) following a charge for inventory impairment within the Netherlands OCTG business, leading to an EBITDA margin of (9)% (2023 – 2%).

The Asia Pacific operating segment delivered a record result in the year, with revenue increasing 53% to $240.6m (2023 – $157.6m) as the KOC and Cairn Oil and Gas (Vedanta) Limited orders were executed. EBITDA margins for the segment were 17% (2023 – 7%) reflecting improved facility utilisation and production efficiencies.

Gross profit in the year was $271.9m compared to $227.7m in the prior year, leading to an increase in gross margin to 26% (2023 – 25%) or 1 percentage point higher than the 2023 result. This reflects generally robust pricing, improved volumes and facility utilisation in certain businesses, being offset by the lower results from the Hunting Titan and EMEA operating segments.

Operating loss was $21.1m (2023 – $51.5m profit restated), and includes the Hunting Titan goodwill impairment charge of $109.1m.

Adjusted operating profit was $88.0m compared to $60.4m (restated) in 2023 leading to an increase in operating margin to 8% (2023 – 7%). In 2024, the Group changed the presentation of its consolidated income statement, with operating profit now including the contribution from joint ventures and associates, which was a loss of $0.1m in the year (2023 – $0.6m).

Net finance costs totalled $12.4m (2023 – $10.4m), leading to a loss before tax of $33.5m (2023 – $41.1m profit restated) and an adjusted profit before tax of $75.6m (2023 – $50.0m).

Diluted loss per share was 17.6 cents (2023 – 65.9 cents earnings per share restated), with 2023 including the benefit of the recognition of previously unrecognised US deferred tax assets. Adjusted diluted earnings per share was 31.4 cents (2023 – 20.3 cents) or an increase of 55% year-over-year.

Working capital decreased to $355.5m, as inventory balances in Hunting Titan and Electronics were the focus of management which, along with other operational cash flows, led to a free cash inflow of $139.7m (2023 – $0.5m outflow).

At the year-end, the Group's net assets were $902.3m, which compares to $950.1m (restated) in 2023. The movement reflects the Group's loss after tax result of $25.5m (2023 – $112.2m profit restated), which includes the goodwill impairment of $109.1m in the year, offset by a deferred tax credit of $27.8m.

ESG and sustainability

Hunting continued to progress and build out its ESG and Sustainability initiatives in line with its 2030 ambitions.

During 2024, the Group focused on increasing the collection of its scope 3 greenhouse gas emissions data, with four of the Group's five operating segments now reporting scope 1, 2 and 3 data, with the fifth reporting scope 1 and 2 data. Hunting also increased its external QAHSE data reporting in the year. Further details can be found on pages 68 to 87.

The Group reported a number of lost trading days during Q3 2024 due to Hurricanes Beryl and Francine. Extra shifts were added to maintain the trading performance of the affected businesses. While these outages did not impact the Group's trading results, it highlights the impact that adverse weather events can have on Hunting's operational profile. In the year, the Group completed a further assessment of its long-term physical risks, with the analysis concluding that it is unlikely that a change to the risk profile will be observed for a number of decades. For further details, refer to the TCFD reporting on page 88 to 101.

Our workforce continues to be our most important asset, and they continue to deliver our strategy and long-term growth ambitions to our various stakeholders. In the year, an average base salary increase of 5% was delivered across the Group, as cost of living and inflationary pressures continue to be felt by our employees.

Post-balance sheet events

On 3 March 2025, we announced the disposal of our 23% interest in the Rival Downhole Tools business, which was an associate company, for $13.1m.

Chief Executive's Report continued

Outlook

The Group has delivered excellent growth in adjusted earnings in 2024.

2025 should see steady growth in revenue and adjusted earnings as all market indicators point to further progress due to prevailing energy demand. The Directors anticipate an acceleration in activity in the second half of the year and into 2026, as market and geopolitical tail winds increase with robust commodity supply and demand dynamics supporting activity in the year ahead.

In the US, the new administration is indicating robust support for oil and gas, with energy security and appropriate pricing to drive economic growth. This will likely lead to continued activity across North America, but also new opportunities offshore as Gulf of Mexico licensing and LNG capacity permitting should increase to support broad-based upstream and downstream growth. While the political narrative is strong, company-level narrative indicates that the industry will likely retain capital discipline.

Balancing this growth drive, OPEC+ countries will likely unwind their production cuts during 2025, but at a rate which maintains stability across the market. The ongoing conflict in Ukraine and fragile peace across the Middle East will also be key factors in commodity pricing. Drilling discipline across North America will likely be balanced by pricing discipline.

A further factor is the introduction of international tariffs. This area is highly dynamic at the time of writing. While the Directors do not see an impact on our businesses given how our segments and supply channels are structured, the disruption across international markets in general may lead to unforeseen challenges.

For Hunting, the senior leadership team and Directors will continue to focus on those areas which are within our control.

As demonstrated in 2024, we have made solid progress on our 2030 journey, but there is still much to do in the coming year to continue this momentum. The Company is committed to capitalising on its proven precision engineering capabilities in energy services to drive growth and earnings, while further diversifying its revenue streams. As previously outlined, we have a disciplined capital allocation policy and our strong balance sheet gives us firepower to pursue value accretive M&A in the year ahead to grow and diversify our portfolio and revenue and earnings in line with the strategic goals outlined at Hunting's Capital Markets Day in September 2023. The Group has evaluated numerous acquisition opportunities and continues to adopt a disciplined approach to M&A. The Board continues to look at subsea, intelligent well completions, and complementary non-oil and gas opportunities to drive increased EBITDA and capital returns in line with our 2030 targets.

We are excited about our position within global OCTG markets and see new Subsea opportunities opening up around the middle of the year. The Middle East and South America remain key areas of growth, given the tender activity across these regions. Management is focused on optimising the performance of our Perforating Systems business. Hunting Titan continues to deliver strong technology and services to our clients, and with a higher natural gas price, coupled with the completion of targeted cost cutting measures, a good increase in profitability within this important product group should be delivered. Steady progress within the Advanced Manufacturing group is also anticipated as more non-oil and gas opportunities are captured.

The Directors are also excited about the prospects of the Organic Oil Recovery technology. Our progress with clients in the North Sea in 2024 should lead to more orders in the region and internationally as customer acceptance accelerates.

In the year ahead we also hope to make further progress in our chosen Energy Transition markets as the number of geothermal projects continues to increase and carbon capture projects are further progressed.

The Company continues to make progress towards the medium-term EBITDA margin target of 15% and is pleased to announce a 15% increase in the total dividend declared, ahead of our 2030 target of c.10% per annum. We have been pleased with the Group's strong improvement in ROCE and we continue to target at least 15% as a short range target.

Finally, the management team remains focused on cost reduction and efficiency gains across our asset base. With the restructuring of our EMEA operating segment, which will remove a drag on the Group's earnings and returns, coupled with the cost reduction initiatives within Hunting Titan and our Head Office functions, further gains in profitability should be captured in the year ahead.

In summary, the Directors see good progress in the year ahead to deliver our growth objectives.

We look to the future with confidence.

Jim Johnson
Chief Executive
6 March 2025

Return on average capital employed

9%

(2023 – 6%)

Net assets

$902.3m

(2023 – $950.1m restated)

Market Summary

2024 has seen another year of volatility within global energy markets given ongoing geopolitical instability in Europe, through the continued conflict in Ukraine, as well as the Middle East with conflicts in Gaza, Lebanon and towards the end of the year, instability in Syria. This has given support to the global pricing of crude oil throughout the year.

During the year, the global energy market has remained focused on the supply/demand dynamic of crude oil as global demand remained in excess of 100m barrels of oil per day, with positive demand sentiment being offset by economic growth concerns in China and Europe.

New production from South America, as well as from Libya, has led to a persistent theme of perceived oversupply in the global energy market, which led to the price of WTI crude oil declining in the second half of the year.

In September, Saudi Arabia indicated that it would commence the unwinding of production cuts agreed by the OPEC+ group, which led to a lower average price for oil in the second half of the year as the market anticipated new output from major suppliers from the cartel.

In North America, daily production was over 13m barrels of oil per day, due to further gains in production efficiencies being captured by onshore operators.

While the price for WTI crude oil remained within a range which enabled activity to continue, the pricing of natural gas became more volatile, leading to a lower average price for Henry Hub natural gas. Activity was therefore adversely impacted, which led to a reduced US onshore rig count. Key basins impacted by this lower activity were the Haynesville and Marcellus shale basins, which reported large decreases in drilling activity due to excess gas being produced, with localised pricing for gas turning negative for short periods of time in the year.

A key issue has been the lack of offtake channels for natural gas, which includes the associated gas offtake from oil basins such as the Permian. This led to a small decline in oil development activity. The operational delays and pause in new LNG permitting in the US also slowed the development of offtake channels for natural gas, which had a negative impact on sentiment.

In the UK, sentiment towards oil and gas has been extremely negative, particularly following the election of the new Labour government, which is pursuing a rapid energy transition. This has decimated activity on the UK Continental Shelf, with large operators consolidating or selling assets and exiting the North Sea given the punitive tax regime and lack of incentives to drill.

The net impact of these geopolitical forces has been the decline in performance of the Group's Perforating Systems business which, for the most part, generates revenue from the US shale basins. This decline has been offset by resilient levels of activity within International markets, with key growth areas being Guyana, India, and Kuwait.

Hunting's OCTG and Subsea product groups have made excellent progress within International markets particularly in South America and the Middle East. Despite the trading challenges in the US onshore market, the Group's North America OCTG business has made market share gains, supporting its medium-term growth strategy, while the Advanced Manufacturing product group also grew in the year, due to global activity increases.

Commodity prices

In 2024, the average price for WTI crude oil was $76 per barrel compared to $78 per barrel in 2023. The average price in H1 2024 was $79 per barrel, which compares to $73 per barrel in H2 2024, following the announcements by OPEC+, as noted above.

In general, this pricing range remains well above the thresholds for operators to continue activity.

The average price for Henry Hub natural gas was $2.41 per mmBtu in the year, which compares with $2.66 per mmBtu in 2023. This pricing is closer to the baseline thresholds for activity to continue in the US and, given the lack of offtake channels noted above, led to declines in drilling across key shale basins in the year.

Market Summary continued

Commodity prices

WTI crude oil price 2024
$ per barrel

Source: FT.com

Henry Hub natural gas price 2024
$ per mmBtu

Source: FT.com

Commodity prices

Average WTI crude oil price
$ per barrel

2024	76
2023	78
2022	94

Source: FT.com

Average Henry Hub natural gas price
$ per mmBtu

2024	2.41
2023	2.66
2022	6.54

Source: FT.com

Drilling capital investment

Global onshore capital investment
$bn

2024	147.7
2023	145.1
2022	135.0

Source: Spears & Associates *Drilling & Production Outlook – December 2024*

Global offshore capital investment
$bn

2024	66.8
2023	67.5
2022	53.5

Source: Spears & Associates *Drilling & Production Outlook – December 2024*

Rig counts

Global onshore average rig count
#

2024	1,490
2023	1,560
2022	1,517

Source: Spears & Associates *Drilling & Production Outlook – December 2024*

Global offshore average rig count
#

2024	201
2023	205
2022	189

Source: Spears & Associates *Drilling & Production Outlook – December 2024*

Market Summary continued

Energy transition

Hunting remains focused on developing major businesses in geothermal and carbon capture and storage end-markets, due to the applicability of its products to these markets, particularly its OCTG product group.

In the year, as noted in the Chief Executive's Report, Hunting made progress in securing contracts for geothermal projects in North America, Europe and Asia Pacific. Growth is anticipated in 2025 as the number of projects increases. The Directors of Hunting note that energy, utility, and agriculture companies are progressing these projects, therefore the customer base is likely to be more fragmented than the Group's traditional oil and gas businesses.

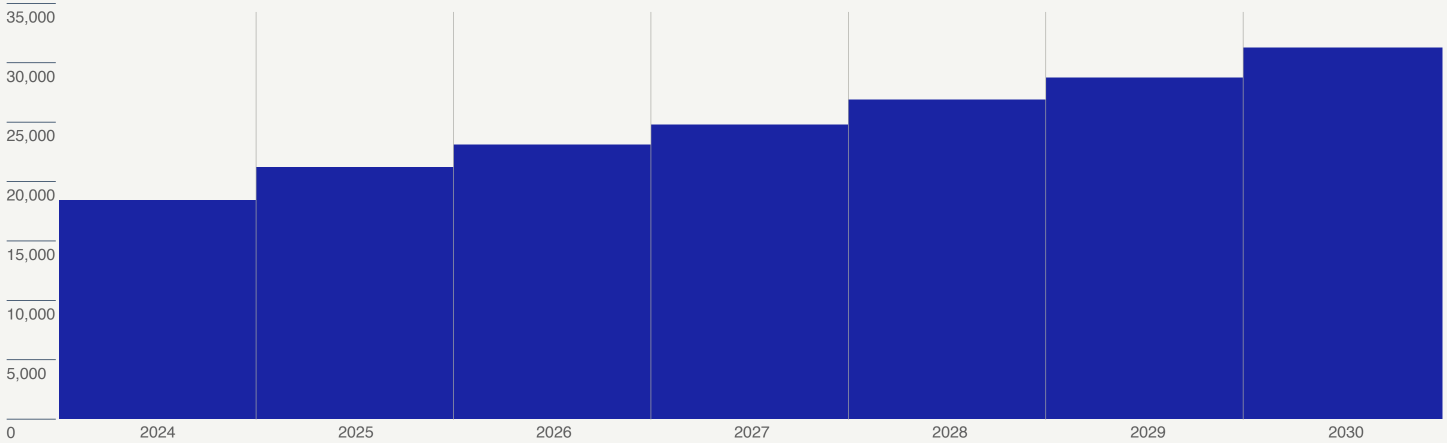
Carbon capture and storage end-markets have seen a slowing in the pace of development in the year, due in part to permitting, pipeline capacity, and the pricing of this product stream. The Directors of Hunting still believe that this market presents a material revenue opportunity for the Group; however, they now estimate this to be a major contributor towards the end of the decade given the market data available.

Other non-oil and gas

A key development in the year, as noted in our Hunting 2030 Strategy, has been the evolution of the Group's non-oil and gas sales order book, particularly within the Dearborn business unit, which forms part of our Advanced Manufacturing product group.

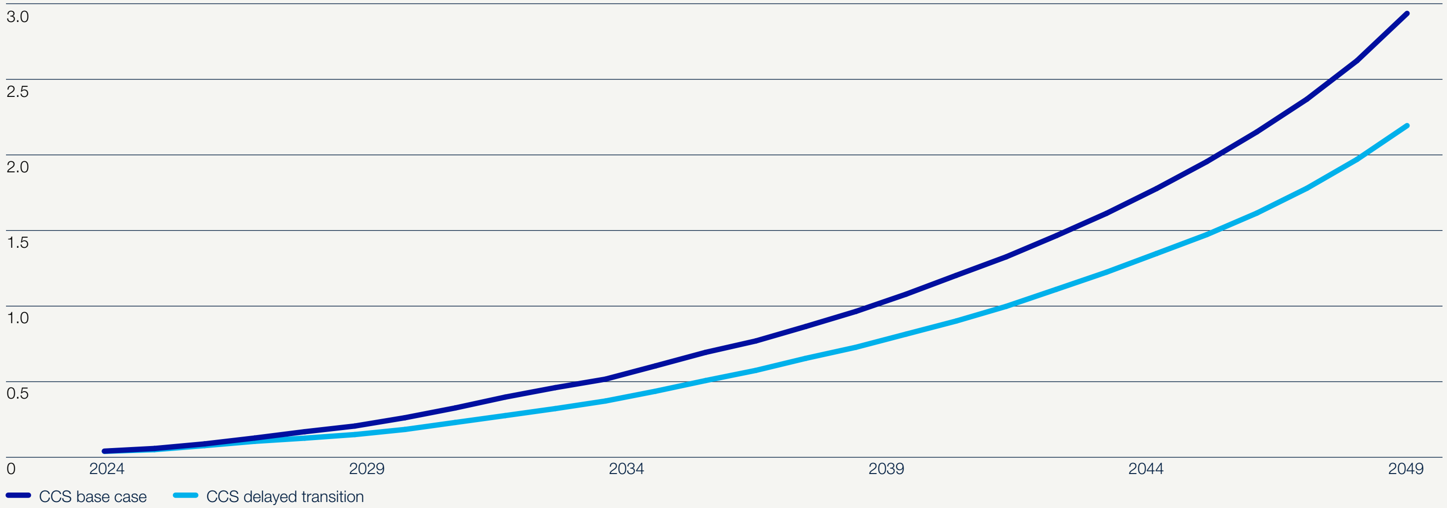
Defence and commercial space opportunities have accelerated in the year, partly due to the increased defence spending seen in the past two years, which has been a consequence of the increase in geopolitical instability noted above.

Projected global geothermal capacity
MW



Source: Wood Mackenzie

Carbon capture and storage capacity buildout (base case and delayed transition scenarios)
billion tonnes



Source: Wood Mackenzie

Product Review

Perforating Systems
Technology to drive drilling efficiency

The Group's Perforating Systems product group, predominantly delivering through the Hunting Titan operating segment, continues to be a leading player in the global well completions market.

Introduction and market overview

The Perforating Systems product offering has remained broadly unchanged in the year, as new technologies introduced in 2023 continued to be rolled out.

The average US onshore rig count was 579 units in the year (2023 – 669 units), while in Canada the rig count averaged 188 units (2023 – 177 units). The trading environment for the product group has, therefore, been challenging, with lower average commodity prices, and client consolidation disrupting purchasing channels, coupled with the slowing of LNG permitting, leading to the lower results in the year.

Due to this generally weak market environment in North America and the need to right-size the business, cost cutting initiatives across the product group commenced in Q2 2024, where one operating site and two distribution centres were closed, and the headcount reduced in line with this smaller footprint. The market outlook continued to decline throughout the year, resulting in lower EBITDA guidance being issued in October, predominantly driven by the subdued US market environment.

Partially offsetting this performance, the segment's international sales have been steady in the year as activity in South America and the Middle East continued to be robust.

Group financial performance

Due to these market conditions, revenue from the Perforating Systems product group decreased by 9% to $222.7m in 2024, compared to $243.8m in 2023.

Within this, US revenue decreased from $219.8m in 2023 to $193.2m, while Canada revenue increased from $16.3m in 2023 to $17.9m. International revenue grew to $45.7m in the year (2023 – $45.0m) as efforts to globalise the Group's technologies continued.

EBITDA for the product group was $1.4m compared to $25.1m in the prior year, giving an EBITDA margin of 1% in 2024 compared to 10% in 2023. EBITDA in H1 was $3.2m with an EBITDA margin of 3% and in H2 was a loss of $1.8m with an EBITDA margin of (2)%, reflecting the further slowdown in H2, with the full impact of the cost saving initiatives being fully realised in late Q4.

The Perforating Systems sales order book at the year-end was $16.5m, compared to $12.7m at the 2023 year-end. Due to its "manufacture to stock" business model, Perforating Systems does not carry a large order book and is, therefore, a short cycle business overall.

Intellectual property

Intellectual property based on the Group's Perforating Systems product group totalled 183 patents.

Technology

The product group's research and development efforts in the year focused on the further development of self-orienting perforating technology, given the shift of US operators to adopting these completion techniques.

Hunting Titan continued to develop high temperature detonation cord and also introduced a new variant of the H-3 Perforating System™, which has partially reusable components to alleviate cost to customers.

Product Review continued

The business commenced field testing of a new ControlFire™ switch, which assists in the verification of the position of the gun string. The business also developed a new ballistic release tool, which will be targeted as a rental tool offering to clients.

A number of initiatives were commenced in the year to reduce component input costs for its H-3 and H-4 Perforating Systems™ to improve long-term profitability.

North America

As noted above, the Wichita Falls operating site was shuttered in Q2 2024 and two distribution centres were closed in the year.

Additional distribution centres in North America are earmarked for closure in 2025, dependent on the gas price, coupled with the further 5% headcount reduction noted in the Chief Executive's report to align the Group's cost base to the medium-term activity profile anticipated.

International

Hunting Titan continued to roll out its international growth strategy in the year.

In the Middle East, Hunting's E-SUB Perforating System™ was utilised in Saudi Arabia, and Abu Dhabi continued its adoption of the Group's detonators and power charges, which contributed to the increase in international sales in the year.

In 2024, Hunting Titan successfully introduced the H-3 Perforating System™ in Argentina through Weatherford.

In Asia Pacific, Hunting Titan sold various components to China and Indonesia.

Perforating Systems – revenue
$m

2024	222.7
2023	243.8
2022	251.9

Source: Company

Perforating Systems – EBITDA
$m

2024	1.4
2023	25.1
2022	27.2

Source: Company
Non-GAAP Measure see NGM C

Perforating Systems – sales order book
$m

2024	16.5
2023	12.7
2022	18.7

Source: Company
Non-GAAP Measure see NGM T

North America onshore average rig count
#

2024	767
2023	846
2022	879

Source: Spears & Associates *Drilling & Production Outlook – December 2024*

North America footage drilled
mft

2024	330.2
2023	334.2
2022	318.8

Source: Spears & Associates *Drilling & Production Outlook – December 2024*

US frac jobs
#

2024	11,339
2023	13,179
2022	13,156

Source: Spears & Associates *Drilling & Production Outlook – December 2024*

Hunting 2030 Strategy

Due to the challenging market conditions within the North American well completions market, the Perforating Systems product group is behind on its medium-range financial targets announced at the CMD, but remains generally on track with its strategy to internationalise its product offering.

Several initiatives were progressed in the year to introduce Hunting's well completion products to energy transition and lithium extraction markets.

A key initiative in 2025 will be to maximise profitability from its smaller operating footprint and cost base.

Product Review continued

OCTG
Global growth driven by leading premium connection technology

Hunting's OCTG product group comprises sales from the Group's three major premium and semi-premium connection families: SEAL-LOCK™, WEDGE-LOCK™ and TEC-LOCK™ and associated accessories. These connections are applied to many oil and gas wells and are directly applicable to geothermal and carbon capture projects.

Introduction and market overview

The material success of the OCTG product group in Kuwait during 2024 has been testament to the strength of Hunting's proprietary connections offering and agile supply channels to compete on the world stage against its much larger competitors. The Directors would like to thank KOC for its commitment to the Group in the year.

Given the success with KOC, the product group is now the largest generator of revenue in 2024 for Hunting with a good balance between North American and International sales – all in line with the Hunting 2030 strategic objectives.

Hunting's OCTG offering has delivered exceptional growth in Asia Pacific and a steady performance in North America, despite the challenging market conditions reported within the US onshore market.

During the year, global drilling capital investment increased by 1% from $212.6bn in 2023 to $214.5bn as international and offshore projects continued to be sanctioned.

Group financial performance

Revenue from the Group's OCTG product group totalled $463.7m in 2024, compared to $395.8m in 2023. This has been primarily driven by the OCTG contract wins within Asia Pacific for KOC, while contracts for CNOOC and Cairn Oil and Gas (Vedanta) Limited, which were announced in 2023, were also completed in the year. The Group's US business also undertook well completion work for ExxonMobil and SLB in South America and saw increased re-frac work in the US onshore market in the year.

EBITDA for the product group was $80.2m compared to $46.3m in the prior year, giving an EBITDA margin of 17% in 2024 compared to 12% in 2023.

The OCTG sales order book at the year-end was $249.7m compared to $222.0m at the 2023 year-end, which represents an increase of 12% in the year.

North America

Hunting's North America OCTG businesses reported steady activity throughout the US and Canada in the year, with revenue increasing by 2%, from $198.5m in 2023 to $202.5m in 2024.

Continued sales of the TEC-LOCK™ semi-premium connection family were reported in the US and robust sales of the TKC4040™ connection continued in Canada. In the year, the TEC-LOCK Wedge™ connection saw increased interest in Canada, which contributed to a further year of growth.

The product group continued to work with Chevron Gulf of Mexico in the year, utilising Hunting's SEAL-LOCK™ premium connection. During the year, the US OCTG business entered into a new five-year manufacturing agreement with Chevron, which will support the OCTG accessories product group to the end of the decade. This contract is an excellent result and testament to the strong client relationship Hunting has with Chevron and the reliability of our products, which enable our customers to create sustainable value.

The product group also continued to supply OCTG well completion products into Guyana in the year, in line with the general drilling activity in the country.

Of note has been the increase in OCTG supply for re-frac activity with clients such as Devon utilising the TEC-LOCK Wedge™ semi-premium connection in projects across the US in the year.

Product Review continued

International: Asia Pacific and EMEA

The Group's Asia Pacific and EMEA OCTG product groups reported an increase in total revenue from $197.3m in 2023 to $261.2m in 2024, an increase of 32%. This has been due to the phenomenal progress within the Asia Pacific region as noted above.

Activity in the North Sea continued to decline, predominantly due to the impact of the tax regime on oil and gas explorers on the UK Continental Shelf. Customers continue to withdraw from the region leading the Directors to make the difficult decision to restructure the EMEA operating segment which was announced in January 2025. In the Netherlands, while oil and gas activity has also been challenging, the business has been met with success in the geothermal market, securing a number of orders in Germany and the Netherlands.

India

Hunting's JV in India had a remarkable first full year of operation, which saw a profit contribution to the Group of $2.3m recorded, as activity in-country continued to accelerate. As noted elsewhere, the venture partners are now planning a second facility on the India East coast.

New technology

Hunting continues to develop and qualify new premium and semi-premium connections for both the oil and gas and energy transition sectors. Our alliance with Jiuli in China will support the acceleration of new geothermal and carbon capture connections in the coming years, utilising the Group's test facility in Ameriport, US.

OCTG – revenue
$m

2024	**463.7**
2023	395.8
2022	258.8

Source: Company

OCTG – EBITDA
$m

2024	**80.2**
2023	46.3
2022	14.8

Source: Company
Non-GAAP Measure see NGM C

OCTG – sales order book
$m

2024	**249.7**
2023	222.0
2022	196.5

Source: Company
Non-GAAP Measure see NGM T

Global drilling capital investment
$bn

2024	**214.5**
2023	212.6
2022	188.5

Source: Spears & Associates *Drilling & Production Outlook – December 2024*

Global average rig count
#

2024	**1,691**
2023	1,765
2022	1,706

Source: Spears & Associates *Drilling & Production Outlook – December 2024*

Global offshore capital investment
$bn

2024	**66.8**
2023	67.5
2022	53.5

Source: Spears & Associates *Drilling & Production Outlook – December 2024*

Hunting 2030 Strategy

The Group's OCTG 2030 strategy is well ahead of plan given the success of the KOC orders in the year.

New tender activity in North America and Internationally will support the strong growth of the product group in the coming year, with the Middle East and Central Asia markets being particularly strong.

Orders for projects in the utility and agriculture sectors were won in the Netherlands and Germany, in support of Hunting's long-term strategy of revenue diversification.

Product Review continued

Advanced Manufacturing
Precision engineering capabilities underpin diversification strategy

Hunting's Advanced Manufacturing product group serves oil and gas, aviation, commercial space, defence, medical, and power generation markets. Hunting's expertise is driven by its manufacturing know-how and precision engineering skills for high-value, critical applications as well as high temperature and high-pressure electronics applications.

Introduction and market overview

The Electronics and Dearborn business units, which comprise the majority of Hunting's Advanced Manufacturing offering, form the foundation of the Group's non-oil and gas sales strategy, which is one of the core pillars of the Hunting 2030 Strategy. Hunting's offering of complex, high-precision engineered products provides clients with components that are used in mission-critical applications. The businesses attract blue-chip clients, based on these skill sets and know-how, and this forms the basis of our sales diversification strategy.

Hunting's Advanced Manufacturing offering has again reported good progress within its core energy markets as well as non-oil and gas markets, including aviation, medical devices, naval, and power generation end-markets.

The Electronics business continued to report a strong oil and gas revenue profile, driven by its expertise in MWD/LWD downhole tools and printed circuit board ("PCB") assemblies as well as manufacturing switches for Hunting Titan throughout the year, although this activity was impacted by the downturn in Hunting Titan's sales. Non-oil and gas sales have increased as more defence-related work was captured with clients, including Cubic and Textron in the US.

The Dearborn business unit has also been successful in developing its non-oil and gas sales, in the sectors noted above, and has increased its non-oil and gas sales order book in the year.

Advanced Manufacturing's markets are largely based on oil and gas capital investment, which continues to be the foundation of both the Electronics and Dearborn business units.

In addition, a further market indicator is the overall level of defence spend by North America and European governments. Both these end-markets are likely to see robust growth to the end of the decade.

During the year, global industry capital investment was flat at $214.5bn in 2024 compared to $212.6bn in 2023. This stable industry investment has supported the Group's Advanced Manufacturing sales growth in the year, coupled with strong defence and medical markets.

Group financial performance

Revenue from the Group's Advanced Manufacturing product group totalled $126.9m in 2024, compared to $112.1m in 2023.

$47.9m of Electronics revenue related to the oil and gas sector, which includes revenue from work for Hunting Titan, and $9.2m related to non-oil and gas markets, predominantly medical and defence-related sales. $20.6m of Dearborn's revenue of related to the oil and gas sector, while 65% or $37.8m related to non-oil and gas sectors.

Further detail on the performance of the business units is noted below.

EBITDA for the product group was $11.8m compared to $10.6m in the prior year, giving an EBITDA margin of 9% in 2024 compared to 9% in 2023.

The Advanced Manufacturing sales order book at the year-end was $130.0m compared to $161.5m at the 2023 year-end, which represents a reduction of 20% in the year.

Product Review continued

Advanced Manufacturing – Electronics

During 2024, the Electronics business unit reported a stable revenue profile as activity levels across the oil and gas sector were maintained. Sales to Halliburton, SLB and Baker Hughes have generally been good in the year; however, a slowdown in forward activity was noted in the second half of the year as commodity prices reduced.

The business installed a new printed circuit board manufacturing line in Q2 to increase efficiencies.

The Electronics business continues to build its medical-related sales and has worked hard to increase military-related revenue in the year. Management anticipates that this effort will be rewarded in 2025.

The Electronics business continues to complete inter-group switch production for the Perforating Systems product group and are also examining new opportunities to build other components for the Hunting Titan operating segment to support the recovery of the business in what has been highly challenging markets.

Advanced Manufacturing – Dearborn

The Dearborn business unit continues to be a major driver of the Group's efforts to build more non-oil and gas sales, particularly in high-value end-markets, such as the power generation and aviation markets.

At the year-end, the order book of the business unit was c.$93m, with 69% of this order book to be delivered in 2025 and the rest in 2026 and beyond.

The business continued to complete work for Solar Turbines, Pratt & Whitney, Blue Origin, and SpaceX, as well as the major oil field service groups for MWD/LWD tool housings.

Advanced Manufacturing – revenue
$m

2024	**126.9**
2023	112.1
2022	75.1

Source: Company

Advanced Manufacturing – EBITDA
$m

2024	**11.8**
2023	10.6
2022	0.1

Source: Company
Non-GAAP Measure see NGM C

Advanced Manufacturing – sales order book
$m

2024	**130.0**
2023	161.5
2022	137.6

Source: Company
Non-GAAP Measure see NGM T

Non-oil and gas revenue
$m

2024	**75.1**
2023	75.9
2022	47.6

Source: Company

Global drilling capital investment
$bn

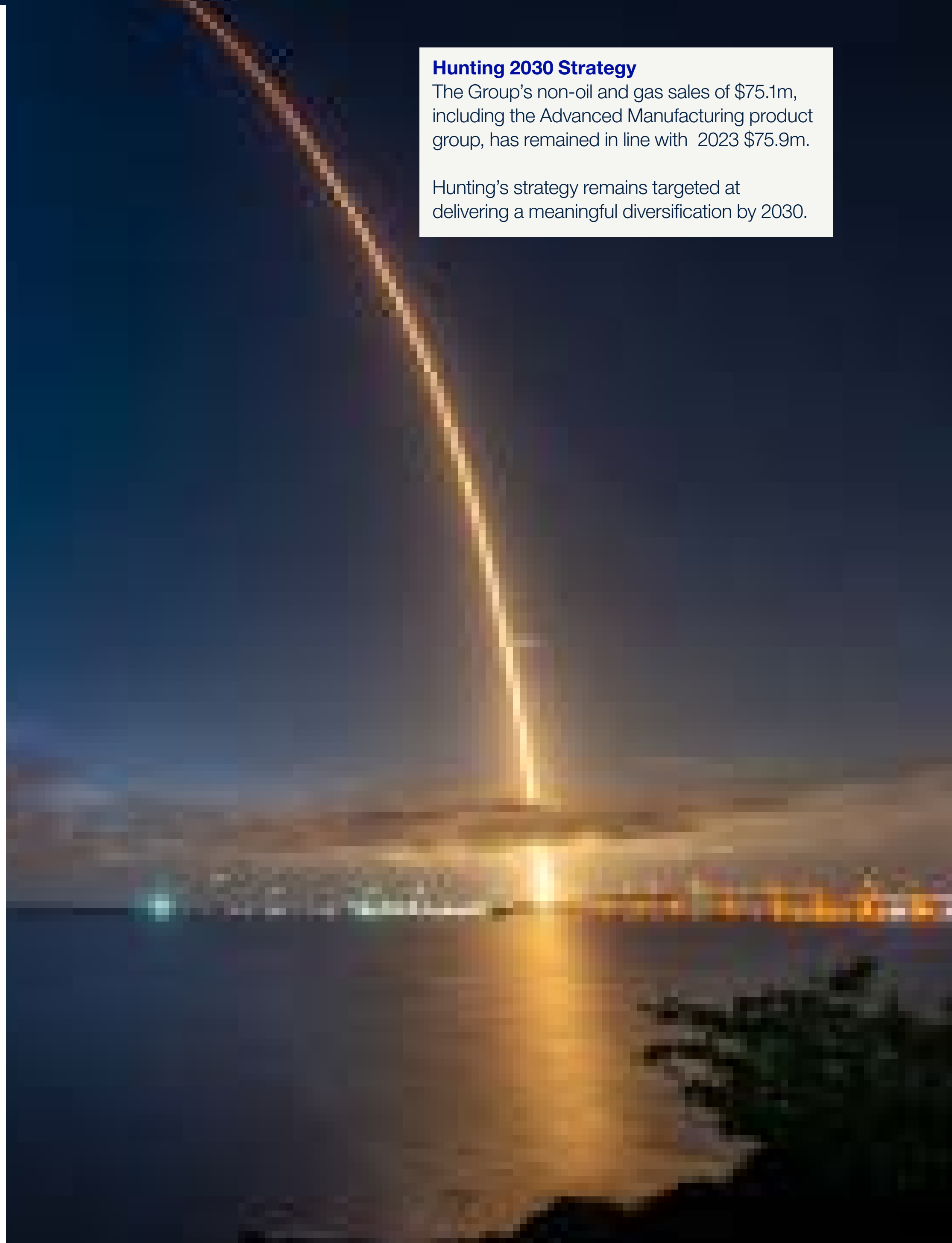
2024	**214.5**
2023	212.6
2022	188.5

Source: Spears & Associates *Drilling & Production Outlook – December 2024*

Global average rig count
#

2024	**1,691**
2023	1,765
2022	1,706

Source: Spears & Associates *Drilling & Production Outlook – December 2024*



Hunting 2030 Strategy
The Group's non-oil and gas sales of $75.1m, including the Advanced Manufacturing product group, has remained in line with 2023 $75.9m.

Hunting's strategy remains targeted at delivering a meaningful diversification by 2030.

Product Review continued

Subsea
Unique technologies to accelerate the offshore cash cycle

The Group's Subsea product offering comprises three sub-groups: (i) hydraulic valves and couplings, manufactured by the Stafford business unit; (ii) titanium and steel stress joints, manufactured by the Spring business unit; and (iii) flow access modules and flow intervention systems, manufactured by the Enpro business unit.

Introduction and market overview

Offshore drilling and production capital investment continued to be robust in the year, with the outlook strong for offshore drilling and project development to the end of the decade.

The product group reported a strong increase in its revenue and EBITDA in the year as orders for ExxonMobil ("Exxon") have been fulfilled in the year. Major projects were completed for Guyana with titanium stress joint orders being completed for the Yellowtail discovery.

Momentum within the Stafford business was driven by the demand for subsea trees, which is a critical component of deepwater field developments and is a useful market indicator of the ongoing demand for the Group's hydraulic valves and couplings. The Stafford business reported another set of good results, although trading slowed during Q4 2024 as some clients reduced the pace of ordering.

The Enpro business started the year slowly, but from mid-year won several large orders as offshore-focused clients accelerated developments globally.

Global offshore capital investment was broadly flat at $66.8m in 2024, with revenue growth driven from South America and the Middle East.

Group financial performance

Revenue in the year totalled $147.1m in 2024, compared to $98.6m in 2023, as strong momentum was reported within the Spring business unit continuing to progress its larger orders for South America, and also in the Stafford business unit. The Enpro business unit also reported a strong increase in revenue and EBITDA in the year, as interest in the unit's Flow Access Modules and Flow Intervention Systems increased, particularly in South America and West Africa.

EBITDA for the product group was $30.0m compared to $13.7m in the prior year, giving an EBITDA margin of 20% in 2024 compared to 14% in 2023.

The order book closed 2024 lower than 2023 as major orders for ExxonMobil were completed. The year-end position was $72.5m compared to $152.2m in the prior year.

Management notes the lumpiness in the order book profile of the Subsea product group, which is driven in the most part by the large orders received by the Spring business unit. However, management is confident that this will continue to build in the second half of 2025 as new discoveries, particularly in Guyana, move from the exploration to the development phase. In addition, given the long-term development plan for Guyana, the outlook remains extremely robust.

Intellectual property

Intellectual property, patents and trademarks totalled 138 in the year.

Product Review continued

North America

The Stafford and Spring businesses are both located in Houston, Texas, but service international offshore markets and customers, ranging from South America to West Africa as well as the Gulf of Mexico.

The Stafford business saw solid demand for its hydraulic coupling and valves in the year from a range of international clients, including Baker Hughes, TechnipFMC and Exxon.

The Spring business has also seen the development of a strong relationship with Exxon in recent years, as the business's titanium stress joints have become the trusted technology for application to Floating Production, Storage and Offloading vessels ("FPSOs") in Guyana. In the year, the Spring business continued its work on stress joints for TPAO in the Black Sea.

Europe, Middle East and Africa

Enpro Subsea's business has continued to grow in the year, as projects in South America and West Africa continue to be sanctioned.

Of note was the order win with Exxon in the year, following collaboration with the Spring business unit. Exxon rented a Flow Intervention System for the Liza project in Guyana, demonstrating the cross-selling opportunities being presented by Hunting's wider product offering.

Subsea – revenue
$m

2024	**147.1**
2023	98.6
2022	69.0

Source: Company

Subsea – EBITDA
$m

2024	**30.0**
2023	13.7
2022	3.4

Source: Company
Non-GAAP Measure see NGM C

Subsea – sales order book
$m

2024	**72.5**
2023	152.2
2022	105.1

Source: Company
Non-GAAP Measure see NGM T

Global offshore capital investment
$bn

2024	**66.8**
2023	67.5
2022	53.5

Source: Spears & Associates *Drilling & Production Outlook – December 2024*

Global offshore average rig count
#

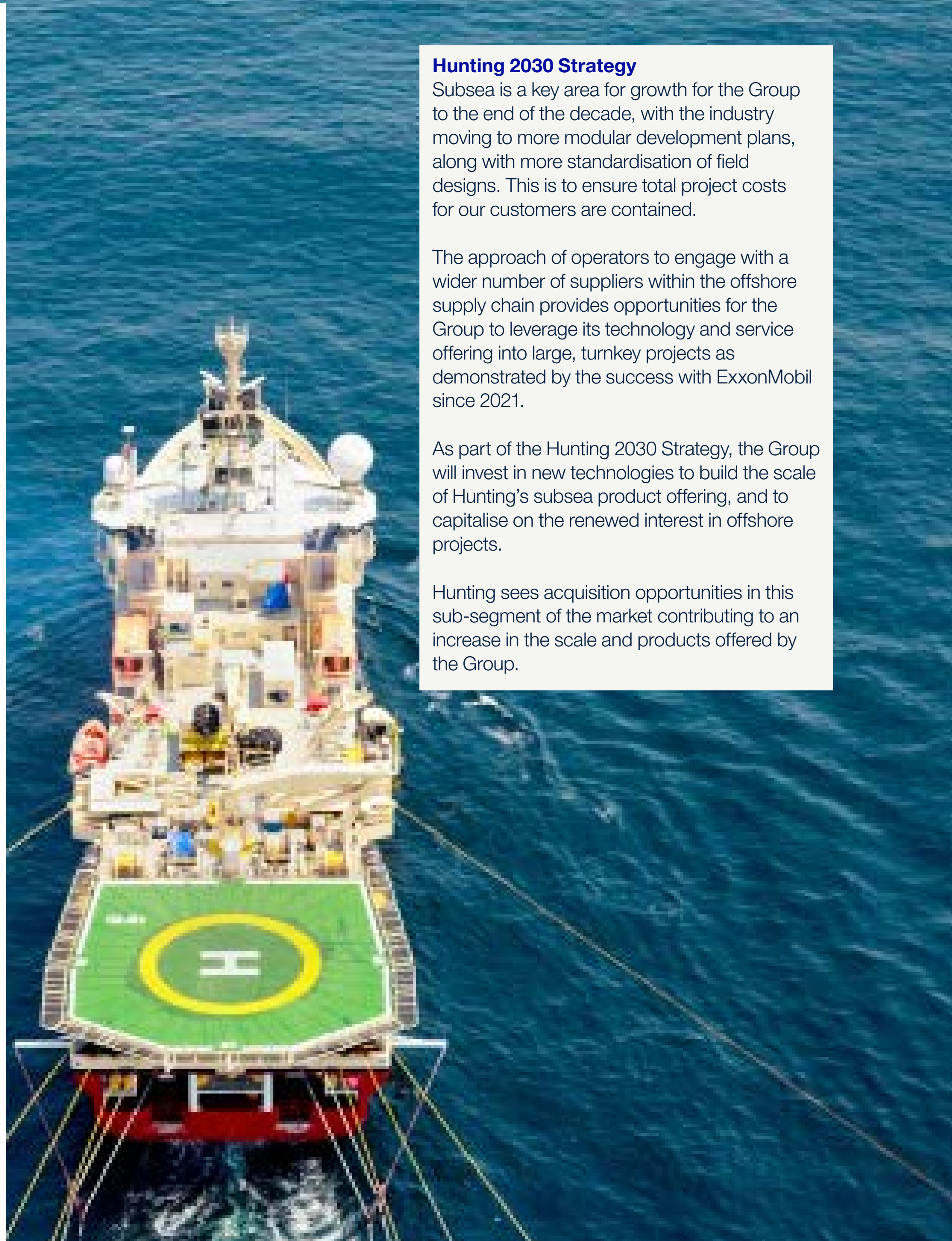
2024	**201**
2023	205
2022	189

Source: Spears & Associates *Drilling & Production Outlook – December 2024*

Global subsea tree demand
#

2024	**216**
2023	240
2022	237

Source: Rystad Energy



Hunting 2030 Strategy

Subsea is a key area for growth for the Group to the end of the decade, with the industry moving to more modular development plans, along with more standardisation of field designs. This is to ensure total project costs for our customers are contained.

The approach of operators to engage with a wider number of suppliers within the offshore supply chain provides opportunities for the Group to leverage its technology and service offering into large, turnkey projects as demonstrated by the success with ExxonMobil since 2021.

As part of the Hunting 2030 Strategy, the Group will invest in new technologies to build the scale of Hunting's subsea product offering, and to capitalise on the renewed interest in offshore projects.

Hunting sees acquisition opportunities in this sub-segment of the market contributing to an increase in the scale and products offered by the Group.

Product Review continued

Other Manufacturing Capabilities to support a changing industry

Hunting's Other Manufacturing product group includes the Group's well intervention and well testing offerings, along with the trenchless and organic oil recovery businesses.

Introduction and market overview

Hunting's Other Manufacturing revenue is predominantly based on oil and gas capital investment. Sales of well testing and well intervention equipment have increased in the year, as broad-based investment across the industry increased. During the year, global industry capital investment increased by 1% from $212.6bn in 2023 to $214.5bn.

The well intervention business is serviced from the Group's North America, Europe, and Asia Pacific operations.

The Group's European well testing business is incorporated into this product group, given its differing business model and profile to the other product groups. This business is more focused on European and Middle East markets.

Hunting's trenchless business unit, which sells drill stems, connections and drill pipe, forms part of the Group's non-oil and gas sales.

The organic oil recovery ("OOR") business is based in EMEA, commercialising a licensed technology to optimise reservoir performance and recovery rates and extend the life of the well. In 2024, the organic oil recovery business secured major contract wins with two clients in the North Sea, who wish to roll out the technology in brownfield projects on the UK Continental Shelf. In August 2024, orders with a value of up to $60m were announced, which will be completed over the next five years.

Group financial performance

Revenue from the Group's Other Manufacturing product lines totalled $88.5m in 2024, compared to $78.8m in 2023.

Business units in EMEA have contributed to the step up in revenue in the year, with a 46% increase year-on-year. Revenue from businesses in Asia Pacific was flat compared to 2023 and in North America reduced by 13% due to reduced US onshore activity.

EBITDA for the product group was $2.9m compared to $6.7m in the prior year, giving an EBITDA margin of 3% in 2024 compared to 9% in 2023. EBITDA in 2023 included a contribution from the legacy E&P assets, with EBITDA in 2024 impacted by additional overheads in the year.

The Other Manufacturing sales order book at the year-end was $39.9m, which compares to $16.8m at the 2023 year-end, and represents an increase of 138% in the year. The increase is wholly due to the $60m of contracts relating to the Group's OOR technology, which will be completed over the next five years.

Organic oil recovery ("OOR")

The commercial traction of the Group's licensed OOR technology is noted in the Chief Executive's Report and above.

The securing of up to $60m of contracts for clients in the North Sea is testament to the strong drive of the management team to demonstrate the benefits of the technology to many blue-chip clients. Many other blue-chip customers have been trialling the technology with laboratory and field tests likely to accelerate strongly in the coming years.

As well as delivering production enhancements, the technology reduces hydrogen sulphide concentrations, which is another attractive benefit.

Product Review continued

Well intervention
2024 has seen steady activity within the well intervention product line. The Group transferred its Singapore manufacturing capabilities to the new facility in Dubai during the year. Going forward, this will enable commercial efficiencies to be captured, given this is where most of the Group's clients are located.

Well testing
In the year, the well testing business delivered another year of revenue growth in line with the increase in capital investment across the industry.

The business continued to transfer to Dubai in 2024, with headcounts in the Netherlands slowly reducing as production and assembly functions were transferred to the UAE.

Trenchless
The trenchless business reported another solid year, supported by the ongoing roll out of 5G across North America. Sales of connections, drill stems and drill pipe have grown compared to 2023, with the outlook for 2025 also strong as investment in IT infrastructure continues across the US.

Other Manufacturing – revenue
$m

2024	**88.5**
2023	78.8
2022	71.0

Source: Company

Other Manufacturing – EBITDA
$m

2024	**2.9**
2023	6.7
2022	3.8

Source: Company
Non-GAAP Measure see NGM C

Other Manufacturing – sales order book
$m

2024	**39.9**
2023	16.8
2022	15.1

Source: Company
Non-GAAP Measure see NGM T

Non-oil and gas revenue
$m

2024	**75.1**
2023	75.9
2022	47.6

Source: Company

Global drilling capital investment
$bn

2024	**214.5**
2023	212.6
2022	188.5

Source: Spears & Associates *Drilling & Production Outlook – December 2024*

Global average count
#

2024	**1,691**
2023	1,765
2022	1,706

Source: Spears & Associates *Drilling & Production Outlook – December 2024*

Hunting 2030 Strategy
The commercialisation of the Organic Oil Recovery technology in the year supports the Group's revenue diversification and continues the theme of our products enabling our blue-chip customers to improve cash flow.

Operating Segment Review

Hunting Titan

		2024	2023
Market indicators*			
US onshore – average rig count	#	**579**	669
Canada onshore – average rig count	#	**188**	177
Revenue			
Perforating	$m	**92.0**	93.6
Energetics	$m	**66.3**	70.0
Instruments	$m	**52.8**	72.5
Perforating Systems	$m	**211.1**	236.1
OCTG	$m	**2.7**	6.1
Advanced Manufacturing	$m	**6.7**	8.0
External revenue	$m	**220.5**	250.2
Inter-segment revenue	$m	**9.8**	9.0
Segment revenue	$m	**230.3**	259.2
Profitability			
EBITDA**	$m	**0.6**	21.9
EBITDA margin	%	**0**	8
Operating (loss) profit	$m	**(117.4)**	12.7
Adjusting items	$m	**109.1**	–
Adjusted operating (loss) profit	$m	**(8.3)**	12.7
Adjusted operating margin	%	**(4)**	5
Other financial measures			
Inventory	$m	**107.8**	140.5
Capital investment**	$m	**3.3**	3.1

* Source: Spears & Associates *Drilling & Production Outlook – December 2024*
** Non-GAAP Measure (see pages 255 to 262)

Introduction
The Hunting Titan operating segment focuses predominantly on the US and Canadian onshore drilling and completion markets, but also services international markets from its operating sites in the US.

Hunting Titan has a network of distribution centres throughout the US and Canada from which the majority of the segment's sales are derived.

Hunting Titan also utilises the global manufacturing footprint of the wider Group to assist in meeting customer demand and, during the year, the Electronics business unit, which is part of the North America operating segment, continued to manufacture firing switches on behalf of Hunting Titan.

Segment performance
Hunting Titan's revenue streams are divided into four sub-groups: (i) perforating; (ii) energetics; (iii) instruments; and (iv) advanced manufacturing and OCTG.

Perforating gun sales decreased marginally in the year to $92.0m, with energetics sales also declining in the year to $66.3m, reflecting the continued reduction in activity reported across the US onshore well completions market. Instrument sales were also adversely impacted in the year given the prevailing market conditions.

Segment revenue was down 11% in 2024 at $230.3m (2023 – $259.2m), as the low price for natural gas and lower average US rig count continued to reduce across North America.

Partially offsetting the decline in US onshore revenue, Hunting Titan's international sales of $45.7m in 2024 were comparable with $45.0m in 2023 as demand for perforating products was sustained within Asia Pacific, the Middle East, and South America.

EBITDA for the year was $0.6m (2023 – $21.9m), leading to an EBITDA margin of 0% compared to 8% in 2023.

Given the continued reduction in activity levels, the in-year trading performance of the segment and the medium-term outlook for the US onshore market, an impairment review was undertaken, resulting in a charge of $109.1m being recorded (2023 – $nil) in respect of goodwill attached to the Hunting Titan cash generating unit. The impairment has been recorded as an adjusting item in the Group's consolidated income statement.

Operating loss for the year was $117.4m (2023 – $12.7m profit). Adding back the charges for impairment noted above, the adjusted operating loss for the year was $8.3m (2023 – $12.7m profit).

Hunting Titan focused on reducing inventories in the year given the slower market conditions, with inventory decreasing from $140.5m in 2023 to $107.8m at 31 December 2024 despite the highly challenging market conditions.

Hunting Titan recorded capital investment of $3.3m (2023 – $3.1m) mainly relating to new equipment purchases for the Milford and Pampa facilities, including new lathes and robotics installed at Pampa for Tandem production.

The segment capitalised $2.2m (2023 – $2.2m) research and development costs in the year. This predominantly related to the development of the H-4 Perforating System™ and new energetics charges launched in the year.

Operating footprint and headcount
During the year, the Wichita Falls operating site was closed, following the restructuring announced in Q2 2024.

The segment has also closed two distribution centres in the year to further reduce costs.

Following these closures, at the year-end, Hunting Titan operated from 3 (2023 – 4) operating sites and 12 (2023 – 14) distribution centres, located in Canada, Mexico, and the US.

Headcount within the segment decreased from 622 in 2023 to 514 in 2024, predominantly due to the facility consolidation and cost reduction programmes noted above.

Operating Segment Review continued

North America

		2024	2023
Market indicators*			
US onshore – average rig count	#	**579**	669
US offshore – average rig count	#	**19**	19
US – total drilling spend	$bn	**102.0**	103.4
Canada onshore – average rig count	#	**188**	177
Canada – total drilling spend	$bn	**20.2**	16.9
Revenue			
OCTG	$m	**199.8**	192.4
Advanced Manufacturing	$m	**120.2**	104.1
Other Manufacturing	$m	**37.3**	42.8
External revenue	$m	**357.3**	339.3
Inter-segment revenue	$m	**31.1**	35.4
Segment revenue	$m	**388.4**	374.7
Profitability			
EBITDA**/***	$m	**62.2**	53.8
EBITDA margin	%	**16**	14
Operating profit***	$m	**45.5**	33.7
Adjusting items	$m	**–**	–
Adjusted operating profit***	$m	**45.5**	33.7
Adjusted operating margin	%	**12**	9
Other financial measures			
Inventory	$m	**98.7**	107.8
Capital investment**	$m	**10.3**	14.5

* Source: Spears & Associates *Drilling & Production Outlook – December 2024*
** Non-GAAP Measure (see pages 255 to 262)
*** Restated to include the Group's share of associates' and joint venture's results

Introduction

Hunting's North America operating segment incorporates the US and Canada OCTG businesses and the Dearborn and Electronics businesses, which form the majority of the Group's Advanced Manufacturing product group.

The segment generates a large proportion of the Group's non-oil and gas sales, which includes the Advanced Manufacturing product group and the trenchless business unit that services the telecommunications sector, which is reported under "Other Manufacturing".

Segment performance

Revenue within the North America operating segment is derived from three primary product groups being: (i) OCTG, which incorporates premium connection and accessories manufacturing; (ii) Advanced Manufacturing, which incorporates the Electronics and Dearborn business units; and (iii) Other Manufacturing, which incorporates well intervention and trenchless sales.

The segment's OCTG revenue benefited from steady sales from its premium connections business as well as continued well completion and accessories sales into Guyana and Brazil during the year, as offshore developments have progressed throughout the year. Sales of the Group's TEC-LOCK™; SEAL-LOCK™ and TKC4040™ connections have been solid despite the challenging North America onshore drilling market. Revenue from OCTG for North and South America has increased to $199.8m in 2024 compared to $192.4m in 2023.

The Electronics business reported another year of growth, as traditional oil and gas sales, medical device sales, other non-oil and gas sales, and inter-company sales to Titan, continued in the year. The Dearborn business reported further improvement in performance during 2024 as non-oil and gas work increased. Overall, Advanced Manufacturing revenue increased to $120.2m in the year compared to $104.1m in 2023.

Other Manufacturing revenue decreased to $37.3m (2023 – $42.8m), predominantly due to the sale of the Group's oil and gas production assets in 2023.

Overall, segment revenue was up by 4% from $374.7m in 2023 to $388.4m in 2024.

EBITDA for the segment was $62.2m (2023 – $53.8m restated) as activity increased across most product groups. This led to an EBITDA margin of 16% compared to 14% in 2023.

Operating profit and adjusted operating profit for the year were $45.5m (2023 – $33.7m restated), as there were no adjusting items in the year.

Inventory levels within the segment decreased from $107.8m in 2023 to $98.7m, following particular focus on reducing Electronics, well intervention and trenchless inventories in the year.

The North America operating segment recorded capital investment of $10.3m (2023 – $14.5m) mainly relating to new equipment purchases and upgrades at the segment's Electronics and US Manufacturing businesses.

The segment spent $6.2m (2023 – $4.1m) on research and development in the year, including spend to support the development and qualification of premium connections for application to geothermal and carbon capture projects and a new printed circuit board manufacturing line in Electronics.

Operating footprint and headcount

During the year, the operating footprint of the segment remained unchanged, with 10 operating sites and two distribution centres at year-end.

Despite the continued increase in activity reported across most product groups, the headcount within the segment decreased from 900 in 2023 to 886 in 2024, predominantly within the Electronics and US Manufacturing (OCTG) sites.

Operating Segment Review continued

Subsea Technologies

		2024	2023
Market indicators*			
Global offshore – average rig count	#	**201**	205
Global offshore – total drilling spend	$bn	**66.8**	67.5
Revenue			
Stafford – Couplings & valves	$m	**47.4**	42.1
Spring – Stress joints	$m	**81.7**	49.1
Enpro – Flow intervention systems & Flow access modules	$m	**18.0**	7.4
External revenue	$m	**147.1**	98.6
Inter-segment revenue	$m	**–**	–
Segment revenue	$m	**147.1**	98.6
Profitability			
EBITDA**	$m	**30.0**	13.7
EBITDA margin	%	**20**	14
Operating profit	$m	**25.6**	8.0
Adjusting items	$m	**–**	–
Adjusted operating profit**	$m	**25.6**	8.0
Adjusted operating margin	%	**17**	8
Other financial measures			
Inventory	$m	**15.3**	25.4
Capital investment**	$m	**4.3**	1.2

* Source: Spears & Associates *Drilling & Production Outlook – December 2024*
** Non-GAAP Measure (see pages 255 to 262)

Introduction

The Subsea Technologies operating segment comprises three business units: (i) Stafford, which manufactures hydraulic valves and couplings; (ii) Spring, which manufactures titanium and steel stress joints; and (iii) Enpro, which manufactures flow intervention systems and flow access modules.

These businesses occupy different parts of the offshore/subsea equipment supply chain, with customers ranging from tier one OEMs to exploration and production companies.
The segment has two dedicated facilities, both in the US, with the Enpro business operating from the Group's shared Badentoy, Aberdeen facility.

Segment performance

The segment has completed large orders for ExxonMobil in the year, with revenue within the Subsea Technologies operating segment increasing 49% in the year, from $98.6m in 2023 to $147.1m in 2024.

The Stafford business unit has reported a $5.3m increase in revenue in the year to $47.4m, supported by the general momentum in deepwater activity. The unit had a strong first half to the year as contracts with major clients continued, but noted a slowing in the final quarter of the year as the reduced oil price started to move project commissioning to the right.

The Spring business unit reports an exceptionally strong financial performance in 2024, which supported the performance of the segment as a whole and was driven by the order completions for ExxonMobil for its titanium stress joints. Please see page 43 for more information.

The Enpro business unit reported a stronger 2024 compared to the prior year as orders were completed for South America and West Africa.

EBITDA for the segment was $30.0m (2023 – $13.7m) as key contracts were progressed and operating efficiencies were improved through good facility utilisation. This led to an EBITDA margin of 20% compared to 14% in 2023.

Operating profit for the year was $25.6m (2023 – $8.0m) and operating profit margin was 17% compared to 8% in 2023. There were no adjusting items in the year.

Inventory levels within the segment decreased from $25.4m in 2023 to $15.3m, as orders were executed, particularly within the Spring business unit.

During the year, the Subsea Technologies operating segment recorded capital investment of $4.3m (2023 – $1.2m) mainly relating to new equipment purchases at the Spring facility, including the installation of a new long bed lathe.

Operating footprint and headcount

During the year, the operating footprint of the segment remained unchanged, following the merging of Enpro's operating site into the Group's Badentoy, Aberdeen facility in early January 2024.

Headcount within the segment increased from 196 in 2023 to 223 in 2024, reflecting the higher activity levels reported across the operating segment.

Operating Segment Review continued

EMEA

		2024	2023
Market indicators*			
Europe – average rig count	#	**95**	96
Europe – spend	$bn	**13.0**	15.6
North Sea – average rig count	#	**24**	30
North Sea – spend	$bn	**11.6**	14.4
Middle East – spend	$bn	**22.8**	21.8
Revenue			
OCTG	$m	**27.5**	46.5
Perforating Systems	$m	**11.6**	7.7
Other Manufacturing	$m	**47.5**	32.5
External revenue	$m	**86.6**	86.7
Inter-segment revenue	$m	**1.1**	1.5
Segment revenue	$m	**87.7**	88.2
Profitability			
EBITDA**	$m	**(7.9)**	1.7
EBITDA margin	%	**(9)**	2
Operating loss – restated	$m	**(12.4)**	(11.2)
Adjusting items – restated	$m	**–**	8.9
Adjusted operating loss – restated**	$m	**(12.4)**	(2.3)
Adjusted operating margin	%	**(14)**	(3)
Other financial measures			
Inventory	$m	**19.7**	28.1
Capital investment**	$m	**2.0**	2.4

* Source: Spears & Associates *Drilling & Production Outlook – December 2024*
** Non-GAAP Measure (see pages 255 to 262)

Introduction

Hunting's EMEA operating segment comprises businesses in the Netherlands, Norway, Saudi Arabia, UAE and UK. The segment provides OCTG (including threading, storage and accessories manufacturing) in the Netherlands, Saudi Arabia and the UK.

In the UAE, the Group operates an equipment assembly function for well testing and intervention products as well as a global sales office for all of the Group's product lines and operates a service and distribution function in Norway. The Group's operations in Saudi Arabia are through a 65% joint venture arrangement with Saja Energy.

Segment performance

Revenue within the EMEA operating segment is derived from three primary product groups being: (i) OCTG, incorporating premium connection and accessories manufacturing; (ii) Perforating Systems, supporting the sales of products on behalf of Hunting Titan; and (iii) Other Manufacturing, which incorporates well intervention, well testing and organic oil recovery sales.

OCTG revenue has been lower in the year, given the declining activity in the North Sea. Revenue for the product group was $27.5m in the year (2023 – $46.5m) reflecting this reduced activity. Within this sales figure, however, is $7.1m of geothermal revenue, which the Group's Netherlands business captured in the year.

Sales of Perforating Systems have increased in the year, as demand for Hunting Titan's components improved across the Middle East and in Norway. Revenue from this product group increased by $3.9m in the year to $11.6m.

Revenue from the Other Manufacturing product group, which includes well intervention sales and rental in addition to well testing, trenchless and organic oil recovery sales, increased by $15.0m during the year to $47.5m.

EBITDA for the segment was a loss of $7.9m (2023 – $1.7m profit), driven by lower trading results and an impairment of inventory within the segment's Netherlands business unit, which was treated as an unadjusted item. This led to an EBITDA margin of (9)% compared to 2% in 2023.

The operating loss and adjusted operating loss were $12.4m in the year. In 2023, the adjusted operating loss was $2.3m. As discussed further in the Group Financial Review, the prior year operating loss has been restated to include an import tax provision of $8.9m relating to not having followed the tax authority's interpretation of the correct processes for importing goods into their jurisdiction and thus not paying amounts which would have been due based on the tax authority's guidance in place at the time. The restated operating loss for 2023, including the provision, was $11.2m.

Inventory levels within the segment decreased from $28.1m in 2023 to $19.7m, as activity slowed, and also includes the inventory write down in the Netherlands.

During the year, the EMEA operating segment recorded capital investment of $2.0m (2023 – $2.4m) mainly relating to equipment purchases at the segment's new Dubai facility.

Operating footprint and headcount

During the year, the operating footprint of the segment remained unchanged, with seven operating sites at the year-end.

The headcount within the segment increased marginally from 270 in 2023 to 277 in 2024.

Operating Segment Review continued

Asia Pacific

		2024	2023
Market indicators*			
Far East – spend	$bn	**27.3**	24.7
Middle East – spend	$bn	**22.8**	21.8
Revenue			
OCTG	$m	**233.7**	150.8
Other Manufacturing	$m	**3.7**	3.5
External revenue	$m	**237.4**	154.3
Inter-segment revenue	$m	**3.2**	3.3
Segment revenue	$m	**240.6**	157.6
Profitability			
EBITDA**/***	$m	**41.4**	11.3
EBITDA margin	%	**17**	7
Operating profit	$m	**37.6**	8.3
Adjusting items	$m	**–**	–
Adjusted operating profit**	$m	**37.6**	8.3
Adjusted operating margin	%	**16**	5
Other financial measures			
Inventory	$m	**64.4**	29.2
Capital investment**	$m	**4.7**	2.2

* Source: Spears & Associates *Drilling & Production Outlook – December 2024*
** Non-GAAP Measure (see pages 255 to 262)
*** Restated to include the Group's share of associates' and joint venture's results

Introduction
Hunting's Asia Pacific operating segment covers three operating sites across China, Indonesia and Singapore and services customers predominantly in Africa, Asia Pacific, India, and the Middle East.

In Singapore, Hunting manufactures OCTG premium connections and accessories. The Group's Indonesia facility also completes threading and accessories work. In China, the Group operates from a facility in Wuxi, which has OCTG threading and perforating gun manufacturing capabilities.

Segment performance
Revenue within the Asia Pacific operating segment is derived from two primary product groups being: (i) OCTG, which incorporates premium connection and accessories manufacturing; and (ii) Other Manufacturing, which incorporates well intervention equipment manufacturing.

Due to the successful award of the $231m KOC orders in H1 2024, followed by the commencement of delivery in September 2024, revenue increased significantly for the operating segment in 2024, growing by 53% to $240.6m from $157.6m in 2023. The segment continued to complete orders for other major clients, including Cairn Oil and Gas (Vedanta)Limited, which is a three-year contract announced in 2023.

EBITDA for the segment was $41.4m (2023 – $11.3m restated) as higher margin contracts were delivered, with production efficiencies and higher facility utilisation reported in the year. This led to an EBITDA margin of 17% compared to 7% in 2023.

Operating profit and adjusted operating profit for the year were $37.6m (2023 – $8.3m restated), as there were no adjusting items in either year, and operating margin was 16% compared to 5%.

Inventory levels within the segment increased from $29.2m in 2023 to $64.4m, predominantly due to the large raw material requirements attached to the KOC orders.

During the year, the Asia Pacific operating segment recorded capital investment of $4.7m (2023 – $2.2m) as new production lines were commissioned in China.

Operating footprint and headcount
During the year, the operating footprint of the segment remained unchanged, with three operating sites at year-end.

The headcount within the segment increased from 346 in 2023 to 378 in 2024, in support of the large OCTG orders secured during the year.

India joint venture
The segment has Group oversight of the Jindal Hunting Energy Services joint venture in India, in which Hunting holds a 49% interest.

In 2023, the venture commissioned its premium connection threading facility with plans in 2025 to open a new facility on the east coast of India.

The India joint venture contributed $2.3m (2023 – $0.2m loss) to the operating segment's EBITDA result noted above.

Group Financial Review

The Group delivered strong operational performance in 2024 and reported year-on-year growth in revenue, adjusted operating profit and adjusted earnings. This was driven by heightened industry activity, especially in the offshore and international markets, and was achieved despite the more subdued North America onshore market during the year, demonstrating the robust demand for the Group's diverse portfolio of products.

Solid balance sheet to drive growth

Revenue

$1,048.9m

(2023 – $929.1m)

Adjusted operating profit

$88.0m

(2023 – $60.4m restated)

Group Financial Review continued

Financial performance measures

The following are financial key performance indicators as identified on page 18.

	2024 $m	2023 $m
Revenue	**1,048.9**	929.1
EBITDA[i] (NGM C)	**126.3**	102.4
EBITDA margin[ii]	**12%**	11%
Adjusted profit before tax[iii] (NGM B)	**75.6**	50.0
Adjusted diluted earnings per share – cents[iii] (NGM B)	**31.4c**	20.3c
Free cash flow (NGM P)	**139.7**	(0.5)
Working capital to annualised revenue ratio (NGM E)	**29%**	46%
Total cash and bank/(borrowings) (NGM K)	**104.7**	(0.8)
Dividend per share declared – cents (NGM Q)	**11.5c**	10.0c
Sales order book (NGM T)	**508.6**	565.2

Financial performance measures derived from IFRS

	2024 $m	2023 $m
Operating (loss) profit[iv]	**(21.1)**	51.5
(Loss) profit before tax	**(33.5)**	41.1
Diluted (loss) earnings per share – cents	**(17.6)c**	65.9c
Net cash inflow from operating activities	**188.5**	49.3

i. EBITDA has been restated in 2023 to include the Group's share of associates' and joint venture's results, see NGM C.
ii. EBITDA as a percentage of revenue.
iii. Results are presented on a statutory basis as reported under UK adopted International Financial Reporting Standards. Adjusted results reflect adjusting items determined by management, which are described in Non-GAAP Measures ("NGM") on pages 255 to 262.
iv. Operating profit has been restated in 2023 to include the Group's share of associates' and joint venture's results and the import tax provision, see note 41 for further details.

Three of the Group's operating segments delivered increases to revenue during the year. The Subsea Technologies and Asia Pacific operating segments saw compelling growth in the year as demand for the Group's products accelerated in response to increased activity in the offshore and international markets.

The Subsea Technologies operating segment delivered on contracts for its titanium and steel stress joints, and Asia Pacific began delivery of the $231m KOC orders in September, as the operating segment reported its highest revenue and margins.

The North America operating segment benefited from revenue growth in the Advanced Manufacturing businesses, supported by the expansion of non-oil and gas sales in 2024.

Hunting Titan's revenue reduced in 2024, as demand for its Perforating Systems was impacted by a reduction in the North American rig count due to low natural gas prices, and EMEA's revenue was flat compared to 2023.

Following the annual impairment review of non-current assets, impairment charges totalling $109.1m were recognised in relation to the Hunting Titan cash-generating unit ("CGU"). These charges have been recorded against the backdrop of a subdued North American market with reduced rig counts and sluggish gas prices, and reduced oil focused drilling due to limitations on flaring in certain US onshore basins, such as the Permian, leading to projections declining for the business. For further information on the impairment review, please see note 15.

Basis of preparation

The Board continues to monitor the Group's progress using adjusted profitability measures and reviews and approves the adjusting items proposed by management, as the Group believes these adjusted measures aid the comparison of the Group's operating performance from one period to the next.

The Group's adjusted trading results have been highlighted in the management narrative below, with reconciliations between the statutory and adjusted results detailed in NGM A.

The definition and calculation of a range of NGMs including EBITDA, working capital, total cash and bank/(borrowings), and free cash flow can be found on pages 255 to 262.

Prior year restatements

(a) Import tax provision

In July 2024, as part of an internal review, an EMEA business unit was identified as not following the tax authority's interpretation of the correct process for importing goods, under specific contracts, in their jurisdiction and thus had not paid amounts which would have been due based on the tax authority's guidance in place at the time. The business is working with the tax authority to regularise the position.

While no incremental profit or cash flow was recognised, resolution is dependent upon discretion by the authority, and therefore an exposure exists. A provision of $9.5m was recognised at 30 June 2024, which represented the Group's best estimate of the potential liability. The carrying value of the provision at 31 December 2024 reduced to $8.6m following ongoing dialogue with the tax authority and a review of the assumptions.

Of the total provision of $9.5m recognised at 30 June 2024, $9.1m related to the year ended 31 December 2023, and $0.4m to the six months ended 30 June 2024. The prior period financial statements were restated to reflect the recognition of the provision, together with the corresponding deferred tax impact, which have been disclosed as adjusting items (see NGM A). The impact on the 2023 balance sheet has been an increase in provisions by $9.1m to $16.6m and net tax assets have increased by $2.1m to $84.8m at 31 December 2023, with net assets decreasing by $7.0m to $950.1m. The impact on the income statement is a reduction in operating profit by $8.9m and a reduction in the tax charge of $2.1m, therefore the net reduction to profit for the year was $6.8m.

All periods that could potentially be impacted by this import tax matter have been reviewed and there is no further exposure. For further details, please see notes 1 and 41.

(b) Presentation of associates' and joint venture's results

During the year, the Company changed its accounting policy to present its share of associates' and joint venture's results as part of operating profit and has represented the 2023 results on this basis to aid comparability, with operating profit and EBITDA decreasing by $0.6m, see note 41 and NGM C.

Group Financial Review continued

Operating results

Summary Group operating results

	2024 $m	2023 $m
Revenue	**1,048.9**	929.1
Cost of sales	**(777.0)**	(701.4)
Gross profit	**271.9**	227.7
Selling and distribution costs	**(53.5)**	(49.3)
Administrative expenses[i]	**(127.9)**	(128.7)
Impairment of goodwill (note 15)	**(109.1)**	–
Net operating income and other expenses	**(2.4)**	2.4
Share of associates' and joint venture's results	**(0.1)**	(0.6)
Operating (loss) profit[ii]	**(21.1)**	51.5
Adjusting items[iii] (NGM A)	**109.1**	8.9
Adjusted operating profit[iii/iv] (NGM B)	**88.0**	60.4
EBITDA[iv] (NGM C)	**126.3**	102.4
Diluted (loss) earnings per share – cents[v] (note 10)	**(17.6)c**	65.9c
Adjusted diluted earnings per share – cents[i] (NGM B)	**31.4c**	20.3c

i. Administrative expenses were restated in 2023 to include the import tax provision, as shown in note 41.
ii. Operating profit was restated in 2023 to include the import tax provision and the Group's share of associates' and joint venture's results, see note 41.
iii. Results are presented on a statutory basis as reported under UK adopted International Financial Reporting Standards. Adjusted results reflect adjusting items determined by management, which are described in Non-GAAP Measures ("NGM") on pages 255 to 262.
iv. Restated in 2023 to include the Group's share of associates' and joint venture's results.
v. Restated in 2023 to include the import tax provision.

Revenue
Trading in 2024 was ahead of 2023, with revenue for 2024 increasing by 13% to $1,048.9m (2023 – $929.1m) reflecting the positive performance in the Group's OCTG, Subsea and Advanced Manufacturing product groups as international and offshore demand for oil and gas products continued to grow. However, the Perforating Systems product group reported headwinds in the year driven by industry capital discipline and the lower average natural gas price recorded across the period, leading to restricted drilling activity, and a reduction in the North American rig count compared to the prior year. Non-oil and gas revenue of $75.1m in the year was broadly flat compared to $75.9m in 2023.

Gross profit
Gross profit for the year increased to $271.9m compared to $227.7m in 2023 and gross margin was 26% in the year (2023 – 25%), the increase being driven by higher revenue, product mix, the impact of previous price increases and increased facility utilisation, leading to a better profit drop-through.

Operating (loss) profit
The operating loss in 2024 was $21.1m compared to a profit of $51.5m (restated) in 2023. The charges for selling and distribution, administration, and other net operating income and other expenses totalling $183.8m (2023 – $175.6m restated) increased in the year, reflecting the increase in activity across the Group.

2023 administrative expenses were restated to include the $8.9m import tax provision, as noted above. Excluding this item, the 10% increase in administrative expenses reflects further investment in support functions and infrastructure to underpin the growth agenda.

As the Hunting Titan operating segment had recorded deteriorating results in the year due to reduced activity levels in the US onshore, and the reduction in the medium-term trading outlook for the business, the carrying value of the CGU's goodwill was assessed for impairment as part of the annual goodwill impairment review. This resulted in a goodwill impairment charge totalling $109.1m being recognised. Further details are provided in note 15.

As noted above, the Group's share of associates' and joint venture's results has been included within operating profit from 1 January 2024, with the 2023 comparative restated. In 2024, the Group's share of associates' and joint venture's results was a $0.1m loss (2023 – $0.6m loss), with a profit contribution from the India joint venture in 2024 of $2.3m, in its first full year of trading, offset by losses attributed to the Group's investments in Cumberland Additive of $1.4m and Rival Downhole Tools of $1.0m, which was impacted by the subdued US onshore market.

Net finance expense
Net finance expense was $12.4m (2023 – $10.4m), with the higher expense reflecting the increase in the costs associated with working capital programmes utilised during the year and derivative fair value losses.

(Loss) profit before tax
Following the charges for the net interest expense, the Group's loss before tax for the year was $33.5m (2023 – $41.1m profit restated).

Taxation
The tax credit for the year was $8.0m (2023 – $71.1m credit restated) and includes a deferred tax credit of $27.8m in relation to the Hunting Titan goodwill impairment charge. The resulting effective tax rate ("ETR") for the year is 24% compared to the weighted average tax rate of 29%, with the main difference in the rates relating to deferred tax not recognised in the year. The 2023 ETR was (173)% (restated) and was impacted by the recognition of previously unrecognised deferred tax assets in the US totalling $83.1m. The Group's ETR in 2023 was significantly different to that which might be expected when applying the weighted average tax rate of 23% to the profits made by the Group as a result of this.

(Loss) profit for the year
Following the tax charge noted above, the loss for the year was $25.5m (2023 – $112.2m profit restated), with a loss of $28.0m (2023 – $110.3m profit restated) attributable to Hunting's shareholders.

(Loss) earnings per share
The attributable loss of $28.0m resulted in a diluted loss per share of 17.6 cents, compared to diluted earnings per share of 65.9 cents (restated) in 2023, with 2023 including the benefit of the recognition of the previously unrecognised US deferred tax assets. The weighted average number of Ordinary shares in issue, inclusive of all dilutive potential Ordinary shares, was 169.5m (2023 – 167.3m).

Group Financial Review continued

Adjusting items

The Board continues to monitor the Group's progress using adjusted profitability measures and reviews and approves the adjusting items proposed by management. The Group's adjusted trading results have also been discussed throughout as the Group believes these adjusted measures aid the comparison of the Group's operating performance from one period to the next. Reconciliations between the statutory and adjusted results have been presented in NGM B. The definition and calculation of a range of other NGMs including EBITDA, working capital, total cash and bank/(borrowings), free cash flow and ROCE can be found on pages 255 to 262.

Given the quantum of Hunting Titan's goodwill impairment charge of $109.1m, together with the associated deferred tax credit of $27.8m, these items have been treated as adjusting items in the 2024 income statement.

As discussed above, a provision of $8.9m was recognised in the income statement in 2023 as a prior year adjustment in relation to an import duty matter, together with the corresponding deferred and corporation tax impact of a $2.1m credit. The tax credit of $83.1m in relation to the recognition of US deferred tax assets in 2023 was also treated as an adjusting item (see NGM A).

Adjusted operating profit for 2024 was, therefore, $88.0m (2023 – $60.4m restated), adjusted profit before tax was $75.6m (2023 – $50.0m), and with the adjusted tax charge (NGM D) of $19.8m (2023 – $14.1m) and adjusted ETR of 26% (2023 – 28%), adjusted profit for the year attributable to owners of the parent was $53.3m (2023 – $34.0m), as shown in NGM B.

Non-GAAP profit measures

In 2024, the Group generated EBITDA of $126.3m compared to an EBITDA of $102.4m (restated) in 2023, a year-on-year increase of 23%. EBITDA was driven by strong trading results within the Group's OCTG, Subsea and Advanced Manufacturing product groups, offset by the lower performance of the Perforating Systems product group.

The EBITDA margin of the Group has improved in the year and in 2024 was 12% compared to 11% in 2023. The increase in EBITDA generated in the year was driven by an increase in the overall demand for the Group's diverse product portfolio, improved facility utilisation, higher margin orders increasing their weighting in revenue and the impact of select product price increases put through last year.

Free cash flow

$139.7m

(2023 – $(0.5)m)

Total cash and bank/(borrowings)

$104.7m

(2023 – $(0.8)m)

Group Financial Review continued

Operating segment, product line financial data and sales order book

The Hunting business is organised and managed by segment but has a consistent product structure that runs across the organisation.

In order to provide better insight and visibility, management has provided additional information for revenue and EBITDA by product group, which clarifies the relationship between Hunting's operating segments and key product groups.

Segmental operating results

	2024				2023			
	Revenue $m	EBITDA[i] $m	Adjusted operating result[ii] $m	Sales order book $m	Revenue $m	EBITDA[i] $m	Adjusted operating result[ii] $m	Sales order book $m
Hunting Titan	**230.3**	**0.6**	**(8.3)**	**16.7**	259.2	21.9	12.7	17.6
North America	**388.4**	**62.2**	**45.5**	**207.3**	374.7	53.8	33.7	288.7
Subsea Technologies	**147.1**	**30.0**	**25.6**	**72.5**	98.6	13.7	8.0	152.2
EMEA	**87.7**	**(7.9)**	**(12.4)**	**50.2**	88.2	1.7	(2.3)	29.9
Asia Pacific	**240.6**	**41.4**	**37.6**	**186.9**	157.6	11.3	8.3	115.8
Inter-segment elimination	**(45.2)**	**–**	**–**	**(25.0)**	(49.2)	–	–	(39.0)
	1,048.9	**126.3**	**88.0**	**508.6**	929.1	102.4	60.4	565.2

i. EBITDA is a non-GAAP measure, see NGM C. EBITDA has been restated in 2023 to include the Group's share of associates' and joint venture's results.
ii. Results are presented on a statutory basis as reported under UK adopted International Financial Reporting Standards. Adjusted results reflect adjusting items determined by management, which are described in NGM A.

Results by product group

	2024			2023		
	Revenue $m	EBITDA[i] $m	Sales order book $m	Revenue $m	EBITDA[i] $m	Sales order book $m
Perforating Systems	**222.7**	**1.4**	**16.5**	243.8	25.1	12.7
OCTG	**463.7**	**80.2**	**249.7**	395.8	46.3	222.0
Advanced Manufacturing	**126.9**	**11.8**	**130.0**	112.1	10.6	161.5
Subsea	**147.1**	**30.0**	**72.5**	98.6	13.7	152.2
Other Manufacturing	**88.5**	**2.9**	**39.9**	78.8	6.7	16.8
	1,048.9	**126.3**	**508.6**	929.1	102.4	565.2

i. EBITDA is a non-GAAP measure, see NGM C. EBITDA has been restated in 2023 to include the Group's share of associates' and joint venture's results.

The sales order book comprises orders from customers yet to be completed, which are expected to be recognised as revenue in future periods. The sales order book is determined as the opening sales order book, plus new orders booked, less amounts recognised as revenue, adjusted for any order modifications/variations and foreign exchange impacts (NGM T).

The Group sales order book peaked during the year, following the award of the $231m of KOC orders followed by the OOR orders of $60m. The Group has been working through these KOC orders, as well as the Yellowtail order for ExxonMobil, finishing the year with an order book of $508.6m at 31 December 2024 compared to $565.2m at 31 December 2023.

The sales order book at the year-end comprises 3% Perforating Systems (2023 – 2%); 49% OCTG (2023 – 39%); 26% Advanced Manufacturing (2023 – 29%); 14% Subsea (2023 – 27%), and 8% Other Manufacturing (2023 – 3%).

Of this order book, approximately 86% is expected to be recognised as revenue in 2025, 11% during 2026 and 3% from 2027 onwards, underpinning Hunting's revenue visibility.

Detailed commentary on the financial performance of Hunting's product groups can be found on pages 44 to 53.

Detailed commentary on the financial performance of each operating segment can be found on pages 55 to 59.

Group funding

In October 2024, the Group entered into $300m of new committed borrowing facilities to finance the ongoing working capital requirements of the existing business and to support Hunting's stated organic and inorganic growth strategy. The new funding arrangements comprise a $200m revolving credit facility ("RCF") and a $100m term loan. These facilities have replaced our $150m Asset Based Lending ("ABL") facility. The new facilities are provided by a four-bank syndicate, expanding the number of banks participating in our core funding arrangements. Wells Fargo and HSBC (who participated in our prior facilities and have acted as joint coordinators in these new facilities) were joined by First Abu Dhabi Bank and Emirates NBD. The Company is pleased to welcome these new banks into our lending group. The new, upsized facilities and expanded bank group provides Hunting with committed liquidity and headroom that will enable us to pursue Hunting's stated growth ambition, as outlined in the Hunting 2030 Strategy at the Capital Markets Day in September 2023.

A conventional earnings-based covenant regime is attached to the facilities and includes a leverage test (being the ratio of total net debt to adjusted EBITDA not exceeding 3.0:1) and an interest cover test (being the ratio of consolidated EBITDA to consolidated net finance charges not being less than 4.0:1). The RCF has been arranged with an initial tenor of four years, expiring on 16 October 2028, with an option that allows the Company to extend the contracted maturity date by an additional 12-month term.

Group Financial Review continued

The $100m term loan has been arranged with a three-year tenor and, pursuant to the conditions of the facility agreement, was fully drawn on signing of the facilities. After an initial 12-month period, the term loan amortises with eight quarterly repayments of $9.4m (the first such payment due on 30 September 2025) and a final $25m repayment on 30 September 2027.

On signing of the new facilities, the Group's $150m ABL facility was repaid and cancelled, with drawings under the new term loan used in part for this purpose.

It is management's view that the new facilities are resilient and will provide a strong foundation on which the strategic growth aspirations of the Group may be established.

Further details relating to all the Group's facilities, as well as information on the Group's financial risk management are disclosed in note 30.

Consideration of the likelihood that the Group will require access to the facilities, or any other sources of external funding, to support our existing operations in the next 12 months are covered in the going concern assessment on page 111.

Cash flow

Summary Group cash flow statement

	2024 $m	2023 $m
EBITDA[i] (NGM C)	**126.3**	102.4
Add: share-based payment expense	**14.1**	13.5
	140.4	115.9
Working capital movements (NGM M)	**53.3**	(55.0)
Lease payments	**(8.9)**	(10.4)
Net interest and bank fees paid	**(12.9)**	(7.3)
Net tax paid	**(3.5)**	(9.1)
Capital investment (NGM N)	**(25.3)**	(23.7)
Intangible asset investment	**(4.8)**	(10.9)
Proceeds from asset disposals	**1.7**	1.9
Net gains on asset disposals	**(0.9)**	(1.7)
Other operating and non-cash movements (NGM O)	**0.6**	(0.2)
Free cash flow (NGM P)	**139.7**	(0.5)
Investment in associates and joint ventures	**(0.9)**	(1.6)
Dividends received from associates	**–**	0.6
Dividends paid to equity shareholders	**(16.7)**	(15.0)
Net purchase of treasury shares	**(13.9)**	(8.7)
Net cash flow	**108.2**	(25.2)
Foreign exchange	**(2.7)**	(0.1)
Movement in total cash and bank/(borrowings) (note 26)	**105.5**	(25.3)
Opening total cash and bank/(borrowings)	**(0.8)**	24.5
Closing total cash and bank/(borrowings) (NGM K)	**104.7**	(0.8)

i. EBITDA is a non-GAAP measure. EBITDA has been restated in 2023 to include the Group's share of associates' and joint venture's results, with the reversal included in non-cash movements.

EBITDA

Hunting reported EBITDA of $126.3m during 2024 (2023 – $102.4m restated), as discussed above. When adjusted for non-cash share-based payment charges, the inflow for the year was $140.4m (2023 – $115.9m restated).

Working capital

During 2024, cash generation improved as management focused on working capital efficiency, especially receivables collections, leading to a working capital inflow of $53.3m compared to the outflow of $55.0m in 2023.

In the year, a number of working capital instruments were utilised to shorten the cash cycle of the KOC contract, including discounting letters of credit to accelerate payments and bank acceptance drafts to defer OCTG supplier payments.

In addition, and following the good progress in receivables collections, working capital as a percentage of annualised revenue decreased to 29%, down from the position at the end of 2023 of 46% (NGM E).

Inventory days moved from 175 days at 31 December 2023 to 123 days at 31 December 2024 (NGM F), reflecting the changing product mix and the decline in inventory in the Hunting Titan and Electronics businesses.

Receivables days have decreased to 67 days compared to 89 days at 31 December 2023 (NGM G) reflecting the shortening of the cash receipt cycle through the use of accelerated receivables programmes and discounted letters of credit. Trade payables days have also increased, moving from 49 days to 81 days (NGM H), due to the benefit of the bank acceptance drafts. Payments made on account to suppliers have increased from $12.4m in 2023 to $16.8m at the end of 2024 in support of the KOC orders. Advances from customers have reduced from $31.0m in 2023 to $12.4m at the end of 2024, as longer lead time orders are worked through.

Lease payments

During the year, the Group's leasing arrangements gave rise to cash payments of $8.9m compared to $10.4m in 2023, which included a one-off payment made to exit a lease for a surplus property in Canada.

Net finance costs

Net interest and bank fees paid in the year were higher at $12.9m (2023 – $7.3m), mainly due to the arrangement fees and legal fees of $4.3m paid in relation to the new $200m RCF and $100m term loan, discussed above. These fees were capitalised on the balance sheet and will amortise over the expected life of these borrowing facilities.

Group Financial Review continued

Taxation
Net tax payments of $3.5m in 2024 were notably lower than the prior year of $9.1m, reflecting the change in jurisdictions where profits have arisen and the utilisation of historic tax losses offsetting taxable profits.

Purchases of property, plant and equipment
Purchases of property, plant and equipment in the year totalled $25.3m in 2024 and were in line with 2023 totalling $23.7m. Hunting Titan spent $3.3m, with $1.9m in relation to four new lathes and robots installed at the Pampa facility for Tandem production; $10.3m was in North America, with $2.6m spent by Electronics on a new printed circuit board manufacturing line and $4.2m spent by US Manufacturing on new machines and upgrades; $4.3m was in Subsea Technologies, with $2.2m on a long bed lathe; $2.0m was in EMEA; $4.7m by Asia Pacific, to support the KOC orders in Wuxi, China; and $0.7m centrally.

Purchases of intangible assets
Intangible asset investments in the year were $4.8m (2023 – $10.9m), with $1.9m on software and global data centres, $0.3m on the sales, manufacturing and distribution rights for CRA-Tubulars' titanium-lined carbon fibre tubing, and $2.6m by Hunting Titan on internally generated technology.

Asset disposals
Proceeds from the disposal of assets totalled $1.7m (2023 – $1.9m), and gains on asset disposals of $0.9m (2023 – $1.7m) relate to gains on the disposal of property, plant and equipment.

Free cash flow
The resulting free cash inflow was $139.7m in the year, compared to a free cash outflow in 2023 of $0.5m.

Investments in associates and joint ventures
In 2024, the Group made a further investment in Cumberland Additive of $0.9m (2023 – $1.6m), thereby increasing Hunting's investment to 30.7% (2023 – 30.4%).

Dividends
There were increased returns to shareholders in 2024, with dividends paid to Hunting PLC shareholders amounting to $16.7m (2023 – $15.0m), representing an increase of 11% in the year.

Purchases of treasury shares
During the year, 2.9m Ordinary shares (2023 – 2.9m) were purchased as treasury shares through Hunting's Employee Benefit Trust for a total consideration of $14.2m (2023 – $9.0m). These shares will be used to satisfy future awards under the Group's share award programme. The purchase of treasury shares was offset by proceeds received on the disposal of treasury shares of $0.3m (2023 – $0.3m).

Net cash flow
Overall, in the year, the Group recorded a net cash inflow of $108.2m (2023 – $25.2m outflow), which was predominantly driven by the release of cash from working capital, as noted above.

As a result of the above cash inflows and $2.7m of adverse foreign exchange movements (2023 – $0.1m), total cash and bank/(borrowings) increased from the borrowing position of $0.8m (NGM K) at 31 December 2023 to a net cash position of $104.7m at the year-end.

Balance sheet

Summary Group balance sheet

	2024 $m	2023[i] $m
Property, plant and equipment	**252.8**	254.5
Right-of-use assets	**28.3**	26.2
Goodwill	**45.1**	154.4
Other intangible assets	**39.4**	40.8
Investments in associates and joint ventures	**9.2**	20.5
Asset held for sale	**12.1**	–
Working capital (NGM E)	**355.5**	415.9
Taxation (current and deferred)	**98.0**	84.8
Provisions	**(14.3)**	(16.6)
Other net assets (NGM I)	**5.5**	3.0
Capital employed (NGM J)	**831.6**	983.5
Total cash and bank/(borrowings) (NGM K)	**104.7**	(0.8)
Lease liabilities	**(30.1)**	(28.7)
Shareholder loan from non-controlling interest	**(3.9)**	(3.9)
Net cash/(debt) (note 26)	**70.7**	(33.4)
Net assets	**902.3**	950.1

i. 2023 has been restated to reflect the import tax provision of $9.1m and the corresponding increase in deferred tax of $2.1m (see note 41).

Property, plant and equipment
Property, plant and equipment was $252.8m at 31 December 2024 (2023 – $254.5m) following additions of $25.2m and other items of $1.1m, offset by depreciation of $25.2m, and disposals of $2.8m. Capital investment during the year was made to support the growth agenda.

Right-of-use assets
Right-of-use assets have slightly increased and totalled $28.3m at 31 December 2024 compared to $26.2m at 31 December 2023. Additions in the year of $2.7m and lease modifications of $7.0m were offset by depreciation of $7.2m and adverse foreign exchange movements of $0.4m.

Goodwill
Following the annual carrying value review of goodwill, given the prevailing trading conditions and future expectations for the Hunting Titan CGU, an impairment charge of $109.1m was recognised. The goodwill balance at the year-end was $45.1m compared to $154.4m in 2023 following the impairment charge and adverse foreign exchange movements of $0.2m. See note 15 for further details.

Other intangible assets
Other intangible assets were $39.4m at 31 December 2024 compared to $40.8m at the 2023 year-end. Amortisation charges of $5.9m and adverse foreign exchange movements of $0.3m were offset by additions of $4.8m, primarily related to the capitalisation of technology and IT data centres.

Group Financial Review continued

Investments in associates and joint ventures

Investments in associates and joint ventures have decreased by $11.3m, reflecting the reclassification of the investment in Rival Downhole Tools ("Rival") as an asset held for sale and the Group's share of associates' and joint venture's net losses for the year of $0.1m (2023 – $0.6m), offset by the additional investment of $0.9m in Cumberland Additive. The net loss for the year is attributable to the loss of $1.0m by Rival and $1.4m by Cumberland Additive, offset by the share of profits in the Indian JV of $2.3m.

Asset held for sale

The Group's 23% investment in Rival Downhole Tools of $12.1m was classified as an asset held for sale at the year-end due to the active marketing and sales process that was underway. The investment was sold for $13.1m on 3 March 2025.

Working capital

Working capital (NGM E) decreased by $60.4m to $355.5m, despite the growth in activity in the business. Inventory levels decreased by $25.1m to $303.3m as the sales order book was worked through; however, inventory provision levels have increased by $4.6m reflecting some additional provisions in Hunting Titan and EMEA.

Trade, contract and other receivables have increased in 2024 to $262.4m from $251.5m in line with the increase in revenue; however, the Company has discounted some receivables in relation to the KOC orders to manage the extended working capital cycle for these large orders.

Trade, contract and other payables have increased significantly to $210.2m from $164.0m, as payments for the purchases of the Chinese pipe in relation to the large KOC orders were deferred through the use of bank acceptance drafts, which are due to be settled six months after receipt of the materials beginning in Q1 2025.

Taxation

Net tax assets on the balance sheet were $98.0m at 31 December 2024 compared to $84.8m (restated) in the prior year, and reflect the deferred tax credit of $27.8m arising on the goodwill impairment charge and the US deferred tax assets recognised in 2023 as profit expectations in the region improved.

Provisions

As noted above, provisions for the year ended 31 December 2023 have been restated to include a provision for import tax of $9.1m that was identified in July 2024. The restated amount for provisions at the 2023 year-end was $16.6m. Provisions have reduced by $2.3m in the year to $14.3m at 31 December 2024.

Capital employed

As a result of the above changes, capital employed in the Group decreased by $151.9m to $831.6m. The return on average capital employed was 9% in 2024 compared to 6% in 2023 (NGM S).

Net cash/(debt)

The Company has moved from a net debt position (note 26) at 31 December 2023 of $33.4m, to a net cash position of $70.7m at 31 December 2024, a significant improvement due to strong cash generation in the second half of the year and net working capital inflows, reflecting strong cash collections and good management of the working capital cycle through the use of accelerated receivables programmes and discounted letters of credit in relation to the KOC order. Net cash includes $30.1m (2023 – $28.7m) of lease liabilities, which have increased by $1.4m during the year due to new leases of $2.6m, lease modifications of $7.0m, and an interest charge of $1.4m offset by lease payments of $8.9m and foreign exchange movements of $0.7m.

Net assets

Net assets have, therefore, decreased by $47.8m to $902.3m at 31 December 2024, compared to $950.1m (restated) at the 2023 year-end. This has been driven by the loss in the year of $25.5m, dividends paid in the year of $16.7m to equity shareholders of Hunting PLC, and the net purchase of treasury shares of $13.9m offset by foreign exchange and other items totalling $8.3m.

Dividends

A Final Dividend of 6.0 cents per share (2023 – 5.0 cents) has been proposed by the Board, making the total dividends declared for the year ending 31 December 2024 11.5 cents per share (2023 – 10.0 cents per share), an increase of 15% over 2023. Subject to shareholder approval at the 2025 Annual General Meeting, the Final Dividend will be paid on 9 May 2025. This distribution will amount to an estimated cash return of $9.5m (2023 – $8.0m).

The dividend will be paid in Sterling with the Sterling value of the dividend payable per share fixed and announced approximately two weeks prior to the payment date, based on the average spot exchange rate over the three business days preceding the announcement date. The dividend will be paid to those shareholders on the register at the close of business on 11 April 2025, with an ex-dividend date of 10 April 2025.

Bruce Ferguson
Finance Director
6 March 2025