Hunting Plc

24 August 2026

Keep calm and carry on

The adverse share price response following Hunting's H1 results announcement was disproportionate, in our view. The absence of a sizeable discrete order in the Middle East region has distracted from strong progress by Subsea and Perforating Systems in the period and the positive outlook across much of Hunting's diverse subsector exposures. Notwithstanding modestly reduced EBITDA estimates, we reiterate our long-held fair value estimate of 502p per share.

H1 26 results were in line with pre-close guidance. Subsea and Perforating Systems Product Groups advanced both revenues and EBITDA strongly, which substantially compensated for the effect of an elevated H1 25 OCTG comparator on financial performance, leaving group revenue and EBITDA down 6% and 12% y-o-y respectively and an overall EBITDA margin of 12.5%. A modest JV loss was recorded compared to a small profit in H1 25. These effects were amplified further down the P&L, but Hunting reaffirmed its commitment to a 13% annual dividend increase by declaring a 7c interim DPS. The net cash outflow and constituent parts were also in line with the pre-close update, leaving Hunting in a temporary net debt position of US$19m at the end of H1.

A H2 weighting was well-flagged, but the absence of an anticipated additional OCTG order in the Middle East led the company to revise its EBITDA range guidance from US$145m-155m previously to **US$138m-141m** for FY26E. We have also reflected this in the following year and otherwise rebalanced our estimates based on H1 performance, order position and general outlook. The result is net reductions in our EBITDA estimates of 5% for the current year – remaining below the indicated range – and c.3% subsequently. Our expected year end net cash position is now within the guided range (now US$50m-60m) and infers a significant net cash inflow in H2.

Valuation: discount to our fair value has widened

A 14% share price fall following the H1 results announcement roughly equated to a £100m equity valuation adjustment. Order delays – especially material ones – are a frustration to all stakeholders but the impact on expected profitability is rather more muted with other large Product Groups trading well. This has opened the valuation gap to approaching a 20% discount versus our unchanged 502p per share fair value estimate. Furthermore, there is the possibility of an uplift from this level if Hunting proves successful in the significant KOC re-tender phase expected later this year.

Summary financials

Yr to December (US$m)	2024	2025	2026E	2027E	2028E
Revenue	1048.9	1018.8	1023.9	1086.9	1159.5
EBITDA* (inc JV/Associates)	126.3	135.7	136.3	150.4	159.6
PTP	75.6	79.7	80.1	97.7	108.4
EPS (US c)	31.4	34.1	36.2	44.5	49.4
DPS (US c)	11.5	13.0	14.7	16.6	18.8
Net cash / (debt)**	100.8	59.0	57.0	62.9	99.7
P/E (x)	17.5	16.2	15.2	12.4	11.1
EV/EBITDA (x)	5.9	5.9	5.8	5.3	4.8
Dividend yield	2.1%	2.4%	2.7%	3.0%	3.4%

*Source: Company Annual Reports, Equity Development. *company basis **inc shareholder loan £/US$1.36*

Company Data

EPIC	HTG.L
Price (last close)	405p
52 weeks Hi/Lo	553p/297p
Market cap	£615m
ED Fair Value / share	502p
End H1 26 Net debt	(US$19m)
Avg. daily volume	335k

NB: All at £/US$1.36

Share Price, p

Source: Investing.com

Description

Hunting is a global engineering group that provides precision-manufactured equipment and premium services with a diverse product portfolio. The company has a global footprint from operations in 9 countries including 25 production locations and 14 distribution centres. The energy industry accounted for c.92% of FY25 revenue while also serving non-oil & gas customers (eg medical, aerospace, defence, space and power generation). Hunting is seeking to grow rapidly in adjacent Energy Transition product sub-sectors as well as deepening its presence in other non-oil & gas ones.

Next event: H1 DPS
(ex-dividend date 1 Oct 2026)

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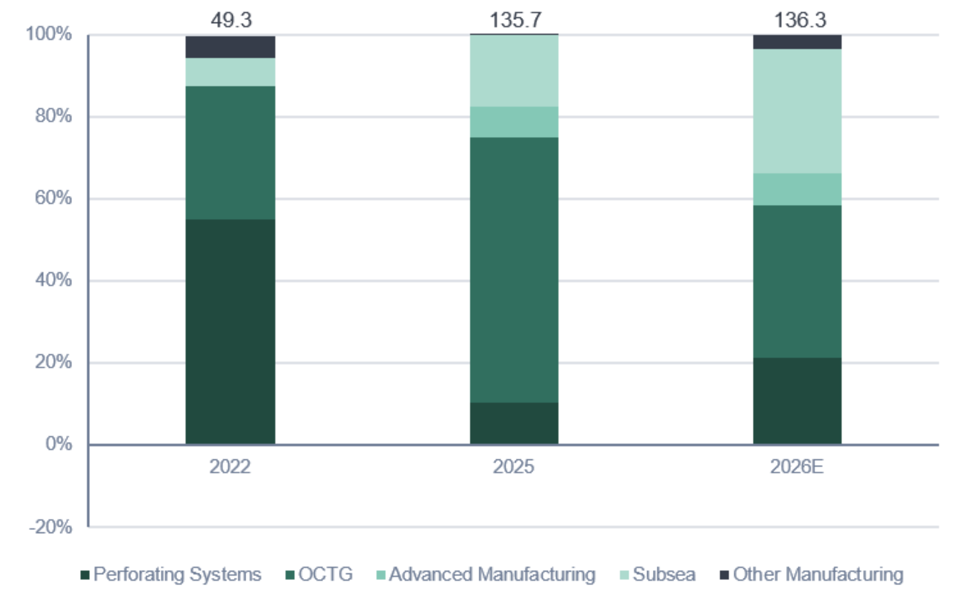
High level view: a strategically well-placed business

- **Hunting is a portfolio business** producing technical, engineered products which undertake critical functions in harsh conditions. It has global reach with c.90% of revenues generated from oil and gas markets with broad exposure to a range of subsectors (onshore/offshore, oil/gas, shallow/deepwater, Americas/EMEA/Asia Pacific). Non-oil and gas markets haven't materially improved their contribution to group revenue since the 2023 CMD though this remains an aspiration as part of a stated target to deliver US$2bn revenue and US$300m EBITDA by 2030.

- Hunting has both grown EBITDA significantly since its 2023 CMD and navigated variable subsector conditions in the process. As shown in the chart below, its three largest Product Groups during this period have been characterised by a downturn and recovery (in Perforating Systems), lumpy contract awards (in OCTG) and rapid growth (in Subsea). This is the nature of a portfolio business.

Hunting: EBITDA (US$m) development and composition 2022-2026E



Source: Equity Development

- **Hunting is exposed to favourable structural industry trends** in deepwater offshore and unconventional well development/production and is well placed to address other oil major challenges with enhanced oil recovery and decommissioning/abandonment of mature oil fields. Outside oil and gas, defence and renewable energy are both active and developing sub-sectors for the company.

- **Hunting expects to end FY26 in a c.US$55m net cash position** following two years of investment, M&A activity and significant returns to shareholders. We expect net cash to build steadily beyond FY26. Together with existing bank facilities (i.e. a US$200m RCF facility to Oct 2029 and a US$100m amortising term loan to Sept 2027), the company has financial flexibility to execute its strategy.

- **Middle East disruption has impacted the near-term earnings outlook** given delays to large contract awards in the region, particularly from Kuwait. One could argue that global oil and gas markets have benefitted from heightened energy security concerns (and higher prices) as a result and such considerations are likely to be long lasting. At the same time, as a significant production region, it is inconceivable that Middle Eastern volumes will not recover at some point though we concede that the shape, terms and timing of potentially large related contract awards is indeterminate at this stage.

H1 26 results overview

At the headline group level, H1 26 revenue and EBITDA were lower by 6% and 12% year-on-year. The underlying drivers of this outturn were trailed in the H1 pre-close update though the major movements (Subsea and Perforating Systems ahead, OCTG lower) were more pronounced than we had anticipated with other Product Groups continuing to trade at relatively subdued levels.

The movement into a net debt position was well flagged – substantially driven by working capital investment and discretionary non-underlying items – as is the expectation of a return to a net cash position by the end of FY26.

The table below highlights significant differences in performance across the three largest Product Groups (Subsea and Perforating Systems positive, OCTG negative). Note also the sequential progression of these three largest groups over the 18 months period shown.

Hunting: Interim and Product Group splits

Year end: Dec US$m	H1 25	H2 25	2025	H1 26	*% chg yoy* H1 26
Group Revenue	**528.6**	**490.2**	**1018.8**	**497.0**	***-6%***
Perforating Systems	102.6	118.5	**221.1**	148.2	*44%*
OCTG	270.4	197.1	**467.5**	146.5	*-46%*
Advanced Manufacturing	53.5	58.9	**112.4**	45.9	*-14%*
Subsea	58.6	79.5	**138.1**	113.6	*94%*
Other Manufacturing	43.5	36.2	**79.7**	42.8	*-2%*
Group EBITDA	**70.2**	**65.5**	**135.7**	**62.1**	***-12%***
Perforating Systems	7.0	6.9	**13.9**	12.6	*80%*
OCTG	50.7	37.0	**87.7**	22.7	*-55%*
Wholly owned	48.8	35.6	84.4	23.0	*-53%*
JV - Jindal	1.9	1.4	3.3	-0.3	*-116%*
Advanced Manufacturing	2.6	7.7	**10.3**	3.1	*19%*
Wholly owned	2.5	7.6	10.1	3.0	*20%*
Assoc - Cumberland Additives	0.1	0.1	0.2	0.1	*0%*
Subsea	7.7	16.0	**23.7**	24.7	*221%*
Other Manufacturing	2.2	-2.1	**0.1**	-1.0	*-145%*
					chg bp
EBITDA Margins (inc JV/Assocs) %	***13.3%***	***13.4%***	***13.3%***	***12.5%***	**-80**
EBITDA Margins (wholly owned) %	***12.9%***	***13.1%***	***13.0%***	***12.5%***	**-40**
Perforating Systems	*6.8%*	*5.8%*	***6.3%***	*8.5%*	+170
OCTG (100% owned)	*18.0%*	*18.1%*	***18.1%***	*15.7%*	-230
Advanced Manufacturing (100% owned)	*4.7%*	*12.9%*	***9.0%***	*6.5%*	+180
Subsea	*13.1%*	*20.1%*	***17.2%***	*21.7%*	+860
Other Manufacturing	*5.1%*	*-5.8%*	*0.1%*	*-2.3%*	-740

Source: Company, Equity Development

Perforating Systems: Having suffered from a sector downturn in North America from reduced drilling activity and competitive over-supply, this Product Group has undertaken a marked recovery over the last eighteen months. A new management team, cost reduction actions at the end of 2024, and greater penetration of export markets outside North America have all contributed to this outturn. Some increase in the rig count latterly and domestic share gains have also benefitted trading performance within North America. We estimate that three quarters of the revenue uplift occurred in North America with a larger percentage increase from international markets to represent approaching 20% of the total. Higher volumes and mix (including markets and higher product specification) contributed to a healthy EBITDA margin uplift.

OCTG: H1 26 saw a large drop off in revenue and EBITDA from wholly owned operations reflecting comparison with the (completion of) significant KOC order deliveries in H1 25. This is more visible in the Asia Pacific divisional performance (see below) being where large KOC work was undertaken. That said, several other markets in this region are understood to have been served though clearly below the KOC order value level in aggregate. North American demand and tender activity was generally solid in the period; declining inventory and import activity is understood to be behind some upward pressure on product pricing. Shipments of connectors and accessories from this region into South America remained firm though EMEA reduced following organisational change within the group.

Unrelatedly, the Indian JV appeared to make a small loss in H1 having previously chipped in small profits (all after tax) in the previous two half year periods. Plans to establish a second facility in the east of the country are ongoing we believe and management has flagged potential further investment in its Indonesian facility to expand threading capacity in the Asia Pacific region.

Subsea: A strong H1 performance was flagged in the pre-close update and followed a marked order book uptick during 2025 together with the acquisition of FES in June of that year. As with Perforating Systems, revenue and EBITDA margins both comfortably exceeded our expectations. All four constituent companies are understood to have progressed y-o-y. This is an interesting point given the breadth of offshore subsectors served including deep and shallow water operations and floating production, field expansion and decommissioning activities. In some cases, more than one company has supplied products onto projects and more bundled orders are a stated objective with combined tendering activity said to be underway.

A discrete highlight in H1 was the award of a US$63.5m stress joint order for Spring bound for Guyana, with shipments to commence in H2 this year.

Advanced Manufacturing: Operations are based in North America and primarily serve customers based domestically who themselves also supply into export markets. Electronics' components, power supplies, PCB assemblies and integrated systems primarily address down well oil and gas applications; while shipments to sister company Hunting Titan did increase here, it experienced lower volumes more broadly and undertook some workforce reduction. Precision machining (at Dearborn) has developed a wider reach into non-oil and gas subsectors and while shipments were lower, this is understood to be chiefly a timing issue. Although revenues were down year-on-year for these operations in aggregate, profitability actually rose with a combined EBITDA margin of 6.5% in the period, driven by product mix.

The vast expenditure by AI hyper-scalers on power supply for their data centres is widely documented and Dearborn remains well placed with ongoing work in that segment.

Other Manufacturing: this Product Group has operations in North America and EMEA (now with reduced European exposure and increased capability based in Dubai). As well as exiting some product lines, the latter relocation and establishment of an expanded Dubai centre is likely to have continued to impact profitability, though no underlying costs were declared in H1. At the same time, input price inflation in North America also impacted margins.

The nascent Organic Oil Recovery business line (also based in Dubai and the US) is building momentum through its commercialisation strategy. Full field deployment, leading to recurring revenue streams from well injection treatment cycles, is the next stage to validate this business model. In the interim period, losses generated during the business development phase have impacted the achievable margin for this Product Group overall.

Hunting: Interim and Divisional splits

Year end: Dec US$m	H1 25	H2 25	2025	H1 26	% chg yoy H1 26
Group Revenue	**528.6**	**490.2**	**1018.8**	**497.0**	***-6%***
Hunting Titan	105.5	123.2	**228.7**	152.9	*45%*
North America	189.0	200.5	**389.5**	169.9	*-10%*
Subsea Technologies	59.0	80.3	**139.3**	115.6	*96%*
EMEA	39.4	34.1	**73.5**	33.8	*-14%*
Asia Pacific	155.6	71.1	**226.7**	49.9	*-68%*
Inter company	-19.9	-19.0	**-38.9**	-25.1	*26%*
Group EBIT	**49.3**	**41.2**	**90.5**	**40.0**	***-19%***
Hunting Titan	1.3	2.1	**3.4**	7.5	*477%*
North America	22.7	28.0	**50.7**	19.7	*-13%*
Wholly owned	22.6	27.9	50.5	19.6	*-13%*
Assoc - Cumberland Additives	0.1	0.1	0.2	0.1	*n/m*
Subsea Technologies	4.9	9.5	**14.4**	17.9	*265%*
EMEA	-5.5	-5.5	**-11.0**	-4.9	*-12%*
Asia Pacific	25.9	7.1	**33.0**	-0.2	*-101%*
Wholly owned	24.0	5.7	29.7	0.1	*-100%*
EBIT margins (Wholly owned) %	***8.9%***	***8.1%***	***8.6%***	***8.1%***	-80
Hunting Titan	*1.2%*	*1.7%*	***1.5%***	*4.9%*	+370
North America (100% owned)	*12.0%*	*13.9%*	***13.0%***	*11.5%*	-50
Subsea Technologies	*8.3%*	*11.8%*	***10.3%***	*15.5%*	+720
EMEA	*-14.0%*	*-16.1%*	***-15.0%***	*-14.4%*	-40
Asia Pacific (100% owned)	*15.4%*	*8.0%*	***13.1%***	*0.2%*	-1520

Source: Company, Equity Development

The table above clearly repeats the trading patterns described above across the Product Group splits; Hunting Titan is closely aligned with Perforating Systems as is Subsea Technologies with Subsea. Both divisions also unsurprisingly demonstrated strong revenue and EBITDA progression over the prior year in H1 26. We note that the recovery in Titan's margin is back to levels last seen in 2023 while the Subsea Technologies order cycle has resumed a favourable phase. (In the latter case, OOR losses will have been a drag on the reported outturn, so the underlying performance was probably near to the strong margin levels achieved in FY24.)

As mentioned previously, the completion of the second large KOC order by Asia Pacific operations in H1'25 proved to be a tough comparator, and this region reported a break-even result in H1 26. The expectation of course was for a third significant contract to be placed by now during FY26. This has not been the case to date but, based on headcount figures, this region has retained the capacity to execute work on any future contract awards. In the short term, alongside lower volumes, this will have impacted the trading result.

Lastly, the EMEA restructuring programme is expected to be effectively complete and bedded during H2 26. We expect absorbed additional transition costs to recede as a result and the delivery of flagged cost savings to have a favourable impact on future trading performance.

Note that from FY27, EMEA and Asia Pacific are to be merged into a single International (ex-North America) regional division. North America, Hunting Titan and Subsea Technologies will continue to be reported separately, as now.

Temporarily dipping into a modest net debt position

Hunting **ended H1 26 with net debt of US$19m (or US$23m including a shareholder loan)** compared to US$62.9m net cash (or US$59m) at the beginning of 2026. This followed a **c.US$83m net cash outflow** and a modest FX gain on cash balances. This outflow in the first six months of the year was chiefly the product of more elevated working capital absorption in the period together with cash applied to non-underlying items, largely of a discretionary nature. A net bank debt position is unusual for the company and is expected to be temporary. Lease liabilities on hand at the end of June were US$28.5m, down from US$31m at the beginning of the year.

On our calculation, **underlying operating cash inflow of c. US$7m** was well down on the prior year. The lower EBITDA noted above did contribute to this but divergent working capital performances – ie a US$58m outflow this time compared to a US$26m inflow in the comparative half year – accounted for the majority of the y-o-y variance. These contrasting movements reflected their respective order cycle positions with inventory reduction and cash collection relating to the second KOC order completion benefitting H1 25, while an absorption into Subsea contract assets impacted H1 26.

Looking at **working capital** specifically, the line items in H1 26 were:

- **US$56m Receivables outflow** – approaching three quarters of this related to contract assets especially in the extended manufacturing cycle for certain Subsea product types and, to a lesser extent, Advanced Manufacturing we believe. Net trade receivables also increased by c. US$9m in H1 following a strong Q2 trading period, especially in Perforating Systems.
- **US$3m inventory absorption** – chiefly driven by North America, with reductions in other regions and Hunting Titan stable. The mix was slightly more weighted towards raw materials and WIP compared to end December.
- **US$1m Payables uplift**, following inventory investment.

Overall, working capital rose to 37% of annualised revenue by the end of H1 (up from 33% at the end of FY25) though this is not materially above stated medium term targets (c.35%) and is expected to partly reverse by the end of FY26 (see below).

After outflows relating to bank interest and tax (US$9m) and net capex (US$15m), our calculated **underlying free cash outflow was c. US$17m** in the period with the receivables outflow as the dominant feature as noted above.

The difference between this underlying free cash outflow and the net cash outflow for the group in H1 is bridged by **c. US$66m of other cash movements**, as follows:

- **US$43.8m returns to shareholders**, comprising:
    - US$32.7m Share buybacks (approximately US$27m to complete the US$60m programme started in FY25 and US$6m relating to programme which began in March 2026)
    - US$10.1m dividend payments (representing the FY25 final)
- **US$11.5m net Treasury share purchases**
- **US$8.7m import tax payment** (as provided for in FY25).
- **c.US$2m other items** (including modest restructuring and acquisition-related costs)

Cash flow outlook: projected return to US$50m+ net cash position by year end

Management guidance for the end FY26 net cash position is now slightly lower than earlier in the year at US$50m-60m (previously US$55m-65m). Compared to the US$19m company net debt position at the end of H1 this indicates an expectation of a significant H2 inflow of around US$70m-80m.

As well as a sequential uplift in EBITDA – leaving the FY outturn slightly ahead of the prior year on our estimates – we expect the working capital investment seen in H1 to fully unwind over the remainder of the year. (This pattern also occurred during FY23 and early FY24 – the last time Hunting was modestly geared – reflecting the OCTG delivery cycle at that time.)

With some uplift in capex also likely and reduced equity purchase and other non-operating outflows anticipated, our equivalent end FY26 net cash projection (excluding the shareholder loan) is within the guided range at US$53m.

Net EBITDA estimates trimmed by 3-5%

As stated by Hunting and echoed by others, outside the Middle East the market backdrop is generally stable to firm – with some stronger subsectors – supported by increased energy security considerations and higher prevailing oil prices year-on-year.

Regarding the **Middle East**, other leading oilfield service industry participants have all commented on regional disruption in their quarterly reporting updates in the last month. Some of these companies (including Technip, Tenaris, Oceaneering and Ashtead Technology) have lowered guidance directly as a result. The oilfield majors appear to have shrugged off these concerns – their share prices being ahead on the month and strongly YTD – while those of Tenaris and Vallourec are down only 5-6% for the most recent period.

Hunting does have some direct regional exposure (ie a Saudi facility supplying well intervention products and the EMEA/OOR headquarters in Dubai) and operations here have largely continued unaffected. We note that Saudi and UAE rig counts are, respectively, better than or in line with the start of the year position (as at the end of June). Therefore, the observed decline is coming from other countries in the region, especially Iran, Iraq and Kuwait.

While some products can be air freighted, operational and contractual challenges around seaborne access for others (eg OCTG) have clearly changed. Reflecting this risk in commercial terms appears to be at the core of order delays in the region for clients and suppliers.

Order book: At group level, Hunting had **US$387m of orders on hand at the end of June** - compared to US$358m at the beginning of the year - of which almost three quarters is expected to cycle through in H2 26. This would account for over half of our revised H2 26 revenue expectation. A cycle through of Subsea contract assets and orders into deliveries plus some OCTG improvement following an order book uplift will be important contributors here. A further significant proportion should come from Perforating Systems – which typically operates a shorter order book model – at current run rates.

Estimates outlook: Management has trimmed current year EBITDA guidance to US$138m to US$141m (previously US$145m to US$155m). We were slightly below the previous guidance range and remain so following the revisions summarised in the table below. The primary changes are a reduction in expected OCTG Revenue and EBITDA (across all three estimate years) partially offset by improved contributions from Perforating Systems and, to a lesser extent, Subsea.

The impact at group level is shown below:

Hunting: estimate revisions

Year to December (US$m)	FY26E	FY26E		FY27E	FY27E		FY28E	FY28E	
	Was	New	*%chg*	Was	New	*%chg*	Was	New	*%chg*
Revenue	1075.2	1023.9	*-5%*	1121.8	1086.9	*-3%*	1183.9	1159.5	*-2%*
EBITDA*	143.0	136.3	*-5%*	155.8	150.4	*-3%*	164.9	159.6	*-3%*
Pre-Tax Profit - company norm	88.8	80.1	*-10%*	103.1	97.7	*-5%*	113.7	108.4	*-5%*
EPS FD - company norm (US c)	38.3	36.2	*-6%*	44.4	44.5	*0%*	48.9	49.4	*1%*
DPS (US c)	14.7	14.7	*0%*	16.6	16.6	*0%*	18.8	18.8	*0%*
Net cash / (debt) pre-IFRS16 basis	48.4	57.0	*18%*	*61.7*	62.9	*2%*	*103.9*	99.7	*-4%*

*Source: Equity Development * includes JV/Associate share of PAT*

Valuation considerations: some Middle East perspective

Hunting's share price move from 472p to 405p on the day of the H1 26 results announcement represented a market cap reduction of c.£110m. The absence of an anticipated c.US$300m OCTG order has impacted estimates as noted above but also distracted from improved performances in some other important Product Group areas we believe.

For illustrative purposes, let us assume that a 15% EBITDA margin was earmarked for that OCTG contract, representing c.US$45m EBITDA foregone (across several reporting years) at this point. While the order question appears binary - will Hunting win this work or not – the position is more nuanced. Investors need to weigh up sensibly:

- *Whether the order will be placed at all?*

  Our current view is that the third sizeable KOC order award has been delayed rather than cancelled, and confirmation that re-tendering has occurred within the next 60 days as flagged would serve to confirm this.

- *Whether Hunting remains in prime position if/when it is?*

  Note that the flagged business has not been placed with another supplier and does not represent a confirmed loss of business. Management gave a confident presentation of the company's position in the initial tendering round earlier in the year, and so will be re-starting from a strong position.

- *Are terms – and any subsequent impact on profit generated - likely to be materially different to historic levels?*

  We are less able to assess how amended terms – which we simply boil down to the splitting of additional risk-based cost – may be split between the counterparties. It would seem prudent to aim off from the margin illustration given above.

The other question for investors to consider is whether the absence of this order currently has been accurately reflected in the share price move by reference to Hunting's fundamental underlying business value. The other side of the same coin to consider is what the impact on valuation should be in the event that the contract is secured.

Our unchanged DCF approach retains a 502p per share fair value based on our updated three years of estimates and long-term steady state annual EBITDA generation of c.US$204m (being an uplift from current levels but conservatively set versus the 2030 US$300m target). For illustration, adding US$30m of EBITDA spread evenly over FY27 and FY28 to this scenario adds a further c.8p per share to our base case.

In other words, we consider that successfully securing the third major KOC OCTG contract is additive to our core valuation. The core and enhanced fair values referenced above are 24% and 26% respectively above the closing price on H1 26 results announcement day. A sustained uplift in OCTG activity beyond our estimate horizon – whether through a series of larger contract types or a broader increase in activity levels generally – would obviously have a greater impact on our fair value calculation.

Financials

Hunting Plc: Income Statement										
Year End: December	**US$m**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	**2026E**	**2027E**	**2028E**
		IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16
Revenue		**626.0**	**521.6**	**725.8**	**929.1**	**1,048.9**	**1,018.8**	**1,023.9**	**1,086.9**	**1,159.5**
Gross Profit		124.8	100.6	171.4	227.7	271.9	279.8	281.6	298.9	318.9
EBITDA - HTG (100% owned)		26.1	3.1	52.0	103.0	126.4	132.2	136.3	147.9	156.1
EBITDA - HTG (inc JV/Associates)		**26.1**	**(0.4)**	**49.3**	**102.4**	**126.3**	**135.7**	**136.3**	**150.4**	**159.6**
EBIT (100% owned)		(16.4)	(35.1)	14.6	61.0	88.1	87.0	90.6	101.7	109.4
Associates/JVs		0.0	(3.5)	(2.7)	(0.6)	(0.1)	3.5	0.0	2.5	3.5
EBIT - HTG norm		**(16.4)**	**(38.6)**	**11.9**	**60.4**	**88.0**	**90.5**	**90.6**	**104.2**	**112.9**
Net Bank Interest		(1.1)	0.3	0.4	(5.0)	(4.4)	(3.9)	(4.6)	(3.0)	(1.0)
IFRS16 Interest		(1.9)	(1.5)	(1.2)	(1.3)	(1.4)	(1.5)	(1.5)	(1.5)	(1.5)
Other financial		0.0	(0.8)	(0.9)	(4.1)	(6.6)	(5.4)	(4.4)	(2.0)	(2.0)
Profit Before Tax - HTG norm		**(19.4)**	**(40.6)**	**10.2**	**50.0**	**75.6**	**79.7**	**80.1**	**97.7**	**108.4**
Intangible Amortisation		(17.3)	(7.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Non-Underlying Items		(186.3)	(37.9)	(12.6)	0.0	(109.1)	(14.2)	(7.5)	(7.5)	0.0
Profit Before Tax (reported)		**(223.0)**	**(85.5)**	**(2.4)**	**50.0**	**(33.5)**	**65.5**	**72.6**	**90.2**	**108.4**
Tax		(15.2)	(4.2)	(1.3)	69.0	8.0	(22.7)	(21.6)	(25.7)	(28.3)
Other		3.5	3.9	(0.9)	(1.9)	(2.5)	(1.7)	(2.2)	(2.7)	(3.2)
Profit After Tax (reported)		**(234.7)**	**(85.8)**	**(4.6)**	**117.1**	**(28.0)**	**41.1**	**48.8**	**61.8**	**76.9**
EPS FD - HTG norm (US c)		**(10.0)**	**(27.1)**	**4.7**	**20.3**	**31.4**	**34.1**	**36.2**	**44.5**	**49.4**
EPS FD - reported (US c)		**(143.1)**	**(53.2)**	**(2.8)**	**70.0**	**(16.5)**	**24.6**	**31.3**	**39.7**	**49.4**
Dividend per share (US c)		**9.0**	**8.0**	**9.0**	**10.0**	**11.5**	**13.0**	**14.7**	**16.6**	**18.8**
Shares - Basic Weighted Avge (m)		163.9	161.2	160.3	158.6	159.5	156.8	147.0	147.0	147.0
Shares - Period End (m)		164.9	164.9	164.9	164.9	164.9	157.7	152.6	152.6	152.6
Margins (%)										
Gross Profit		***19.9***	***19.3***	***23.6***	***24.5***	***25.9***	***27.5***	***27.5***	***27.5***	***27.5***
EBITDA - HTG (100% owned)		***4.2***	***0.6***	***7.2***	***11.1***	***12.1***	***13.0***	***13.3***	***13.6***	***13.5***
EBIT (100% owned)		***(2.6)***	***(6.7)***	***2.0***	***6.6***	***8.4***	***8.5***	***8.8***	***9.4***	***9.4***

Source: Company, Equity Development

Hunting Plc: Cash Flow Statement

Year End: December	US$m	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
		IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16
EBITDA - HTG (100% owned)		26.1	3.1	52.0	103.0	126.4	132.2	136.3	147.9	156.1
SBP		9.0	9.2	9.9	13.5	14.1	12.7	12.0	12.0	12.0
Change in working capital		38.8	22.8	(86.6)	(55.0)	53.3	18.0	5.7	(30.4)	(34.3)
Other		(17.9)	(7.1)	(8.2)	(3.1)	(1.8)	(15.3)	(15.4)	(7.5)	0.0
Operating Cash Flow		**56.0**	**28.0**	**(32.9)**	**58.4**	**192.0**	**147.6**	**138.6**	**122.0**	**133.8**
Tax paid		**(5.0)**	**0.6**	**(3.9)**	**(9.1)**	**(3.5)**	**(8.7)**	**(8.3)**	**(9.9)**	**(10.9)**
Investing Activities		**(46.6)**	**9.2**	**(11.7)**	**(33.1)**	**(28.1)**	**(96.8)**	**(39.3)**	**(40.0)**	**(40.0)**
Associates & JV income		(0.9)	0.0	0.0	0.6	0.0	0.0	0.0	0.0	0.0
Tangible Fixed Assets purchased		(11.7)	(5.7)	(15.9)	(23.1)	(23.6)	(26.9)	(35.0)	(35.0)	(35.0)
Tangible Fixed Assets disposed		2.0	2.2	6.6	1.9	1.2	9.6	0.7	0.0	0.0
Intangibles		(4.3)	(2.7)	(5.6)	(10.9)	(4.8)	(11.1)	(5.0)	(5.0)	(5.0)
Acquisition consideration		(32.8)	0.0	0.0	0.0	0.0	(81.3)	(0.2)	0.0	0.0
Disposal proceeds		0.6	31.5	0.0	0.0	0.0	13.0	0.0	0.0	0.0
Other business investments		0.5	(16.1)	3.2	(1.6)	(0.9)	(0.1)	0.2	0.0	0.0
Financing Activities		**(33.2)**	**(31.4)**	**(30.0)**	**(41.4)**	**(52.4)**	**(90.2)**	**(93.5)**	**(66.2)**	**(46.0)**
Net finance income (cost)		(0.3)	(0.4)	(2.9)	(7.3)	(12.9)	(9.3)	(6.1)	(3.0)	(1.0)
IFRS16 lease payments		(10.4)	(10.6)	(8.0)	(10.4)	(8.9)	(9.7)	(9.7)	(9.7)	(9.7)
Equity		(14.3)	(7.6)	(7.7)	(8.7)	(13.9)	(52.1)	(56.7)	(30.0)	(10.0)
Dividends paid		(8.2)	(12.8)	(13.6)	(15.0)	(16.7)	(19.1)	(21.0)	(23.5)	(25.3)
Other		0.0	0.0	2.2	0.0	0.0	0.0	0.0	0.0	0.0
Net Cash Flow		**(28.8)**	**6.4**	**(78.5)**	**(25.2)**	**108.0**	**(48.1)**	**(2.5)**	**5.9**	**36.9**
Opening net cash/(debt) - pre IFRS16*		**123.1**	**97.8**	**103.5**	**20.6**	**(4.7)**	**100.8**	**59.0**	**57.0**	**62.9**
Change in Net Cash		(28.8)	6.4	(78.5)	(25.2)	108.0	(48.1)	(2.5)	5.9	36.9
Other		3.5	(0.7)	(4.4)	(0.1)	(2.5)	6.3	0.6	0.0	0.0
Closing net cash/(debt) - pre IFRS16*		**97.8**	**103.5**	**20.6**	**(4.7)**	**100.8**	**59.0**	**57.0**	**62.9**	**99.7**
IFRS16 lease liabilities		**(40.3)**	**(31.8)**	**(30.6)**	**(28.7)**	**(30.1)**	**(30.9)**	**(28.5)**	**(28.5)**	**(28.5)**

*Source: Company, Equity Development *includes US$3.9m shareholder loan*

Hunting Plc: Balance Sheet

Year End: December	US$m	2020	2021	2022	2023	2024	2025	2026E	2027E	2028E
		IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16	IFRS16
Non-Current Assets		**581.1**	**535.7**	**515.3**	**595.7**	**493.5**	**555.3**	**547.6**	**551.7**	**556.3**
Intangible Assets - Goodwill		164.2	164.1	155.5	154.4	45.1	65.1	64.7	64.7	64.7
Intangible Assets - Other		42.9	36.2	35.7	40.8	39.4	100.6	91.9	85.4	78.9
Tangible Assets - Owned		307.1	274.4	256.7	254.5	252.8	250.9	262.4	270.5	278.1
Tangible Assets - RoU		29.8	24.7	26.0	26.2	28.3	28.9	26.5	26.5	26.5
Other Fixed Assets		37.1	36.3	41.4	119.8	127.9	109.8	102.1	104.6	108.1
Current Assets		**532.4**	**475.9**	**534.0**	**626.6**	**785.7**	**623.5**	**623.1**	**626.7**	**662.9**
Inventory		288.4	204.4	272.1	328.4	303.3	237.5	231.6	251.8	274.6
Trade Receivables		119.9	137.2	190.2	221.2	194.5	183.9	180.8	193.9	208.9
Other Debtors		21.2	25.9	42.3	31.5	81.3	56.6	58.2	58.2	58.2
Cash		102.9	108.4	29.4	45.5	206.6	145.5	152.5	122.8	121.1
Current Liabilities		**(84.7)**	**(99.0)**	**(163.8)**	**(225.8)**	**(248.8)**	**(210.1)**	**(206.5)**	**(223.1)**	**(223.0)**
Trade Payables		(26.4)	(40.5)	(66.8)	(62.5)	(41.4)	(48.4)	(48.6)	(51.6)	(55.1)
Other Creditors		(46.9)	(48.6)	(83.0)	(109.0)	(189.2)	(114.9)	(111.6)	(125.2)	(138.8)
IFRS16 Lease Liabilities		(10.2)	(8.9)	(9.1)	(8.0)	(6.9)	(7.9)	(7.8)	(7.8)	(7.8)
Short-term Borrowings		(1.2)	(1.0)	(4.9)	(46.3)	(11.3)	(38.9)	(38.5)	(38.5)	(21.4)
Non-Current Liabilities		**(52.2)**	**(41.3)**	**(39.3)**	**(39.4)**	**(128.1)**	**(83.4)**	**(98.1)**	**(78.3)**	**(74.3)**
Long-term Borrowings*		(3.9)	(3.9)	(3.9)	(3.9)	(94.5)	(47.6)	(57.0)	(21.4)	0.0
IFRS16 Lease Liabilities		(30.1)	(22.9)	(21.5)	(20.7)	(22.7)	(23.0)	(20.7)	(20.7)	(20.7)
Other Long-term Liabilities		(18.2)	(14.5)	(13.9)	(14.8)	(10.9)	(12.8)	(20.4)	(36.2)	(53.6)
Net Assets		**976.6**	**871.3**	**846.2**	**957.1**	**902.3**	**885.3**	**866.1**	**877.1**	**921.8**

*Source: Company, Equity Development *includes US$3.9m shareholder loan*

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