

Specialist engineering • Engineering excellence
• Organic growth • Future growth • Acquisition of
Martract • Unique solutions • Integrity management
services • World leader • 120 years of engineering
heritage • Highly skilled craftsmen • Creativity and
ingenuity • Close collaboration with customers •
Creation of PMC brand • Collaboration • Investment
in people • Investment in systems •
Substantial potential • New customers • New markets
• Product development • Trusted suppliers • Niche
specialism • Niche markets • Precision Machined
Components • Cylinders • Engineered Products •
Alternative Energy • Oil and Gas • Industrial gases •
Defence • Design and development • Safety critical

2018 AGM Presentation

Pressure Technologies plc

Agenda

- **11.00am** Formalities
- **11.30am** Oil and gas market conditions, Alan Wilson, Chairman
- **11.45am** Group overview, John Hayward, CEO and Joanna Allen, CFO
- **12.00pm** Questions
- **12.30pm** Lunch and tours of Chesterfield Special Cylinders
- **2.00pm** Close

Ordinary Resolutions

Resolution 1

To receive and adopt the accounts together with the reports of the directors and auditors for the period ended 30 September 2017.

Resolution 2

To approve the Directors' Remuneration report for the period ended 30 September 2017.

Resolution 3

To reappoint Philip Cammerman as a director.

Ordinary Resolutions

Resolution 4

To reappoint Grant Thornton UK LLP as auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the directors to fix their remuneration.

Resolution 5

To give the directors of the Company the authority to allot relevant securities in accordance with the provisions of section 549 and section 551 of the Companies Act 2006 (the “Act”) up to a maximum nominal value of £306,820 being 33% of the issued share capital of the Company provided that this authority shall expire at the conclusion of the next Annual General Meeting following the date of this meeting or if earlier, not more than 15 months after the passing of this resolution unless previously renewed, revoked or varied in any way.

Special Resolutions

Resolution 6

The Company is generally and unconditionally authorised for the purposes of Section 116 of the Act to make market purchases, as defined in Section 693(2) of the Act, of ordinary shares in the capital of the Company up to an aggregate of 2,787,415 ordinary shares (being 14.99% of the current issued ordinary share capital) on such terms and in such manner as the Directors of the Company may from time to time determine, provided that:

- (a) the minimum price which may be paid for each ordinary share is not less than 5p;
- (b) the maximum price which may be paid for each ordinary share is not more than 5% above the average of the middle market quotations for the ordinary shares as derived from the London Stock Exchange Daily Official List for the 5 business days immediately preceding the day on which the relevant shares are purchased; and
- (c) such authority shall expire at the conclusion of the next Annual General Meeting following the date of this meeting or, if earlier, not more than 15 months after the passing of this resolution save that the Company may before such expiry make a contract to purchase shares which would or might require to be executed wholly or partly after such expiry and may make a purchase of shares pursuant to such contract as if the authority had not expired.

Special Resolutions

Resolution 7

To give the directors of the Company, subject to the passing of resolution 5, the power to allot equity securities (within the meaning of section 560 of the Act) wholly for cash pursuant to the authority conferred by resolution 5 as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities:

- (a) in connection with an offer of such securities by way of rights to holders of ordinary shares in proportion (as nearly as practicable) to their respective holdings of such shares, but subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or any legal or practical problems under the laws of any territory, or the requirements of any regulatory body or stock exchange; and
- (b) otherwise than pursuant to sub-paragraph (a) above up to an aggregate nominal amount of £92,976 being 10% of the issued share capital of the Company at the date of this resolution,
- (c) and provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or if earlier, not more than 15 months after the passing of this resolution, save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

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Oil and gas market conditions

Alan Wilson, Non-Executive Chairman

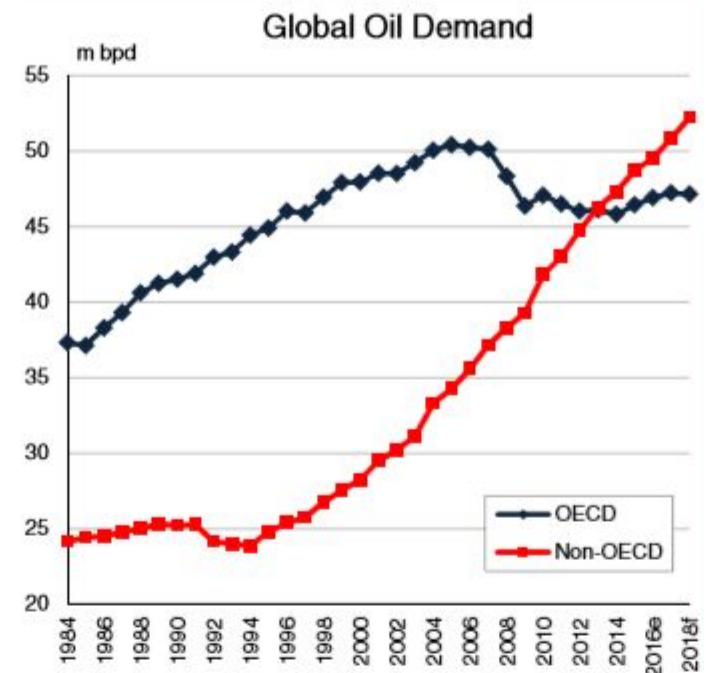
Agenda

- What happened in 2017?
- Outlook & challenges for 2018...



What happened in 2017?

- Global GDP increased to 3.0%; China and India lead the way ~6.5%
- Global oil demand grew by 1.6% - some 82% of that from non-OECD nations
- OPEC oil production cuts totalled 1.8 mmbbl/day... and achieved 129% conformity!
- Oil hit a three-year high of ~\$65/bbl in December
- OPEC extended voluntary production cuts to end-2018
- Total offshore field discoveries: 72 - half the recent average
- Offshore liquid discoveries, where most major new fields have been found in recent decades, were 90% below 2010 levels...a 70 year low!

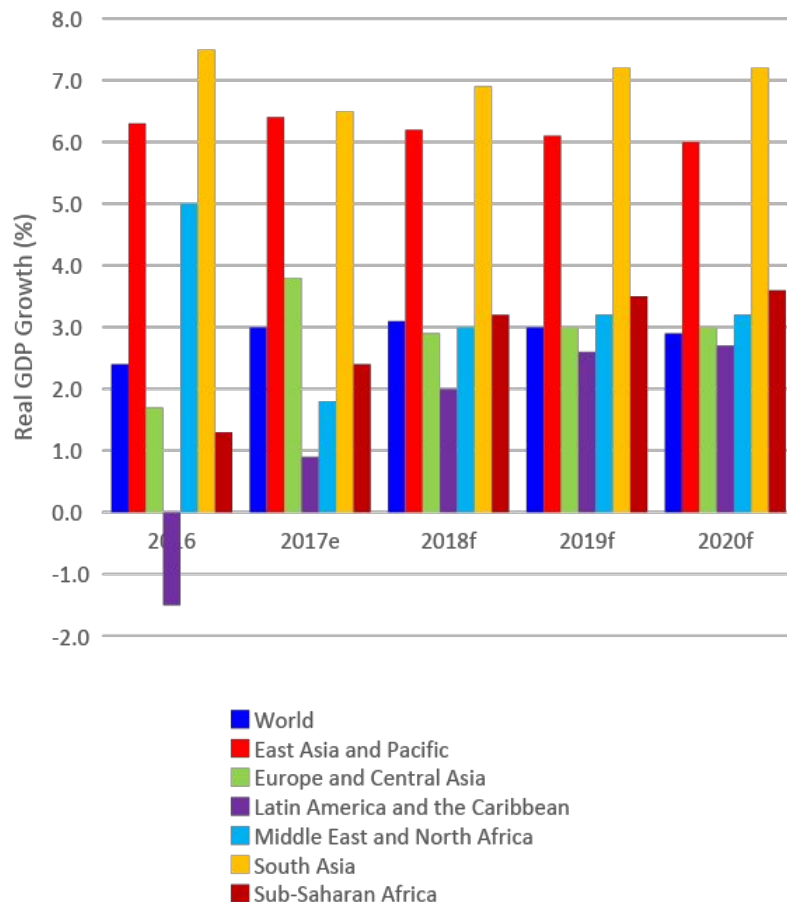


What happened in 2017?



- Around 35-40% of the global offshore drilling fleet remained idle
- Some 18% of global drilling fleet demolished, or removed: 2014-17
- Offshore rig day rates stabilised - \$470-\$170k/d - UDWSSDR
- US crude oil stockpiles declined steadily
- UK offshore average operating costs halved: \$29.70-\$15.30/bbl
- BP, Total, Chevron & ExxonMobil report strong profits for Q3
- Schlumberger and Halliburton, Q4 revenues rose by 15.1% & 47.7% respectively
- *Some 259 additional land-based rigs went to work in the USA: 62% in the Permian Basin, West Texas...*

Outlook for 2018...



- Global GDP forecast continues upward trend to 3.1% - over half the world's economies likely to grow
- Global oil demand growth expected to slow to 1.3% as prices increase
- Chinese & Indian oil demand accounts for about 50% of global demand growth – 3% and 7% respectively
- The glut is gone...or is it?
- Oil price forecast to increase by 9.4% - World Bank...*not me!*
- US shale companies - crude or cash?
- Field development investment – Shell Penguins, BP Claire Ridge, Etc.
- Saudi Aramco IPO dream of raising \$100bn...

Industry challenges for 2018...

If the past is anything to go by...

- Waiting for a bus...
- As the pace quickens:
 - Inventories depleted – speed wins prizes
 - Human resources - numbers
 - Competence – experience
 - Capacity constraints
 - Cash for growth
 - Raw materials
 - Supply chain strain
- *Profitable project execution!*
- *Impact on costs and deliveries?*



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Group Overview

John Hayward, Chief Executive Officer

Joanna Allen, Chief Financial Officer

Financial highlights

Revenue up 7.3% to

£38.4m

(2016: £35.8m)

Operating Profit*

£1.1m

(2016: loss £(0.4)m)

Operating cash inflow***

£1.0m

(2016: £5.1m)

Acquisition of Martract Ltd

£3.6m

Revenue per employee up 27% to

£161k**

(2016: £126k)

Return on Revenue

2.9%

(2016: -1.2%)

Closing Net Debt

£11.1m

(2016: £6.6m)

Post year-end fundraising of

£4.8m

* excluding acquisition costs, amortisation on acquired businesses and exceptional charges and credits. Including 9m post-acquisition result of Martract.

** based on straight average number of employees

***before cash outflow for exceptional costs

Operational highlights

Oil and gas market improvement

PMC order intake more consistent with strong second-half growth

Cylinders profitability

Underpinned by defence market and industrial gases service market

Restructuring

Alternative Energy restructured and broke even (2016: loss £(1.1) million)

Acquisition

Martract acquired December 2016

Marketing

Creation of a PMC brand to give improved customer offer

Actions taken evident in results

Manufacturing gross margins increased to 35% (2016: 31%)

Management review

Full review of management capability across the Group

Senior appointments

Group Head of HR
Alternative Energy President
PMC MD and BDD

Strategic investment

Investment in IT systems to improve communication and promote collaboration

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Outlook

The recent share issue improves the Group's ability to support large-scale organic growth, and with no immediate major capital expenditure required the Group is in good shape

- Increasing confidence in the oil and gas market is driving growth in PMC, continuing the trend from 2017
- EP 2018 Q1 witnessing a continuation of improved but still unpredictable ordering patterns, with a more profitable mix of projects
- CSC outlook positive, underpinned by defence projects and further expansion of service offerings
- AE shaped for success in the biomethane/RNG market which is forecast for rapid growth
- Group-wide reorganisation in recent years gives potential for significant operational gearing gains to be made as volumes increase
- Additional management resource gives strength in depth across the Group and a leadership platform for profitable growth
- The recent share issue improves the Group's ability to support large-scale organic growth, and with no immediate major capital expenditure required the Group is in good shape

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