hammond
POWER SOLUTIONS

Energizing Our World.

A Scaled Electrical Infrastructure Platform For The Next Wave Of Electrification

Q3 2026

A Legacy Of Industry & Innovation

100 years

Providing Mission-Critical Electrical Infrastructure

Manufacturing Locations	R&D Labs	Distribution Centres
15	5	5

Employees ~3,000

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AEG POWER SOLUTIONS

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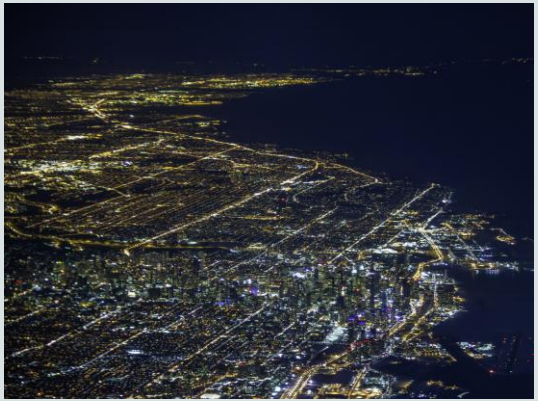
Market Tailwinds

Electrical Infrastructure Demand Is Being Shaped By Three Durable Forces

1 **Electricity Demand Growth**



2 **Electrical System Complexity**



3 **Aging Grid & Infrastructure Modernization**



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Electricity Demand Is Accelerating

13,300 TWh

Estimated global demand growth through 2040 (roughly = current electricity consumption of China & US)

DRIVEN BY:

1. **Data Centers & AI**
2. **Energy Transition**
3. **Industrial Modernization**

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Electrical Systems Are Becoming More Complex Expanding The Need For Integrated Electrical Solutions



More Distributed
Renewables, storage, on-site generation

More Digital
Automation, controls, power electronics

Bidirectional
EV charging, two-way power flow

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Aging Electrical Assets And Grid Modernization Are Accelerating

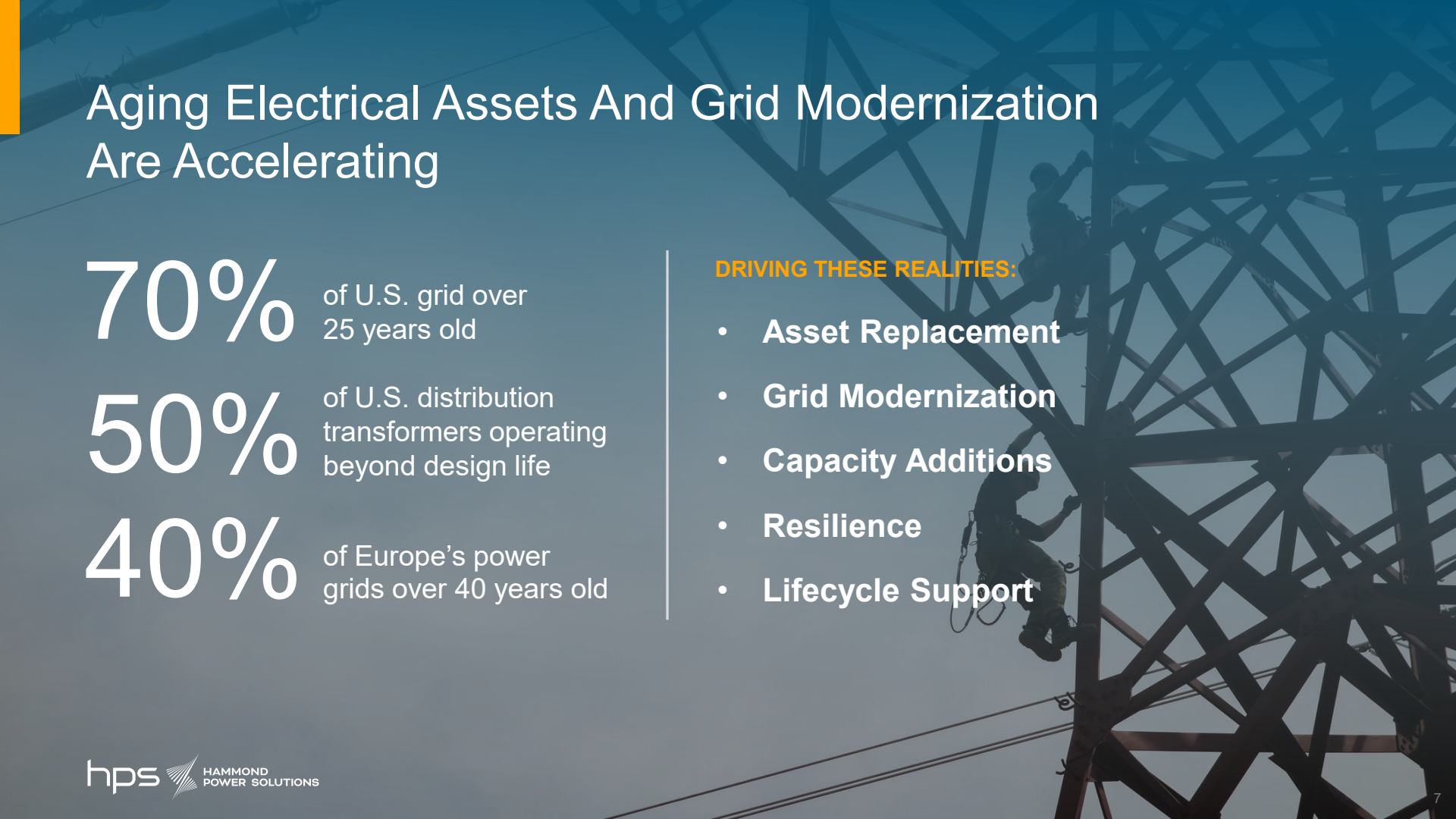
70% of U.S. grid over 25 years old

50% of U.S. distribution transformers operating beyond design life

40% of Europe's power grids over 40 years old

DRIVING THESE REALITIES:

- **Asset Replacement**
- **Grid Modernization**
- **Capacity Additions**
- **Resilience**
- **Lifecycle Support**



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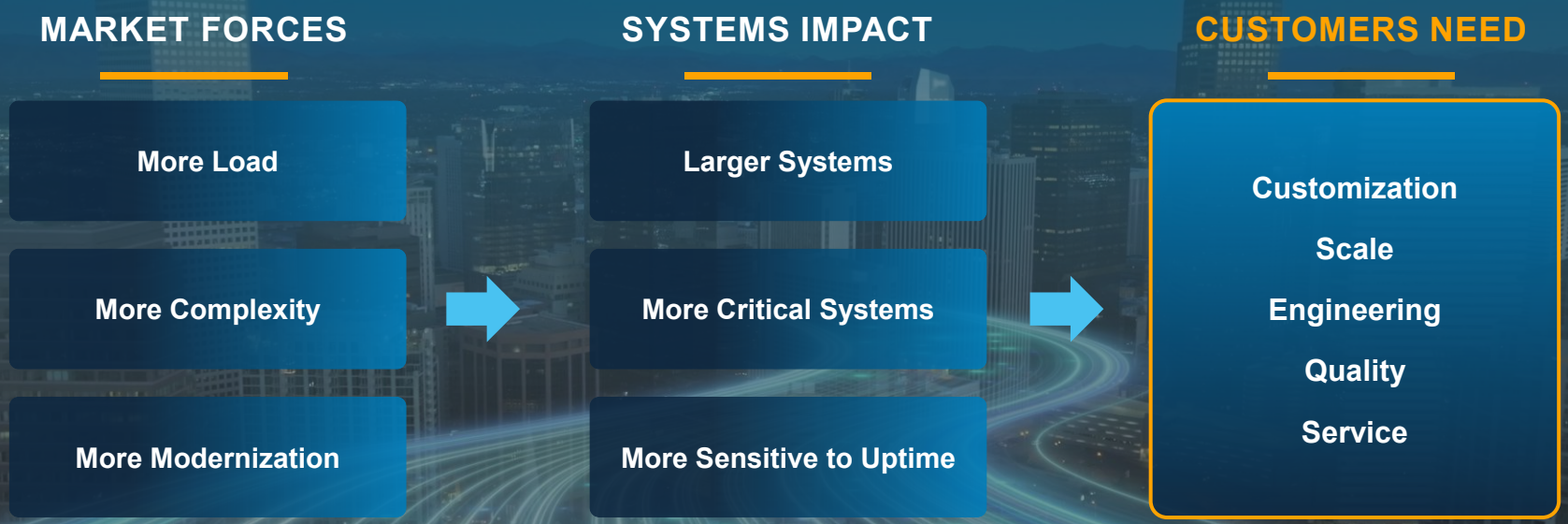
Where These Forces Come Together



Customers need partners who can reduce complexity and simplify electrification

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HPS: Our Electrical Infrastructure Solutions Platform

Customers Choose HPS When Electrical Complexity Requires Proven Capability



Delivery Confidence

Engineering Confidence

Lifecycle Confidence

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Better Together

	hammond POWER SOLUTIONS	AEG POWER SOLUTIONS
Solution Specialization	Custom engineered and standard stocked transformers	Custom engineered UPS and power conversion systems
Engineering Expertise	LV, MV magnetics, power quality	Power electronics, AC/DC power conversion
Market Channels	Distributors, OEM, private label	EPC, direct
Primary Geographic Region	North America, India	EMEA, Asia

Common competitive moat, complementary end user markets, solutions, geographies and channels to market

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Integrated Electrical Solutions Expand The Role HPS Plays For Customers



ELECTRIFICATION AT SCALE

Solution Level:
IES as a delivery model

Integrating components and parts to design solutions for customers' increasingly complex electrical needs, anchored by recent acquisition of AEG Power Solutions.

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Our Integrated Electrical Solutions Platform

Engineered Core Assets for Electrical Infrastructure



POWER DISTRIBUTION

Transformers to step electricity up and down.



POWER QUALITY

Filters to mitigate disruptive harmonics.

Integrated Electrical Solutions (IES) for End-to-End Solutions



CONVERSION

Power Conversion Systems (PCS) to convert power between AC and DC.



CRITICAL POWER

Uninterruptible Power Supplies (UPS) to maintain power consistency.



SERVICES

Repair, Replace, Maintenance and Support to service our solutions throughout their lifecycle.

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Markets We Serve

Broad exposure creates multiple paths to growth



DIGITAL INFRASTRUCTURE

- Data centers
- AI infrastructure
- Telecom
- Semiconductors



INDUSTRIAL & MANUFACTURING

- Oil & gas
- General industry
- Reshoring
- Mining



GRID & UTILITIES

- Power generation
- Transmission & distribution
- Grid stabilization



ENERGY TRANSITION

- Renewables
- Microgrids
- EV charging
- Energy storage



CRITICAL INFRASTRUCTURE

- Nuclear
- Transportation
- Commercial buildings (C&I)
- Public infrastructure

Our Solutions Across The Electrical Value Chain

GENERATION

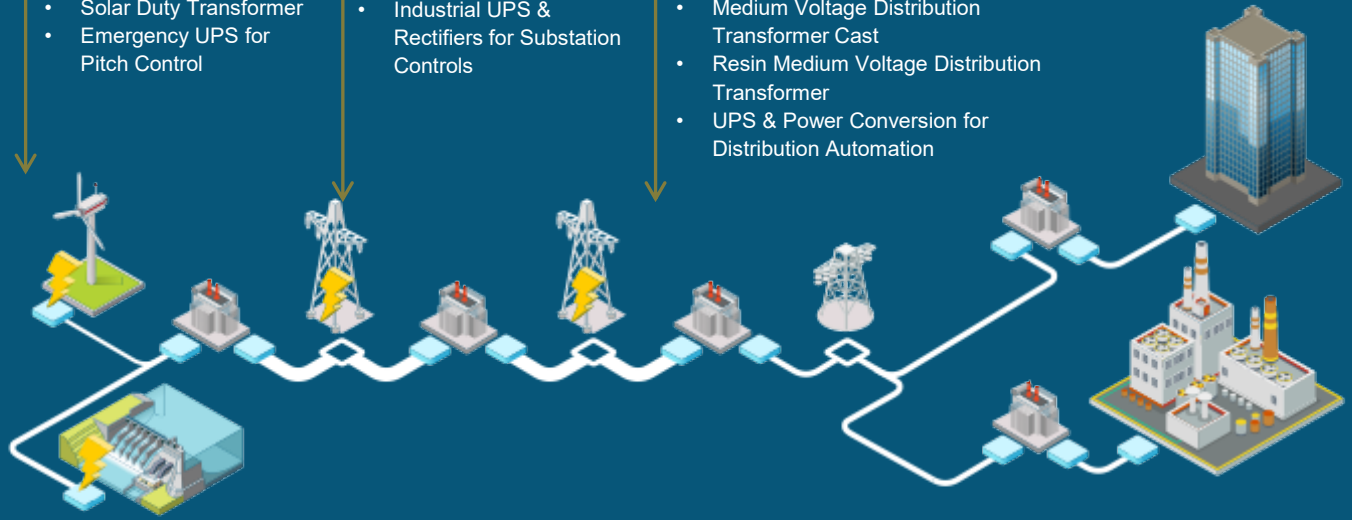
- Solar Duty Transformer
- Emergency UPS for Pitch Control

TRANSMISSION

- Industrial UPS & Rectifiers for Substation Controls

DISTRIBUTION

- Medium Voltage Distribution Transformer Cast
- Resin Medium Voltage Distribution Transformer
- UPS & Power Conversion for Distribution Automation



CONSUMPTION

COMMERCIAL

- General Purpose Transformer
- Encapsulated Transformer
- UPS, Inverters, Battery Storage for Critical Loads

INDUSTRIAL

- Encapsulated Transformer
- UPS & Power Conversion for Distribution Automation

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Source: Company information and website

Positioned For Growth

Competitive Strengths

Global Reach

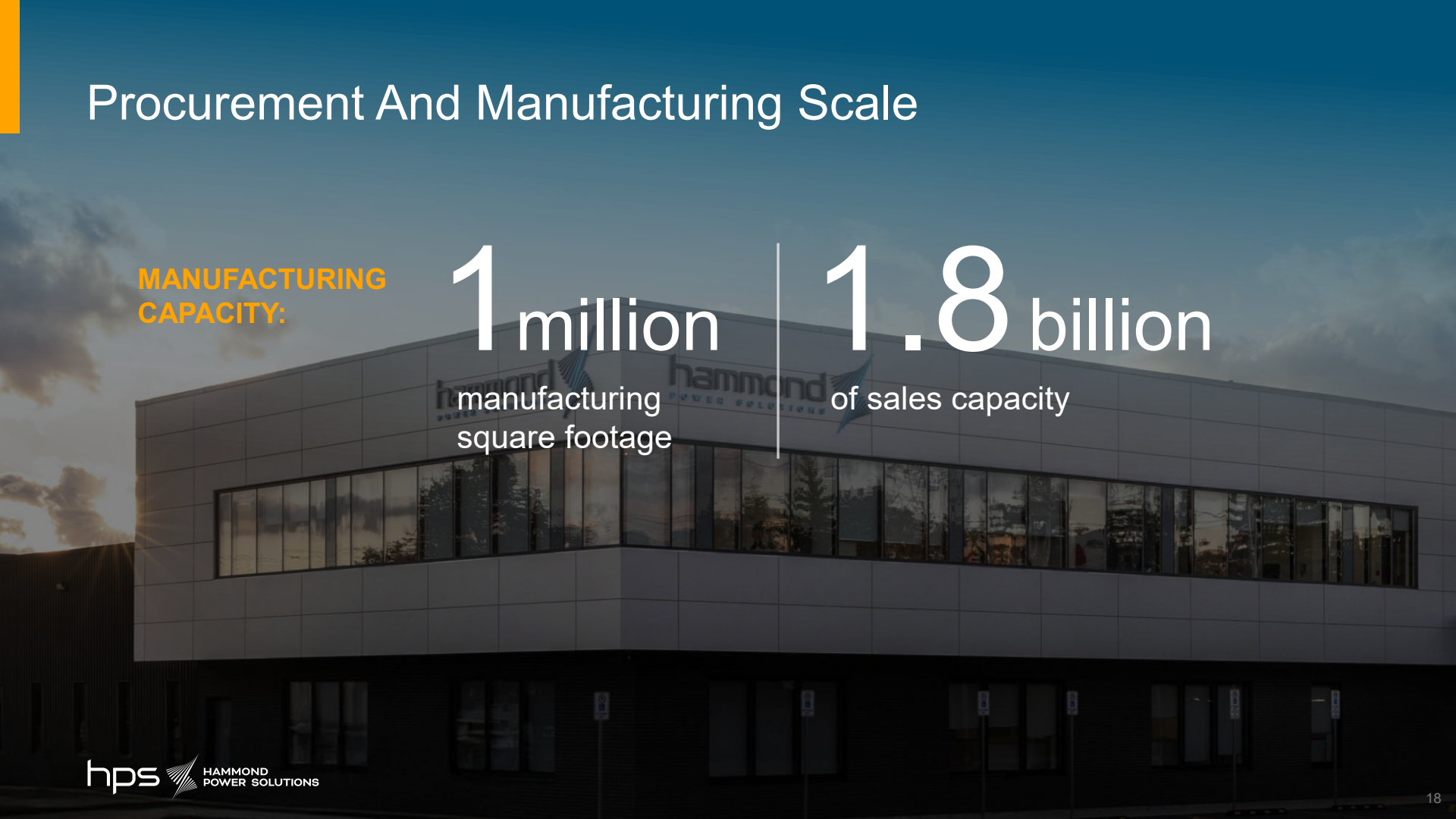
Broad Market Segment Access

Global Procurement & Manufacturing Scale

R&D, Design Engineering Capabilities

Customization at Scale

Procurement And Manufacturing Scale



MANUFACTURING CAPACITY:

1 million
manufacturing square footage

1.8 billion
of sales capacity

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Customization At Scale

Industry leading engineering and customization competency.

TRANSFORMERS

9K individual SKU's per year

400K transformers shipped per year

60% of all transformer products are custom

UPS + PCS

Solutions for any size project or complexity that can be:

- Configure-to-order to meet requirements
- Engineer-to-order tailor made for needs

195K installed UPS systems

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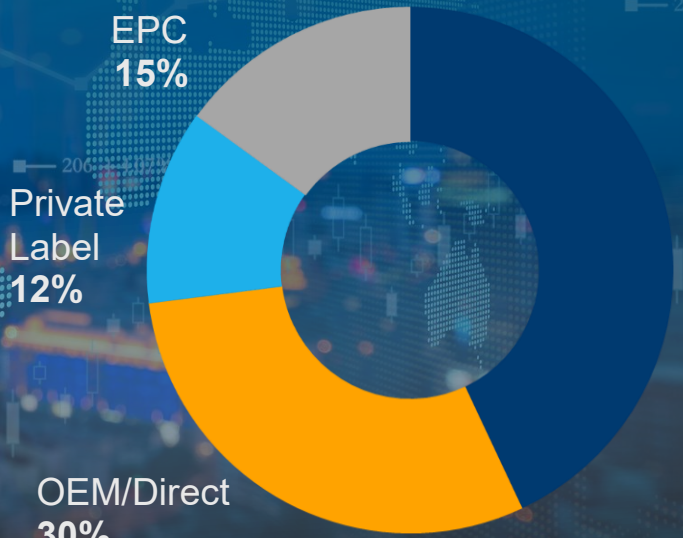
Broad Market Segment Access

- Multiple end market access
- Strong position in high-growth energy transition markets
- Large installed base

CHANNELS TO MARKET



2,800+

distributors across North America

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Services As A Lifecycle Partner

- Full lifecycle service model: deploy, operate, optimize
- Critical UPS and PCS infrastructure focus
- Recurring touchpoints, stickier customers

>160K

serviceable installed base

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Services As A Lifecycle Partner

AFTERMARKET:

41%

of 2025E revenue (AEGPS)

~120 field service engineers

>50 service partners worldwide

17+2 service + competency centers



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R&D, Design Engineering Capabilities



200+

Engineers dedicated to product and system design and R&D efforts to develop the next generation of power solutions

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Growth Strategy

Two Growth Priorities For HPS

1

Grow the Transformer Core

- Expand manufacturing capacity
- Serve growing electrification demand
- Diversify across markets and geographies



2

Grow the IES Platform

- Acquire for new markets, technology, and expertise
- Build out power quality, conversion, and services
- Expand geographic reach



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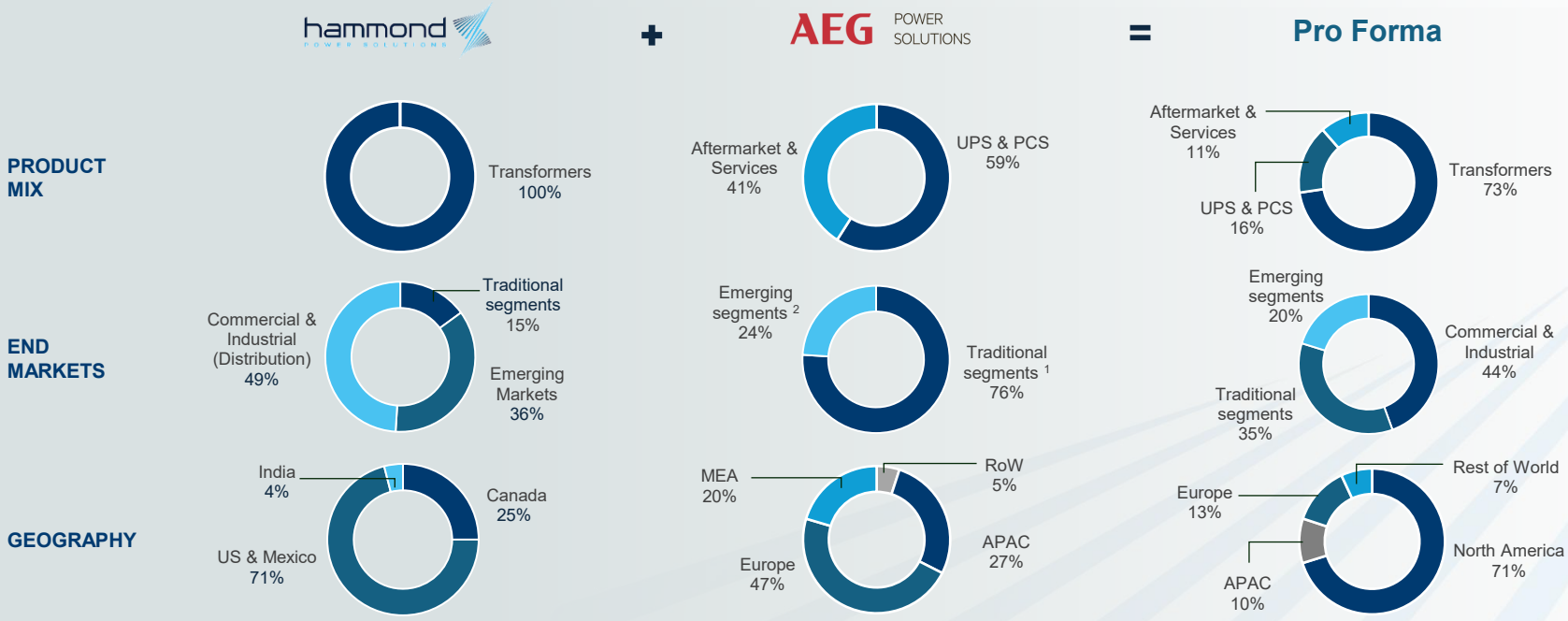
Financials

Diversified Portfolio



Note: All figures in CAD; [1] Traditional segments include Oil and Gas, General industry, Transportation (Rail), Nuclear and Transmission & Distribution (T&D);
[2] Emerging segments include Hydrogen (PCS), Offshore wind and Data & IT; AEG sales breakdown based on 2025E

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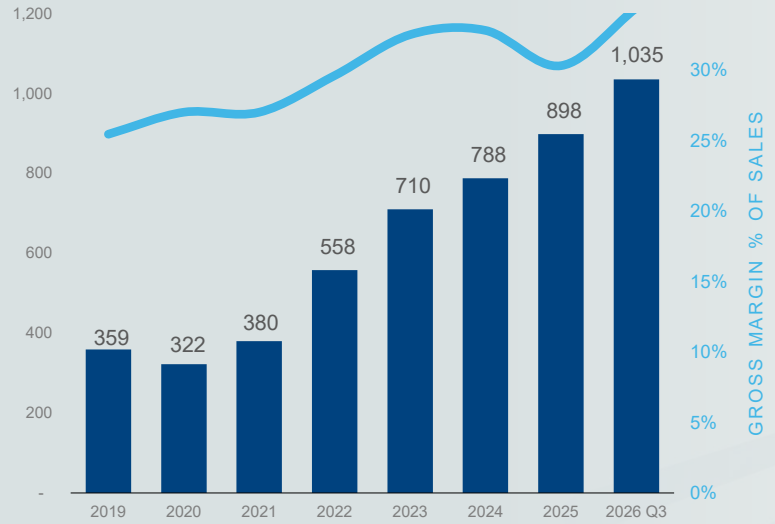
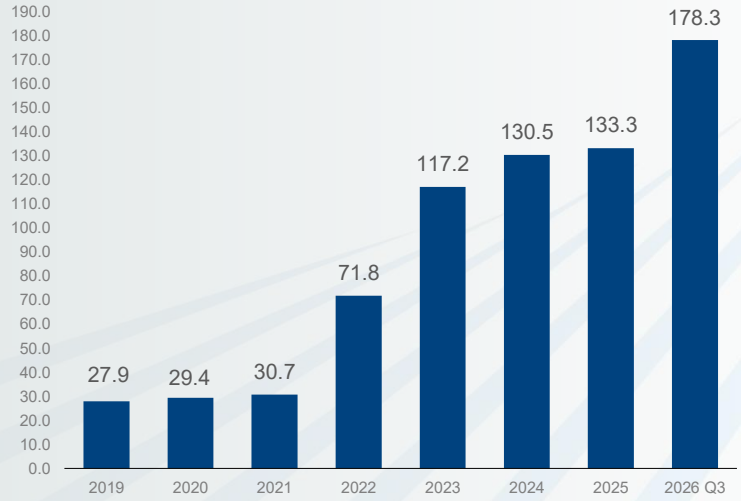
Track Record Of Profitable Growth – HPS

CONSOLIDATED SALES (YTD) vs
GROSS MARGIN % OF SALES ($millions)



Adjusted EBITDA ($millions)



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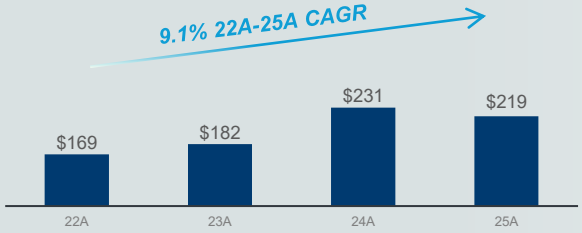
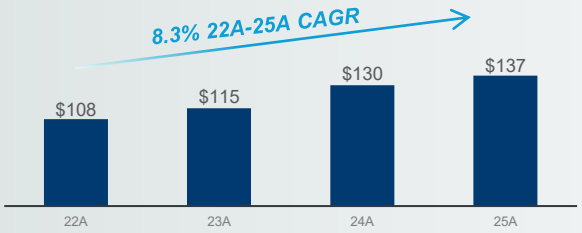
Track Record Of Profitable Growth – AEGPS

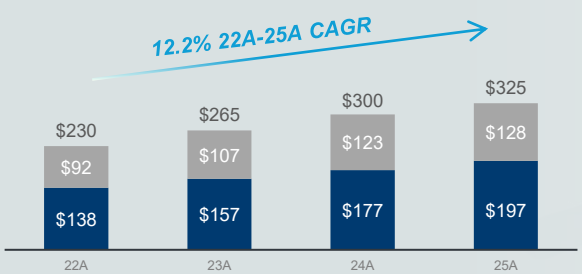
AEG HISTORICAL ORDER INTAKE FOR PRODUCTS



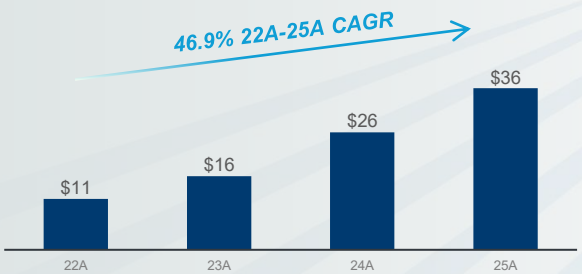
AEG HISTORICAL ORDER INTAKE FOR AFTERMARKET & SERVICES



AEG HISTORICAL REVENUE



AEG HISTORICAL EBITDA



Anticipated operating leverage and productivity gains expected to move AEG margins in-line with HPS.

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Capital Allocation

Capital Expansion

$100 million in capital to achieve $1.3 billion in manufacturing capacity.

Fort Worth, Texas - $50 million expansion for $250million in revenue.

Acquisitions

Accretive acquisitions to support PQ initiative, access markets, acquire technology and expertise

Dividend Growth

Continue practice of steady dividend growth. Historical payout has been approx. 15-25% of FCF

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Thank You

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