



Hammond Power Solutions Increases Planned Capital Program

(Dollar amounts are in thousands, in Canadian currency unless otherwise specified)

GUELPH, Ontario, Aug. 26, 2024 -- Hammond Power Solutions Inc. ("Hammond") (TSX: HPS.A) a leading manufacturer of dry-type, cast resin transformers, and related magnetics, today announced its intention to increase its planned capital program by approximately \$20 million over two years.

"Hammond continues to experience favourable industry tailwinds for certain products driven by the electrification of our economy," said Adrian Thomas, CEO of Hammond Power Solutions. "These investments will be made over the course of 2024 and 2025 to expand production in Monterrey to build custom power transformers which will remove current capacity bottlenecks and add significantly to our revenue capacity."

This new expansion will support Hammond's power transformer portfolio of large, high-power transformers which are widely used in several commercial and industrial markets. With this expansion, Hammond will shorten wait times and enhance our North American delivery platform.

Since 2022, Hammond Power Solutions has invested approximately \$80 million in capacity increases for its entire product range, the most recent being our new facility in Monterrey to build small low voltage and power quality products, which opened at the end of the second quarter of 2024.

Caution Regarding Forward-Looking Information

This press release contains forward-looking statements that involve a number of risks and uncertainties, including statements that relate to among other things, Hammond Power Solutions Inc.'s (the "**Corporation**" or "**HPS**") strategies, intentions, plans, beliefs, expectations and estimates, in connection with general economic and business outlook, prospects and trends of the industry, expected demand for products and services, product development and the Corporation's competitive position. Forward-looking statements can generally be identified, but not limited to, the use of words such as "may", "will", "could", "should", "would", "likely", "expect", "intend", "estimate", "anticipate", "believe", "plan", "objective" and "continue" and words and expressions of similar import. Although the Corporation believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from expectations include but are not limited to: general business and economic conditions (including but not limited to risks related to foreign currency fluctuations and changing interest rates); risks associated with the Corporation's business environment (such as risks associated with the financial condition of the oil and gas, mining and infrastructure project business); geopolitical risks; climate related risks; changes in laws and regulations; operational risks (such as risks related to existing and developing new products and services; doing business with partners and suppliers; product sales and performance; legal and regulatory proceedings; dependence on certain customers and suppliers; costs associated with raw materials, products and services; human resources; and the ability to execute strategic plans.) The Corporation does not undertake any obligation to update publicly or to revise any of the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, except as required by law.

This forward-looking information represents our views as of the date of this press release and such information should not be relied upon as representing our views as of any date subsequent to the date of this press release. We have attempted to identify important factors that could cause actual results, performance or achievements to vary from those current expectations or estimated, expressed or implied by the forward-looking information. However, there may be other factors that cause results, performance or achievements not to be as expected or estimated and that could cause actual results, performance or achievements to differ materially from current expectations.

There can be no assurance that forward-looking information will prove to be accurate, as actual results and future events could differ materially from those expected or estimated in such statements. Accordingly, readers should not place undue reliance on forward-looking information.

ABOUT HAMMOND POWER SOLUTIONS INC.

Hammond Power Solutions Inc. ("HPS" or the "Company") enables electrification through its broad range of dry-type transformers, power quality products and related magnetics. HPS' standard and custom-designed products are essential and ubiquitous in electrical distribution networks through an extensive range of end-user applications. The Company has manufacturing plants in Canada, the United States (U.S.), Mexico and India and sells its products around the globe. HPS shares are listed on the Toronto Stock Exchange and trade under the symbol HPS.A.

Hammond Power Solutions – Energizing Our World

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