Hammond Power Solutions Increases North American Capacity

New facility expected to initially expand capacity by approximately CAD $250 million annually once fully operational

GUELPH, Ontario, September 22, 2026 - Hammond Power Solutions Inc. (“HPS” or “Company”; TSX: HPS.A), a leading provider of magnetic and power electronic solutions, announced that it has signed a long-term lease for a new manufacturing facility in Fort Worth, Texas. The facility will expand HPS’s ability to serve U.S.-based customers requiring large standard and custom-engineered transformers. The Fort Worth facility is strategically located to improve proximity to key customers, shorten delivery distances for certain products, and enhance HPS's ability to serve core end markets.

“HPS has built a strong manufacturing platform through its operations in Canada and Mexico, and those facilities will continue to be an important part of how we serve the North American market. This new investment in a U.S. facility is about being closer to our customers and better positioned to support the long-term demand we are seeing for our products,” said Adrian Thomas, Chief Executive Officer of HPS. “Demand for transformers continues to increase, particularly from large projects tied to data centres, electrification and power infrastructure. The Fort Worth facility gives us additional capacity in the U.S. to improve responsiveness, support shorter delivery distances for certain customers, and help us continue to provide the reliability and service our customers expect from HPS.”

Production activities at the facility are expected to commence in stages beginning in Q4 2027, with full production anticipated in Q1 2028. Once fully operational, the facility is expected to initially add approximately CAD $250M of manufacturing capacity, based on anticipated demand and normal course operating assumptions. HPS expects to invest approximately CAD $50 million to equip and commission the initial production phase, which it anticipates funding through its existing cash and credit facilities.

The facility was selected, in part, because of its potential to support additional capacity over time. Subject to market demand, future capital investment and other relevant factors, the site could support total annual manufacturing capacity of approximately CAD $400 million.

"Over the past several years, we have made significant investments to enhance efficiency, throughput and capacity across our manufacturing operations in Canada and Mexico,” said John Bailey, Chief Operations Officer of HPS. “The Fort Worth facility provides an opportunity to apply the operational disciplines, manufacturing processes and lessons learned from those investments in a purpose-built environment designed to support future growth. The facility will enhance our manufacturing flexibility, increase our ability to scale efficiently and reinforce the quality, consistency and reliability that define HPS."

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, HPS’s 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 Company’s competitive position, including statements regarding the expected outcome of the proposed capacity expansion and related costs of such capacity and its effects on HPS’ operational capabilities, market reach and growth profile, and the drivers thereof, as well as the expected sources of funding for such activities. 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 Company 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. There can be no assurance that the expected initial manufacturing capacity, any future increase in capacity, related capital investments, customer demand, pricing assumptions or other operating assumptions will be achieved, proceed as currently contemplated or materialize at all. 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, changing interest rates, and the availability of external capital); risks associated with the Company's business environment (such as risks associated with the financial condition of the data center market, electrification and power infrastructure, 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); risk associated with non-completion of the capacity expansion, risks associated with the development, equipping, commissioning and ramp-up of new manufacturing facilities, including construction or fit-out delays, cost overruns, permitting or regulatory delays, delays in the delivery or installation of equipment, availability of qualified labour, supply chain disruptions, customer demand not materializing as expected, price compression, and the facility not achieving expected production capacity, timing, efficiencies or financial returns.

The Company 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.

HPS enables electrification through its portfolio of power conversion, power distribution and power quality solutions, including dry-type transformers, power electronics and related products used across critical electrical infrastructure and industrial applications. The Company has manufacturing plants in North America, Europe, and Asia, and sells its products around the globe. HPS shares are listed on the Toronto Stock Exchange and trade under the symbol HPS.A.

For further information, please contact:
David Feick
Investor Relations
519-822-2441
ir@hammondpowersolutions.com