Hill & Smith PLC

Interim results

For the six months ended 30 June 2026

Strong H1 delivery; modest upgrade to FY26 operating profit expectations

Strong trading performance

- 5% OCC revenue growth, driven by robust US infrastructure demand
- US businesses delivered 14% OCC revenue growth, supported by both Engineered Solutions and Galvanizing
- Continued progress in higher-growth priority end markets
- Operating margins maintained, with further US expansion offset by lower UK Engineered Solutions margin

Good strategic progress

- US organic growth investments progressing well
- Freeberg and Hentech acquisitions completed and performing well
- Active and growing M&A pipeline, aligned to our strategic framework
- Actions taken to improve strength and resilience of UK operations

Strong balance sheet and returns

- ROIC increased 90bps to 26.7%, reflecting growth in US Engineered Solutions businesses
- Interim dividend of 25c per share, up 7%
- Continued execution of share buyback programme
- Covenant leverage remains low at 0.4 times

Full year expectations raised

- Strong first half performance and sustained momentum in US businesses
- FY26 operating profit expected to be modestly ahead of previous expectations, with small margin progression vs. FY25
- Continued confidence in the medium-term growth outlook

Operating and Financial Review

H1 2026 results

Strong results led by double-digit US growth

Revenue
$606.7m +5% OCC
(H1 2025: $561.1m)

Underlying operating profit *
$102.9m +3% OCC
(H1 2025: $95.5m)

Underlying operating margin *
17.0% Unchanged
(H1 2025: 17.0%)

Return on invested capital *
26.7% +90bps
(H1 2025: 25.8%)

Underlying earnings per share *
90.6c +9%
(H1 2025: 82.9c)

Dividend per share
25.0c +7%
(H1 2025: 23.4c)

* Underlying operating profit excludes non-underlying charges totaling $26.4m, which included a net cash cost of $1.0m Further details provided in the Appendices.

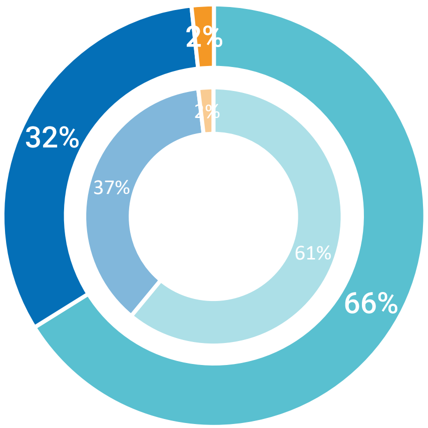
Revenue and profit increasingly weighted towards faster-growth US

US businesses generated 66% of Group revenue and 84% of Group operating profit in H1

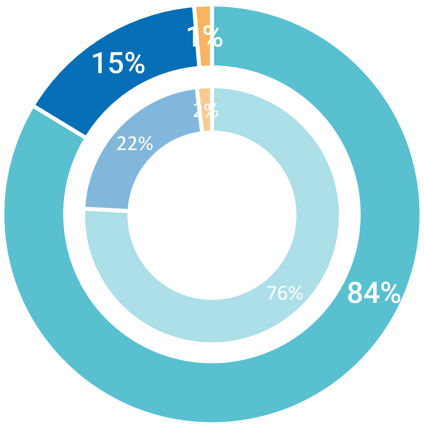
Revenue

Operating profit

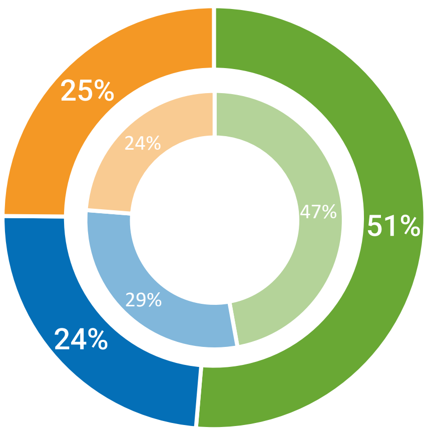
By geography



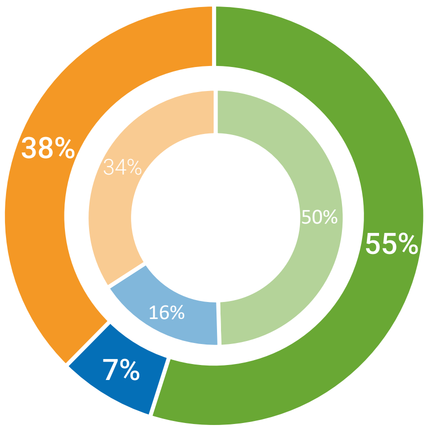
HY 25	HY 26	
		US
		UK
		India

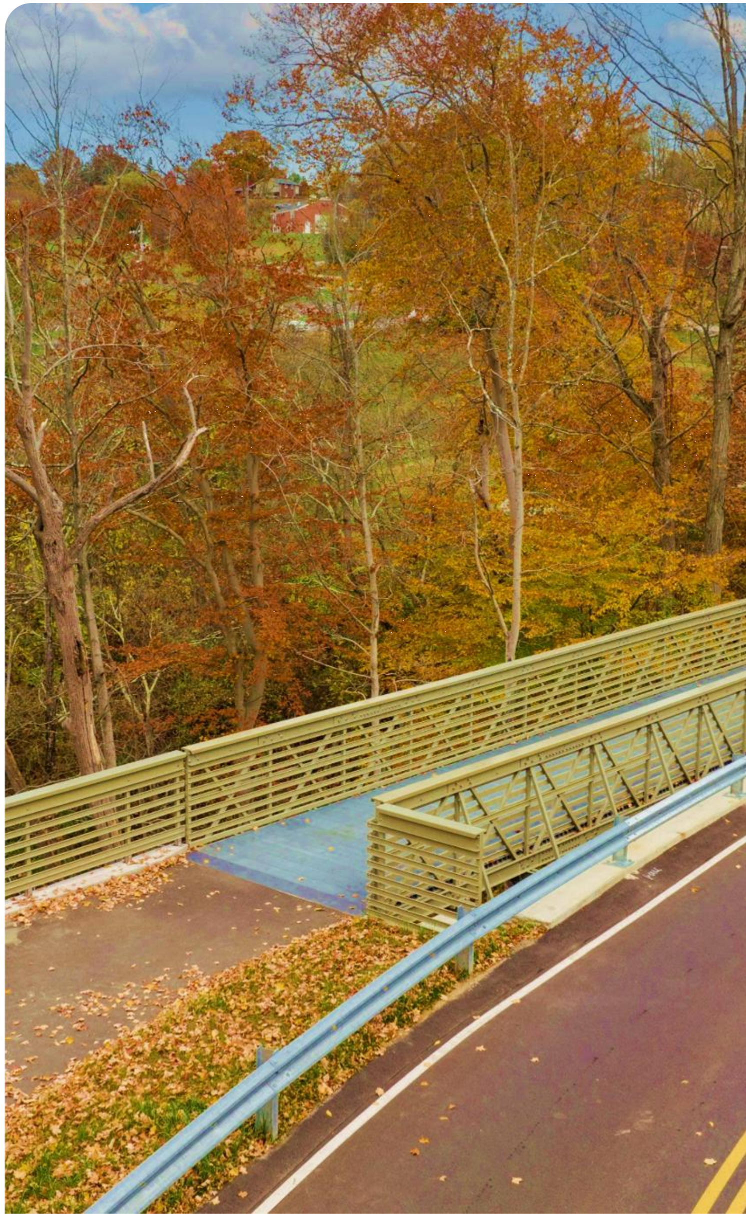


By division



HY 25	HY 26	
		US Engineered Solutions
		UK & India Engineered Solutions
		Galvanizing Services





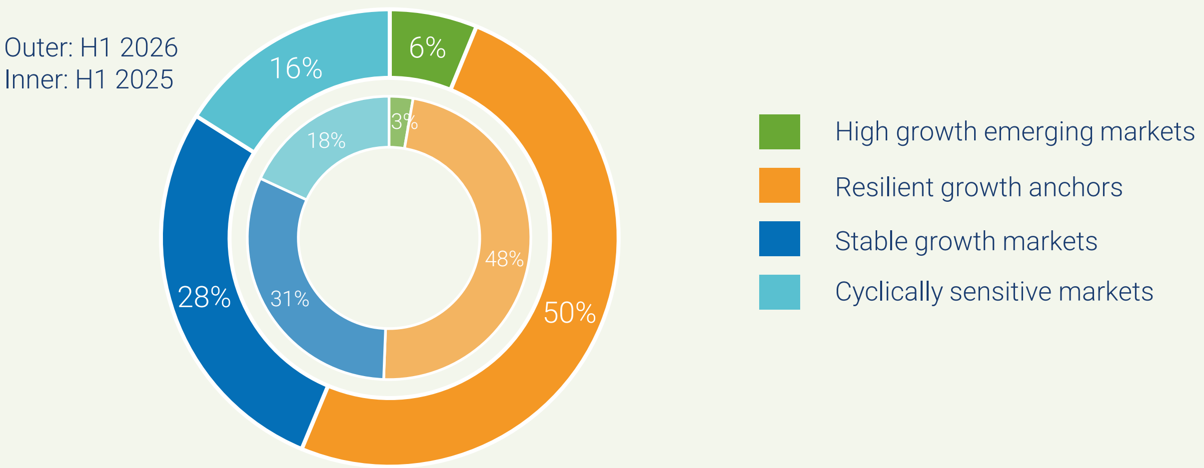
US Engineered Solutions: structural growth accelerating across electrical grid, data centre and infrastructure markets

- Solid demand for composite solutions across a range of end markets; margins slightly lower due to mix
- Very strong growth in transmission & distribution substation business, with a record order book at the end of the period
- Strong demand for engineered supports across several sectors
- Integrated off-grid solar and message board businesses showing signs of improvement
- Freeberg delivered strong performance:
  - H1 operating margins above expectations with revenue expected to accelerate in H2
  - Commissioning of new Arizona facility on track

Strong prospects, supported by positive long-term structural growth drivers

	H1 2026	H1 2025	Constant Currency	OCC
Revenue ($m)	**311.6**	264.6	+18%	+14%
Operating profit ($m)	**56.5**	47.3	+20%	+14%
Operating margin	**18.1%**	17.9%		

Revenue by end market



Galvanizing Services: double-digit growth and margin expansion

US (59% of revenue, +16% OCC)

- Record results driven by strong volume growth
- Good demand from a balanced mix of end markets
- Margins above the prior period, reflecting excellent quality and service

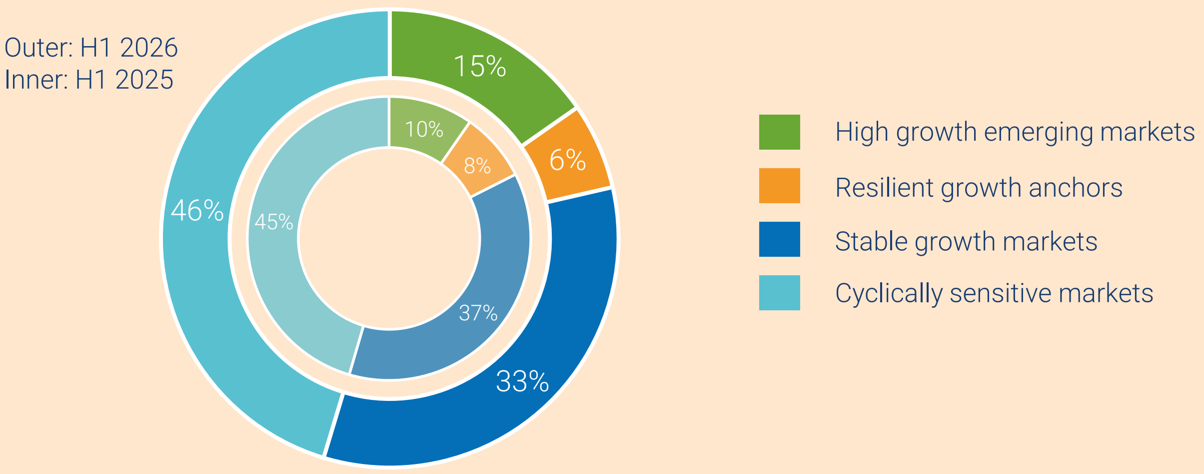
UK (41% of revenue, +6% OCC)

- Volume growth ahead of the wider market
- Pricing at similar levels to prior year
- Margin ahead of prior year reflecting continuing strong commercial execution

Good prospects underpinned by momentum across a broad range of end markets

	H1 2026	H1 2025	Constant Currency	OCC
Revenue ($m)	**150.9**	133.3	+11%	+11%
Operating profit ($m)	**38.7**	32.6	+18%	+18%
Operating margin	**25.6%**	24.5%		

Revenue by end market



UK & India Engineered Solutions: UK improvement actions initiated

- As expected, lower revenue and profitability reflect challenging UK market conditions and non-repeat of prior year project benefit
- Good demand and prospects within data centre markets
- Lower activity in other markets, particularly road and industrial infrastructure and residential construction; margins reduced due to operational leverage
- Hentech successfully integrated and performing well
- Revenue growth in India with a robust pipeline of future business

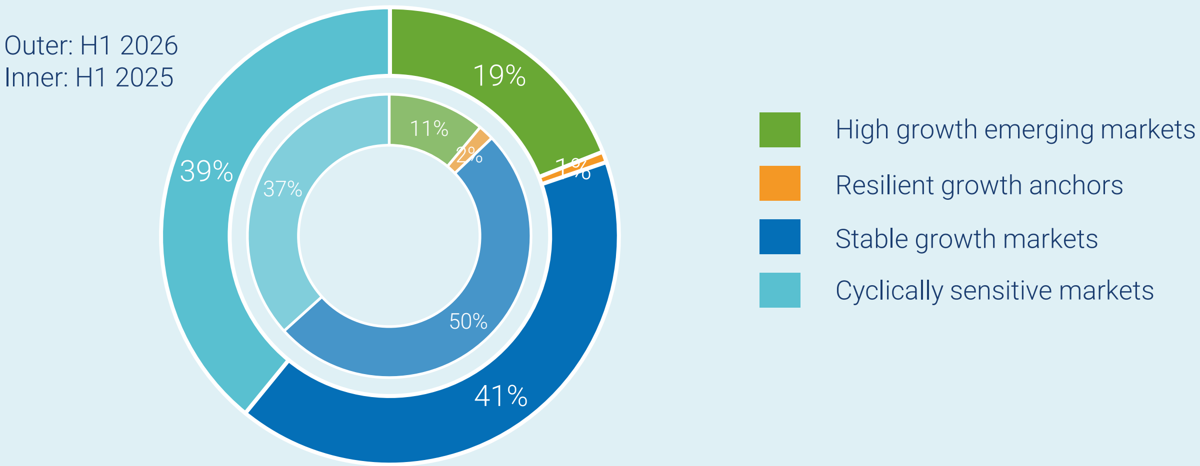
Decisive actions taken to strengthen UK portfolio:

- Increased focus on higher-growth end markets
- Steps to combine existing businesses to create larger, more efficient operations
- Portfolio actions to reshape UK group

Actions expected to improve resilience and support margin recovery over time

	H1 2026	H1 2025	Constant Currency	OCC
Revenue ($m)	**144.2**	163.2	-14%	-13%
Operating profit ($m)	**7.7**	15.6	-52%	-61%
Operating margin	**5.3%**	9.6%		

Revenue by end market



Cash generation and financial position

Lower cash conversion reflects short-term working capital build in faster-growing US businesses

- 50% underlying cash conversion in H1
- Expect significant increase in H2 as working capital positions begin to reverse
- Continue to expect cash conversion of 80%+ over time, in line with financial framework

Strong return on invested capital

- ROIC increased by 90bps to 26.7%
- Reflects faster growth in larger US Engineered Solutions businesses

Significant balance sheet capacity

- Covenant leverage remains low at 0.4 times
- $341m facility headroom provides significant capacity for further investment, dividend growth and returns to shareholders
- £100m share buyback programme continues to be executed

Note: net debt at 30 June 2026 includes lease labilities of $69.4m (June 25: $58.4m)

$m	H1 2026	H1 2025
Underlying operating profit	**102.9**	95.5
Depreciation and amortisation	**21.6**	20.9
Underlying EBITDA	**124.5**	116.4
Working capital	**(44.8)**	(15.3)
Capital expenditure (net)	**(23.1)**	(15.7)
Repayments of lease liabilities	**(6.9)**	(6.2)
Movements in provisions/other	**1.9**	1.5
Underlying operating cash flow	**51.6**	80.7
Underlying cash conversion	***50%***	*85%*
Restructuring spend (net)	**(2.6)**	(0.4)
Pension deficit payments	**(1.4)**	(2.5)
Interest paid (incl. IFRS 16)	**(6.3)**	(5.2)
Tax paid	**(14.9)**	(13.0)
Free cash flow	**26.4**	59.6
Dividends	**(19.4)**	(17.2)
M&A	**(53.2)**	10.0
Lease movement under IFRS 16	**(7.3)**	2.3
Share issues/other (net)	**(5.5)**	(3.7)
Share buyback	**(44.9)**	-
Net cash flow	**(103.9)**	51.0
FX impact	**1.7**	(5.6)
Net debt	**170.9**	75.6

Performance against financial framework

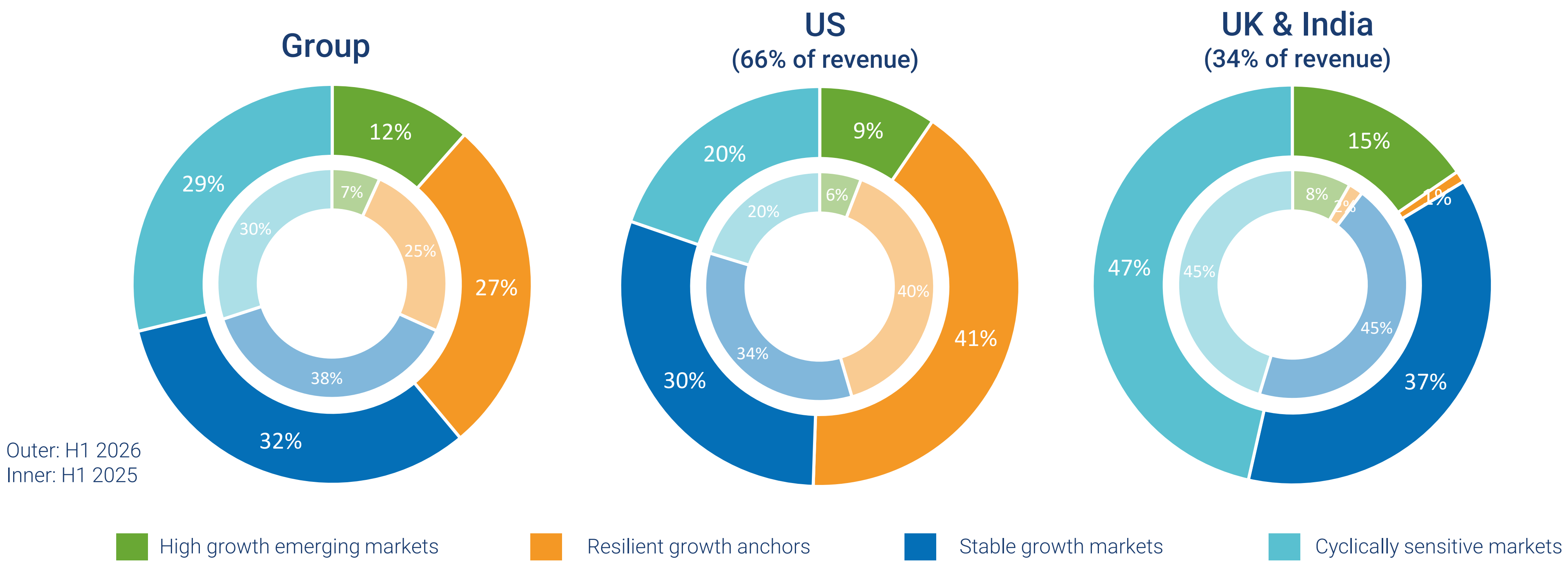
Organic revenue growth accelerating; continued strong returns

	Framework	H1 26	
Organic revenue growth	**5-7%**	5%	• Accelerating organic revenue growth led by robust US infrastructure demand
Total revenue growth	**10%+**	8%	• Total revenue growth supported by contributions from acquired Freeberg and Hentech businesses
Operating profit margin	**18%+**	17.0%	• Margins maintained in H1; expected small year-on-year margin progression for full year 2026 (FY25: 17.4%)
Return on invested capital	**22%+**	26.7%	• Strong returns driven by faster-growing US businesses and disciplined capital allocation
Cash conversion	**80%+**	50%	• Working capital build impacted H1 conversion; expect significant improvement in H2
Covenant leverage	**1-2 x**	0.4 x	• Covenant leverage remains low, providing significant capital allocation flexibility

Strategic Update

Strategic actions continue to improve end market mix

Progress across all geographies towards higher-growth end markets



Positive progress

- Share of revenue from high and resilient growth markets increased to 39% (H1 2025: 32%)
- Data centre share at 9%, +400bps YoY with growth in both the US and UK
- Electrical grid infrastructure revenues of $148m, 24% of Group revenues (+300bps YoY)

US

- Increase in high growth emerging markets driven by data centres, including positive impact from Freeberg
- Strong performance in electrical grid infrastructure drives further increase in resilient growth anchors

UK & India

- Data centre-related growth, including Hentech acquisition, drives increase in high growth emerging markets
- Reduction in stable growth markets primarily in transport infrastructure, with lower project activity and disposal of permanent road barrier business

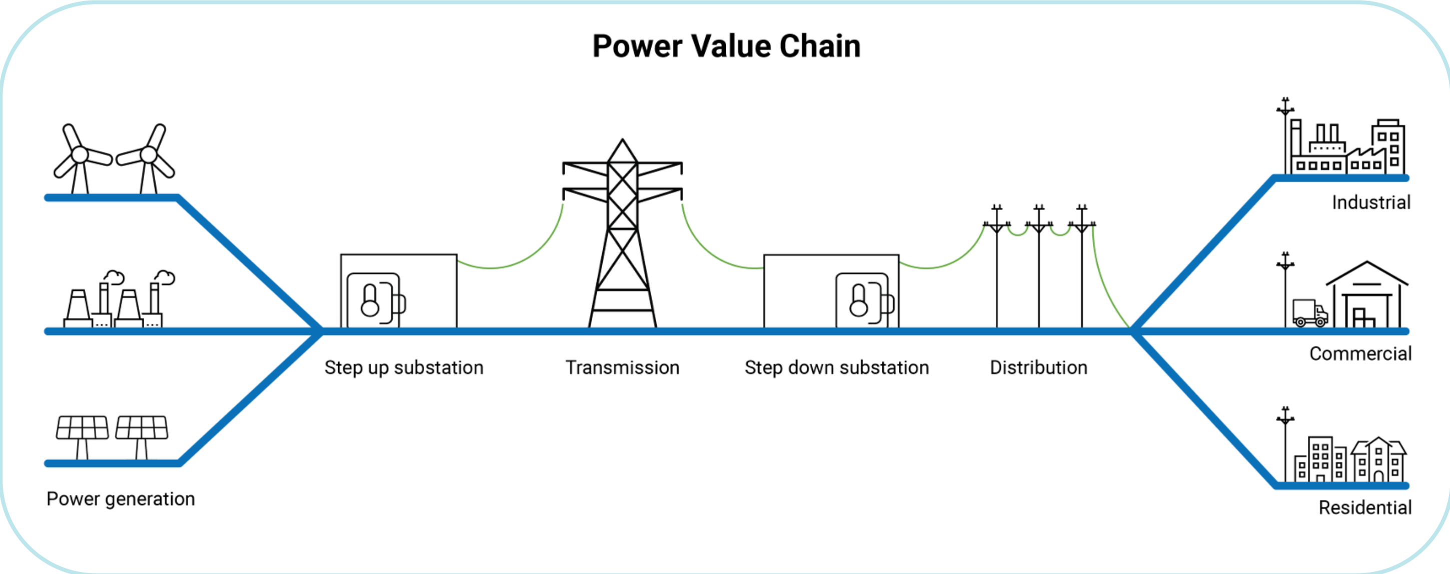
Exciting US power transmission & distribution market growth

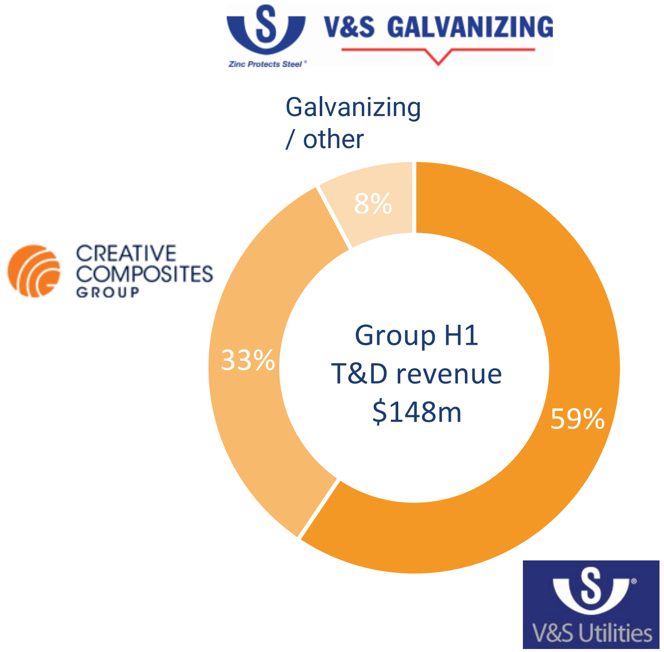
US power T&D is expected to benefit from long-term structural growth drivers

- Power outages are increasing due to ageing infrastructure and extreme weather – decades of under-investment being addressed
- Additional growth is being driven by data centres, EVs and wider industrial electrification – significant increase in demand
- Power is increasingly being supplied by a wider network of sources, leading to a higher number of grid interconnection points, necessitating grid balancing and storage
- US regulators have shown willingness to allow utility companies to increase charges to fund investment programmes
- Over the last 18 months, US utility companies have announced significant growth in five-year capex programmes
- Capital expenditure on grid infrastructure over the period 2026-2030 is projected to be c.$1.4 trillion, of which c.45%-50% is expected to be on T&D
- This implies T&D growth approaching a 10% CAGR over the same period

Strong positions in niche T&D segments

Good exposure across our US platform businesses





V&S Utilities

- Engineered tapered tubular steel structures and component packaging for **substation construction**
- Operates through framework agreements with large state utilities (both public and private) and EPC contractors
- Value-add services including warehousing, assembly and modular substation solutions

Creative Composites Group

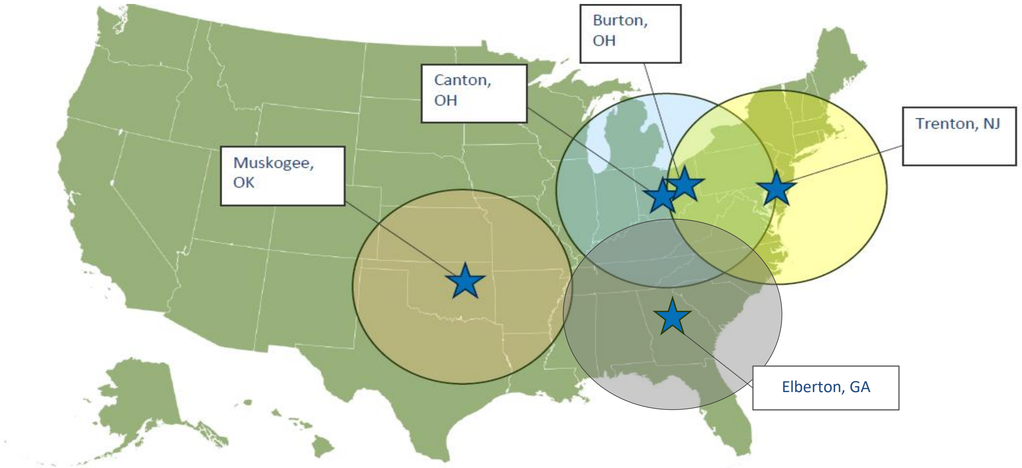
- Custom design composite material poles for **distribution networks**, offering many advantages over traditional materials
- Growing order book with several state utilities, particularly in California where resistance to extreme weather offers significant benefits
- Broad ancillary product suite augments overall value proposition

V&S Utilities: A major growth driver

c.15% of Group revenue, expected to grow by low double digits over the medium term

Good alignment with operating company framework

- Market leader in key operating geographies; proximity of supply to demand is advantageous
- Strong relationships and reputation with large utilities and EPCs through long-term framework agreements
- Shorter lead times provide significant source of competitive advantage
- Investment in capacity expansion currently being delivered to address growth opportunity



Strong financial performance

- Organic revenue CAGR of 9% over the last ten years
- Very strong double digit revenue growth in H1 26
- Record order book at June 2026 following strong order intake in the period
- Above Group and divisional operating margins, with high ROIC
- FY24 acquisitions (Capital Steel and Whitlow) performing well

US organic growth investments

Delivering additional capacity in faster growing markets

The Paterson Group (TPG) (Waggaman, Louisiana)

- Completed in 2025 at a total cost of c.$10m
- Now supporting strong engineered supports markets
- TPG delivered over 20% organic revenue growth in H1 2026, at record margins

V&S Utilities (Ohio & Oklahoma)

- c.$10m expansion of Burton, OH site (online end 2026)
- c.$20m relocation of Muskogee, OK to new purpose-built facility (online late 2027)
- Increases capacity to meet demand growth across T&D markets

V&S Galvanizing (Columbus, Ohio)

- c.$20m expansion of existing Columbus galvanizing footprint, online from the end of 2026
- Broadens addressable market in key region

Freeberg (Eloy, Arizona)

- c.$12m new facility to support demand from data centre and other faster growing priority end markets
- Commissioning on track, with production building during H2 2026

Continued discipline in capital allocation

Strong balance sheet and returns provide significant flexibility

1. Organic growth

- Disciplined investment in capital projects, talent and innovation
- Focus on higher growth, higher return end markets

- Capacity expansion in US T&D and galvanizing progressing well, expected to come online from the end of 2026

2. Inorganic growth

- Structured approach based on operating company and financial frameworks
- Target to invest $65m-$95m per year

- Freeberg and Hentech acquisitions successfully integrated and performing well
- Active and growing M&A pipeline, focused on targets aligned with strategic and financial framework

3. Dividend growth

- Provide a growing dividend to shareholders

- Interim dividend 25c per share (+7%)

4. Return surplus capital

- Return surplus capital to shareholders if leverage is expected to fall below 0.5 times for a sustained period

- £100m share buyback programme ongoing, £58.6m delivered as at 10 August 2026
- Leverage remains low (0.4x on a covenant basis at 30 June 2026), providing significant funding capacity

FY26 outlook raised: operating profit modestly ahead of previous expectations

US

- Strong first half and sustained momentum in larger platform businesses
- Demand supported by structural investment in infrastructure renewal, grid modernisation, water infrastructure, data centres and onshoring
- We remain confident in our active and growing M&A pipeline, aligned to our strategic framework

UK

- Against backdrop of challenging market conditions, portfolio actions expected to improve resilience and support margin recovery over time

FY26 operating profit expected to be modestly ahead of previous expectations, with small margin progression vs. FY25

Continued confidence in medium-term growth outlook reflects our strong positions in structurally high growth infrastructure markets

Appendices

Our investment case

Structural growth
underpinned by the need for infrastructure investment in our core markets

High and improving returns profile
delivering superior value for shareholders

Market leadership
with a strong track record in attractive niches with high barriers to entry

Hill & Smith PLC

Disciplined capital allocation
with a strong balance sheet and excellent cash generation, enabling us to take advantage of organic and inorganic growth opportunities

Entrepreneurial culture
supported by an agile, autonomous operating model

Sustainability
at the core of our business model

Divisional analysis

	H1 2026	Organic	M&A	FX	H1 2025	Constant currency	OCC
US Engineered Solutions							
Revenue ($m)	**311.6**	36.6	10.4	-	**264.6**	+18%	+14%
Operating profit ($m)	**56.5**	6.6	2.9	(0.3)	**47.3**	+20%	+14%
Operating margin	**18.1%**				**17.9%**		
Galvanizing Services							
Revenue ($m)	**150.9**	15.4	-	2.2	**133.3**	+11%	+11%
Operating profit ($m)	**38.7**	5.9	-	0.2	**32.6**	+18%	+18%
Operating margin	**25.6%**				**24.5%**		
UK & India Engineered Solutions							
Revenue ($m)	**144.2**	(22.4)	(1.9)	5.3	**163.2**	-14%	-13%
Operating profit ($m)	**7.7**	(9.7)	1.4	0.4	**15.6**	-52%	-61%
Operating margin	**5.3%**				**9.6%**		
Group							
Revenue ($m)	**606.7**	29.6	8.5	7.5	**561.1**	+7%	+5%
Operating profit ($m)	**102.9**	2.8	4.3	0.3	**95.5**	+7%	+3%
Operating margin	**17.0%**				**17.0%**		

2026 guidance updates

Key financial modelling assumptions (changes in bold text)

Capital expenditure

c.$75m

Includes capacity expansion projects in US transmission & distribution and galvanizing, and **$9m in FY26 re: commissioning of Freeberg Arizona facility**

Interest

c.$15m

Assumes base rates are maintained at end July 2026 rates. Includes aggregate c.$5m for IFRS16 leases (**including $3m re. Freeberg)**, pension interest, and amortisation of refinancing fees

Cash conversion

Towards 80%

H1/H2 weighting

Slightly higher H2 weighting than FY25

Effective tax rate

c.25.5%

Assumes no change in headline corporation tax rate in US or UK

Translation impact of FX movements

+/- 1 pence move in:	FY revenue	FY operating profit
GBP	+/- $5.0m	+/- $0.3m

Performance against financial framework

	Framework	H1 26	H1 25	FY25	FY24
Organic revenue growth	**5-7%**	5%	2%	3%	flat
Total revenue growth	**10%+**	8%	5%	5%	6%
Operating profit margin	**18%+**	17.0%	17.0%	17.4%	16.8%
Return on invested capital	**22%+**	26.7%	25.8%	26.7%	25.2%
Cash conversion	**80%+**	50%	85%	91%	99%
Covenant leverage	**1-2 x**	0.4 x	0.1 x	0.1 x	0.3 x

Significant financing headroom

Principal debt facilities

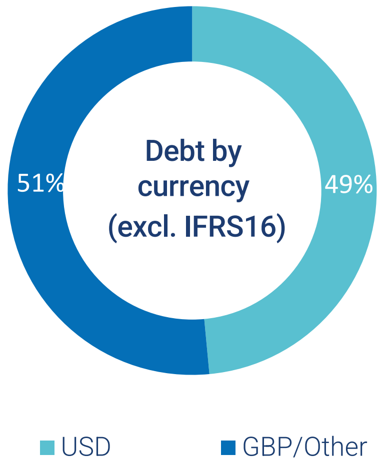
- Revolving credit facility: £300m (c.$400m) maturing November 2029
- Senior notes: second $35m tranche of unsecured notes matures June 2029; first $35m tranche repaid upon maturity in June 2026
- c.20% of drawn debt at period end subject to fixed interest rates
- Average cost of debt in H1 26 c.4.7%

Facilities provide significant headroom of $341m

- Net debt: EBITDA 0.4 times (covenant 3 times)
- Interest cover 26.1 times (covenant 4 times)
- Target net debt : EBITDA range between 1 and 2 times

$m	Net debt	Facility
Committed	**187.3**	437.1
On demand	**-**	8.2
Cash	**(83.4)**	-
Net borrowings	**103.9**	445.3
IFRS 16	**69.4**	
IFRS 9	**(2.4)**	
Reported net debt	**170.9**	

On demand	2029
8.2	437.1



Non-underlying items included in operating profit

$m	H1 2026	H1 2025
Business reorganisation costs	(3.4)	-
Impairments of assets	(2.0)	-
(Loss)/profit on disposals of subsidiaries	(7.8)	1.5
Amortisation of acquisition intangibles	(7.4)	(7.2)
Expenses relating to acquisitions and disposals	(3.3)	(1.5)
Post-acquisition remuneration	(2.5)	-
	(26.4)	(7.2)
Comprising		
Cash (net)	(1.0)	-
Non-cash	(25.4)	(7.2)
	(26.4)	(7.2)

Sustainability

Sustainability underpins our growth strategy

Health and safety

- "I Own Safety" cultural change programme launched in 2026
- Positive feedback from operating companies
- Every employee will receive training by the end of the year

Talent and engagement

- Group-wide talent and succession planning process launched during the period
- Continue to selectively recruit talent to strengthen and support our businesses as they grow

Carbon reduction

- Continued focus on carbon reduction measures at an operating company level
- UK galvanizing operations transitioning vehicle fleet from diesel to Hydrotreated Vegetable Oil (HVO) in 2026

Protecting the world

Focus areas:

- Greenhouse gas emissions and energy efficiency
- Sustainable products

Saving and enhancing lives

Focus areas:

- Health, safety and wellbeing
- Talent, development and engagement
- Equity, diversity and inclusion

Sustainable governance

Focus areas:

- Climate risks (TCFD)
- Ethical conduct

Operating company framework

Informing our portfolio management approach

Our purpose

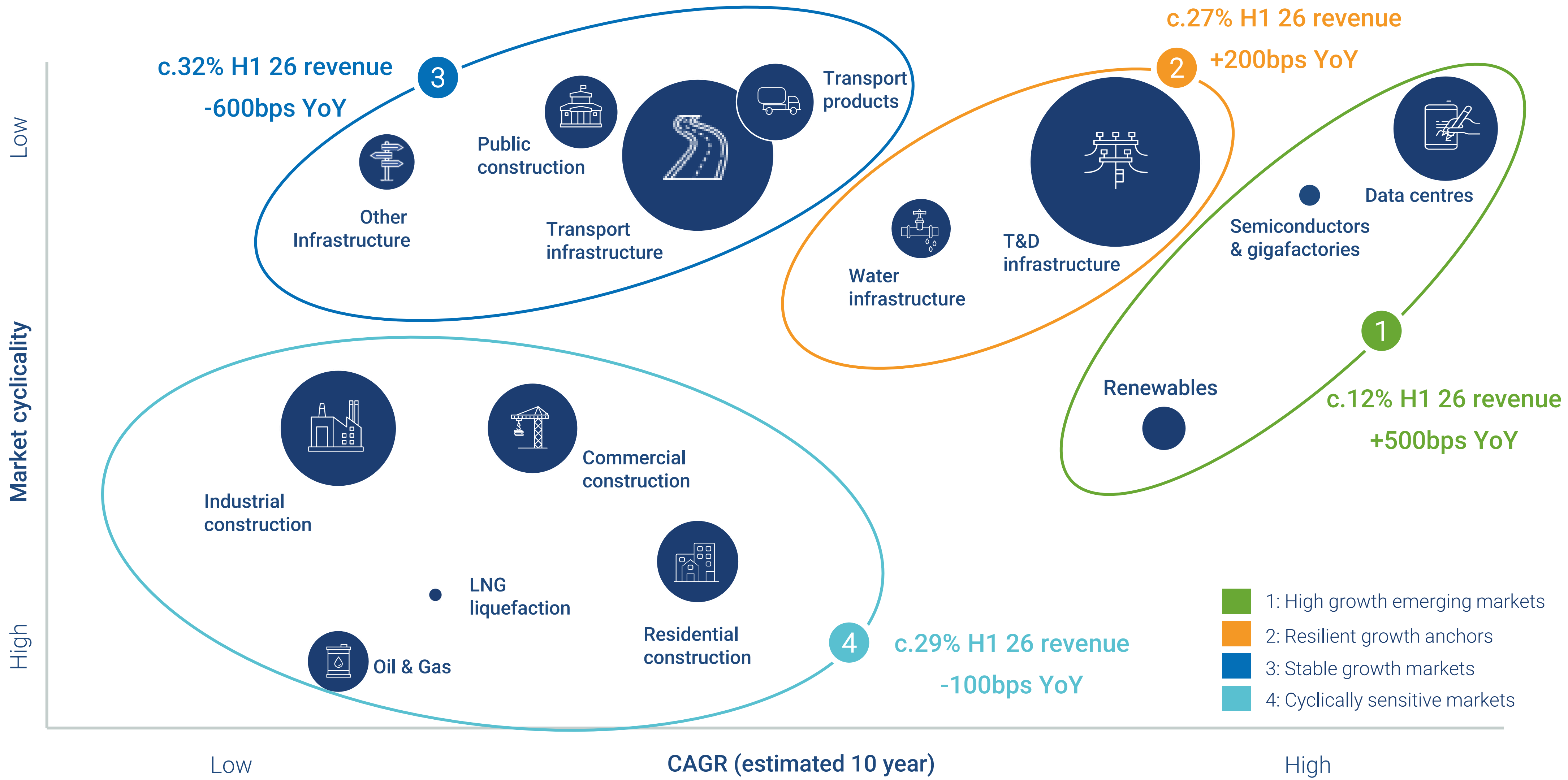
We create value by providing solutions that enhance the resilience of vital infrastructure and the built environment

Market Dynamics	Business Model	Management & Culture
Exposure to priority end markets	High customer intimacy	Management capability
Leader in defensible niches	Value-add solutions	Quality of employees
Potential for bolt-ons	Manufacturing with low/medium capital intensity	Cultural fit and collaboration

Financial Framework

Focus on priority end markets

Increasing our exposure to high growth markets with low cyclicality



Group revenue by end market growth and cyclicality

Disclaimer

Cautionary statement

This presentation contains forward looking statements which are made in good faith based on the information available at the time of its publication.

It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a number of risks and uncertainties that are inherent in any forward-looking statement which could cause actual results to differ materially from those currently anticipated. Nothing in this document should be regarded as a profits forecast.

Hill & Smith PLC