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Hill & Smith PLC
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Hill & Smith PLC
Acquisition of Trident Industries

Hill & Smith PLC ("Hill & Smith" or "the Group"), the international provider of sustainable infrastructure products and services, today announces the acquisition of Trident Industries, LLC ("Trident").

The Group has completed the acquisition of the business and assets of Trident for an initial cash consideration of \$13.5m (c.£10.6m), on a debt and cash free basis. Further cash consideration of up to \$32.5m (c.£25.6m) is payable based on future revenues over the five years post-acquisition. The business has been acquired from two private shareholders. The current management team, who are not shareholders, will be staying with the business.

Located in Greater St Louis, Illinois, Trident is a designer and supplier of composite utility poles, serving utility company needs across North America and the Caribbean. Trident's single and multi-layer utility poles are designed for strength and resilience and can be used in a wide range of applications including storm hardening and self-supporting pole projects. The business has a long-term outsourced manufacturing relationship with Enduro Composites, which was acquired by Hill & Smith in February 2023, and will become part of the Creative Composites Group within the Engineered Solutions division.

The acquisition is highly complementary to our existing composite utility pole offering and will further accelerate our strategy in the attractive US electricity transmission and distribution market, expanding our product range and customer base and providing cross selling opportunities.

In the 12 months to 31 December 2023, Trident reported unaudited revenue of \$23.3m (c.£18.3m), adjusted EBIT of \$5.7m (c.£4.5m) and gross assets as at 31 December 2023 of \$6.8m (c.£5.3m).

The acquisition will be funded from the Group's existing borrowing facilities and is expected to be earnings enhancing to the Group in 2024.

Alan Giddins, Executive Chair, said:

"Trident is a business we have known and worked with for many years and is an excellent fit with our existing US composites business. The acquisition will expand our product range and customer base and provide cross selling opportunities, further accelerating our strategy in this exciting and long-term growth market. I am delighted to welcome Trident and its employees to the Group.

"This is the third acquisition we have completed so far in 2024 as we continue to successfully deliver inorganic growth at attractive returns to drive the future growth of the Group."

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Notes to Editors

Hill & Smith PLC is a leading provider of sustainable infrastructure products and services. The Group employs c.4,500 people worldwide with the majority employed by its autonomous, agile, customer focussed operating businesses based in the US, UK, Australia and India. The Group head office is in the UK and Hill & Smith PLC is quoted on the London Stock Exchange (LSE: HILS.L).

The Group's operating businesses are organised into three main business divisions:

Galvanizing Services: increasing the sustainability and maintenance free life of steel products including structural steel work, lighting, bridges and other products for industrial and infrastructure markets.

Engineered Solutions: supplying engineered steel and composite solutions for a wide range of infrastructure markets including power generation and distribution, marine, rail and housing. The division also supplies engineered pipe supports for the water, power and liquid natural gas markets and seismic protection solutions.

Roads & Security: supplying products and services to support road and highway infrastructure including temporary and permanent road safety barriers, intelligent traffic solutions, street lighting columns and bridge parapets. In addition, the division includes two businesses which are market leaders in the provision of off-grid solar lighting and power solutions. The security portfolio includes hostile vehicle mitigation solutions, high security fencing and automated gate solutions.

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