THIS ANNOUNCEMENT CONTAINS INFORMATION WITHIN THE MEANING OF ARTICLE 7 OF THE MARKET ABUSE REGULATION (EU) 596/2014 AS IT FORMS PART OF UK LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018

19 November 2026

Capital Markets Event

New Medium-Term Targets, New £25m Share Buyback Programme and Trading Update

Costain Group PLC ("Costain", the "Group" or the "Company"), the UK infrastructure solutions specialist, will host a Capital Markets Event (CME) at 12:30 in London today.

The CME will provide an update on Costain's medium-term growth targets and capital allocation framework. It will set out how Costain, building on its record forward work position, is positioned to capitalise on the substantial opportunities in its growing, critical UK infrastructure markets, enabling it to deliver strong earnings growth over the medium term and increasing shareholder returns.

The following Medium-Term Targets will be set out today:

- c.10% revenue CAGR[1], with double-digit growth across both Transportation and Natural Resources divisions
- Operating margin[2] 4.5% - 5.0%
- >10% operating profit[2] CAGR[1]
- Retain net cash of 4% - 6% of sales[3]

Based on the above retained net cash target and forecast free cash flow generation for FY 27, the Board has decided to launch a new £25m on-market share buyback programme in January 2027, to be completed by the end of 2027.

Alex Vaughan, Chief Executive Officer of Costain, commented: "*There has never been a more exciting time to be a UK infrastructure specialist, with significant investment planned across the UK's critical infrastructure markets. Building on five years of strong strategic execution and our differentiated market position, we are well placed to capitalise on the opportunities ahead and deliver strong profit growth and increasing shareholder returns over the medium term.*

Our focus is now on executing our plans and delivering our ambitious medium-term targets to realise our full potential and generate further shareholder value. The announcement of a new £25m share buyback programme reflects the strength of our balance sheet and confidence in our long-term prospects."

Trading Update

The Group confirms that trading in FY 26 remains in line with market expectations[4]. No new material information on current trading will be disclosed at the CME today.

Capital Markets Event Details

The CME, which is for institutional investors and analysts, will be held at 30 Euston Square, London, NW1 2FB. An informal lunch will be served from 12:30, with an opportunity to explore stand demonstrations before the formal presentations commence at 13:30. The presentations are expected to conclude by 16:30, after which there will be refreshments, networking and a further opportunity to view the stand demonstrations.

The event will include presentations from Alex Vaughan, Chief Executive Officer, Helen Willis, Chief Financial Officer, other members of Costain's senior leadership team, as well as fireside conversations with two key customers.

Institutional investors and sell-side analysts not already registered who wish to attend in person should contact Matt Jones or Headland using the contact details below.

A slide deck and recording of the speaker presentations will be available on the Costain website after the event has concluded at https://www.costain.com/investors/. There will also be a live Q&A session for retail investors via Investor Meet Company at 16:00 on Tuesday 24 November 2026. Please visit https://www.investormeetcompany.com/costain-group-plc/register-investor to sign up for this meeting.

This announcement contains inside information. The person responsible for this announcement at Costain is Helen Willis, Chief Financial Officer.

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Notes to editors

Costain improves people's lives by creating connected, sustainable infrastructure that enables people and the planet to thrive. Through the delivery of predictable, best-in-class solutions across the transport, water, energy and defence markets, we are creating a sustainable future and securing a more prosperous, resilient and decarbonised UK.

Footnotes:

[1] Base year FY 26.

[2] On adjusted basis. See notes 1 to 4 of H1 2026 results announcement for adjusted metric details and definitions.

[3] Excluding JV cash, based on next year's forecast sales.

[4] Company-compiled consensus can be found at https://www.costain.com/investors/consensus/. Current FY 26 consensus expectations are: Revenue £1.23bn, Adjusted operating profit £50.5m, Adjusted EPS 15.2p, Net cash £175.4m.