



March 2021

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All estimates of future performance are as of March 24, 2021. Enerpac Tool Group’s inclusion of these estimates or targets in the presentation is not an update, confirmation, affirmation or disavowal of the estimates or targets.

In this presentation certain non-GAAP financial measures may be used. Please see the supplemental financial schedules at the end of this presentation or accompanying the Q2 Fiscal 2021 earnings press release for a reconciliation to the appropriate GAAP measure.

A Global Leader in Industrial Tools and Services

110

YEARS OF
HISTORY

**Menomonee
Falls, WI**

HEADQUARTERS

~2,300

EMPLOYEES

100+

MANAGEMENT TEAM
YEARS EXPERIENCE

100+

OF COUNTRIES
PRODUCTS SOLD
INTO

**Global leader in high
precision tools, controlled
force products and
solutions for precise heavy
lifting.**

Products

Cylinders/Jacks,
Pumps, Bolting tools,
Presses, Pullers,
Tools, Heavy Lifting
Technology

Service and Rental

Bolting,
machining and
joint integrity

Extensive Global Distribution

1,500+ long-standing
distribution relationships

3,500+ distributor
locations

Diversified Customer Base

Specialty Dealers

National
Distribution

Large OEMs

**STRONG
BRAND
RECOGNITION**

ENERPAC 

Premium Industrial Tools
Heavy Lifting

hydratight

Service
Rental
Training

CORTLAND

Medical
Industrial Ropes

Revenue Mix

~75%



Tools

~25%



Service

Manpower

Rental

Positioned to Deliver Long-Term Value



Sustainable business model

built on well recognized brands, robust global distribution and broad reach of end markets



Clear strategy

to drive core growth above market and expand margins



Disciplined capital deployment

powered by strong balance sheet and free cash flow conversion



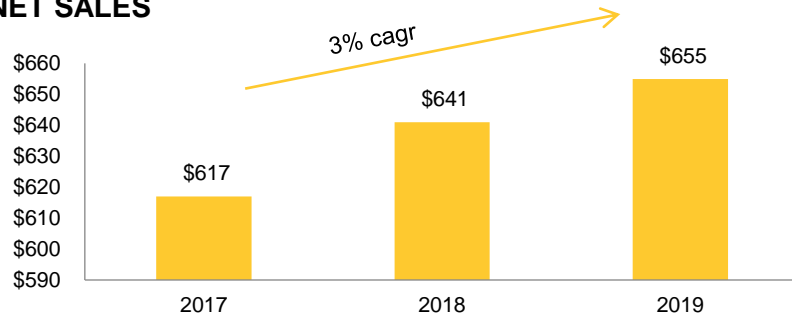
Experienced leadership team

capable of executing to win

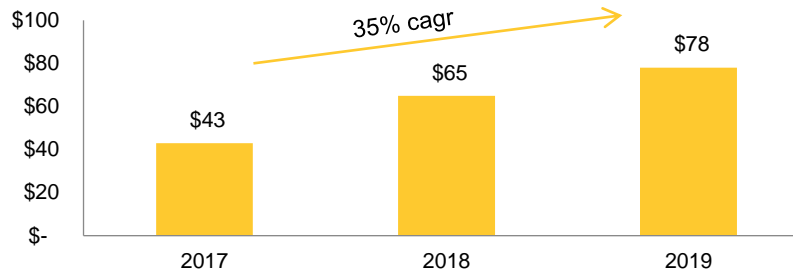


**BEST IN
CLASS
RETURNS**

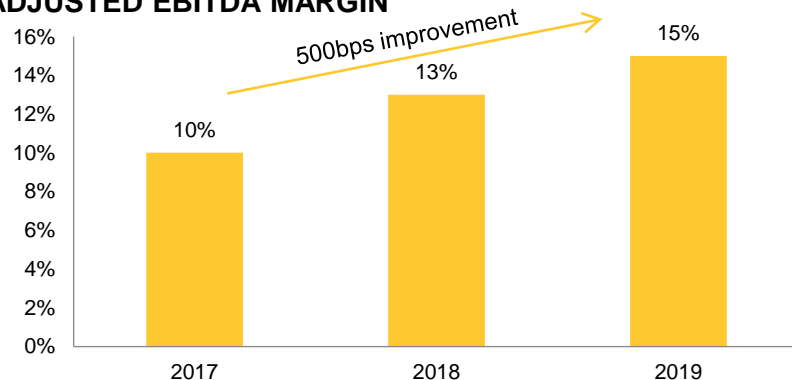
NET SALES



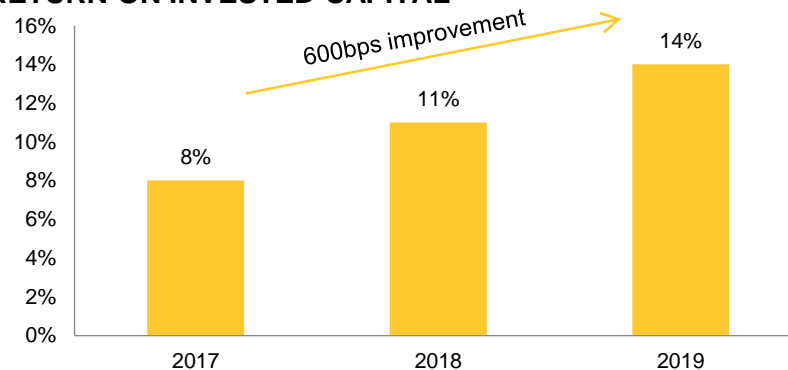
ADJUSTED OPERATING PROFIT



ADJUSTED EBITDA MARGIN



RETURN ON INVESTED CAPITAL



Growth in Alternative Energy

Products and services span multiple alternative markets including nuclear, wind, oil & gas

Mission critical tools are required for difficult conditions

Increasing Product Complexity

Products are high precision matched to the increasing standards and tolerances.

The right tool makes all the difference when precision and safety are of the highest importance

Infrastructure Demand

Heavy lifting technology provides reliable solutions to match challenging infrastructure demands

Aging infrastructure demands products to safely build and repair infrastructure across the globe

Growth in Aerospace

Tools are used throughout the Aerospace industry for the building and on-going maintenance and repair of jet engines with greatest opportunity in military applications

Highest reliability and precision in critical functions

13 VERTICAL END MARKETS



Civil Construction



Power Gen
& Utility



Oil & Gas



Off-Hwy
Vehicle Repair



Industrial MRO



On Hwy
Vehicle Repair



Manufacturing
and Machine
Tools



Paper/Wood



Mining



Military



Aerospace

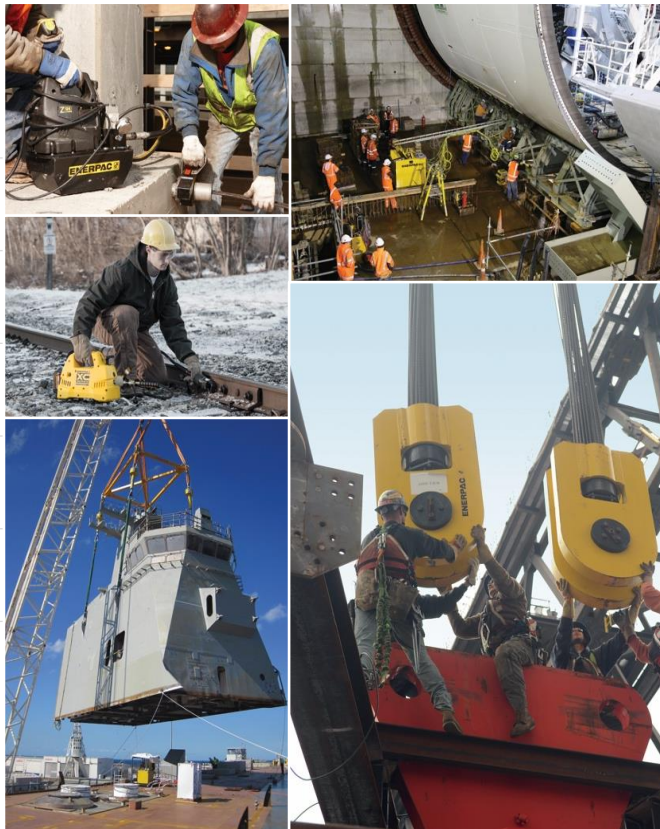


Steel & Metal

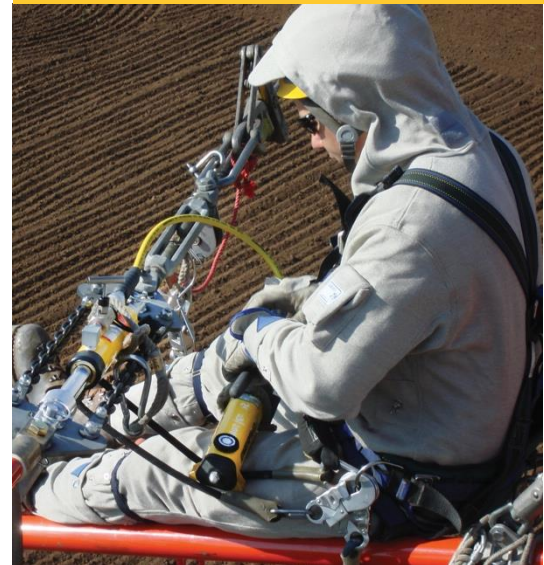


Rescue

NEVER COMPROMISE



**Diverse verticals provide
reduced cyclicalty and
increased predictability**



Wide Array of Products

Bolting



Cylinders



Heavy Lift



Presses



Pumps



Work Holding



Pullers



Spreaders



Cutters



Hydratight Service



- **Primary focus on repairs and maintenance** work versus CAPEX projects
 - MRO is less cyclical, less prone to cancellation due to market factors (oil pricing, weather, geopolitical disruptions)
- Primarily **mid to down stream oil & gas exposure** - trillions of dollars of installed assets need to be maintained
- Verticals include oil & gas – with significant growth in additional markets including power generation, wind, plant and infrastructure, military
- Leveraging our core competencies to win higher value work including:
 - **Flange joint integrity and related software**
 - **Specialty Machining and Inspection**
 - **Project Management and Auditing**
 - **Technical Training and Certification**
- *Service provides vehicle to sell **Enerpac products and rentals***



Revenue Mix

~75%



Tools

~25%

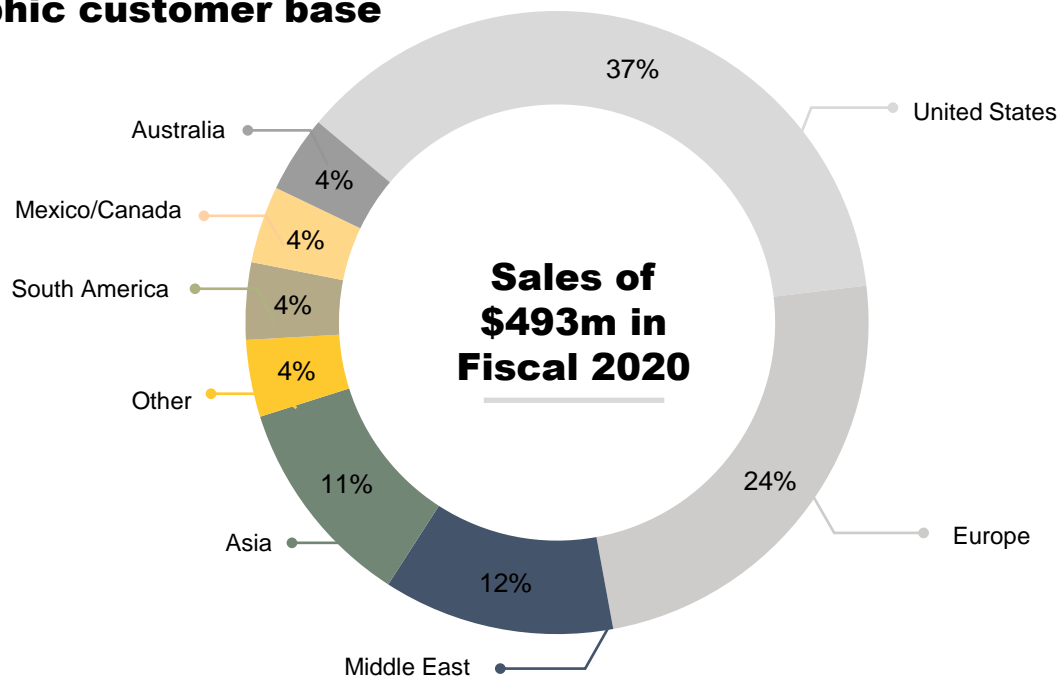


Service



Serving a Wide Variety of Geographic Regions

Enerpac Tools and Services benefit from having a diverse geographic customer base



Geographic diversification of sales reduces overall exposure to regional economic downturns



Our Global Footprint Allows Us To Better Serve Our Customers and Shareholders

- **Producing near our customers leads to a quicker response time**
- **Understanding local market needs and demand**
- **Some projects require in-country production**
- **Low cost country manufacturing/sourcing drives competitive margins**

★ Corporate Headquarters ● Manufacturing Locations ● Enerpac Tool Center ● Service Center and/or Sales Office

Extensive Global Distribution



**1500+
distributors**



**3500+
points of sale**



**100+
countries**



Global Distribution Network is a competitive advantage

- **Most robust distribution network in the competitive space**
- **Application experts with hands-on product demonstrations**
- **Local access to world-class tools quickly and conveniently**
- **Buy or rent the right tools when & where you need them**
- **Ability to support Global customers in all regions**

Clear Value Creation Model – Long Term Vision

CORE GROWTH ABOVE MARKET

~5% CORE GROWTH CAGR OR

200-300bps CORE SALES GROWTH > MARKET

- Product innovation
- Expand industries and regions
- Commercial effectiveness & share capture
- Incremental growth through strategic M&A



STRONG CASH FLOW GENERATION

+100% FCF CONVERSION = FUEL FOR GROWTH

- Margin expansion
- Low capital intensity (Capex ~2% of sales)
- Drive working capital velocity

DRIVING EFFICIENCY AND PROFITABILITY

~25% EBITDA MARGINS

- Incremental margin expansion
- Optimized manufacturing footprint
- Structural cost reduction
- Completion of service & product line restructuring exits
- Strategic sourcing
- Proprietary products

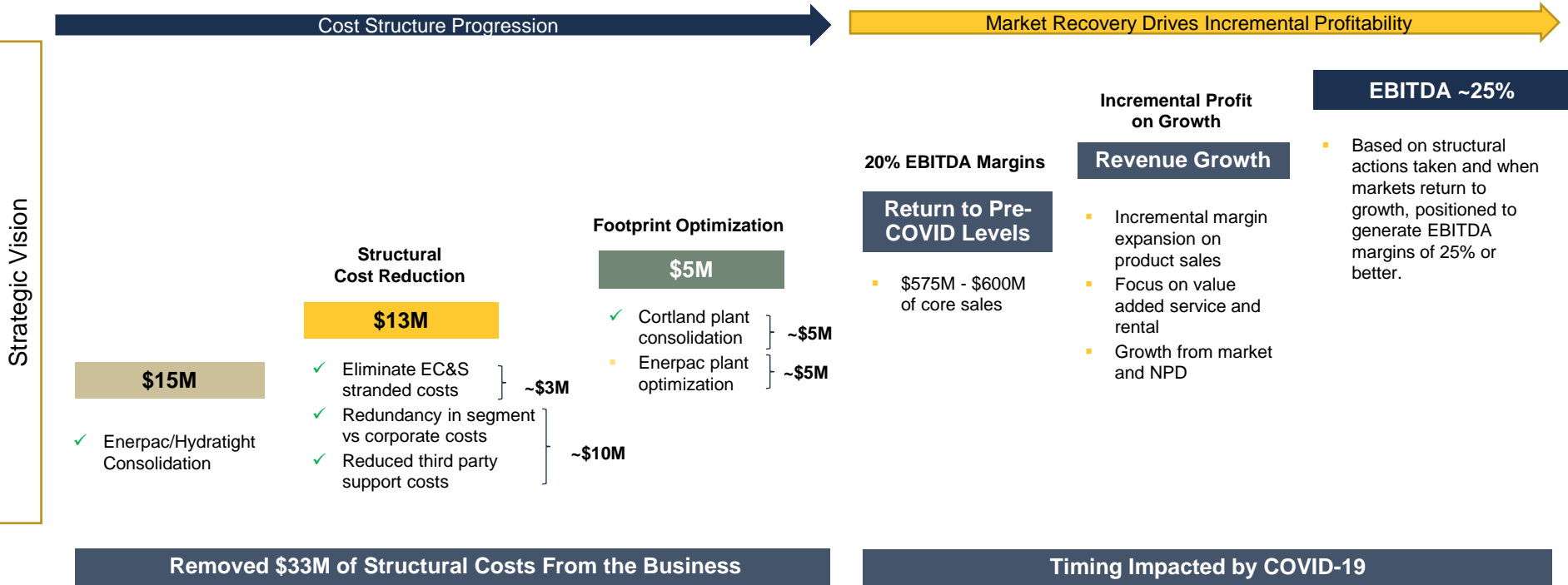
BEST-IN-CLASS RETURNS AND DISCIPLINED CAPITAL DEPLOYMENT

~20% RETURN ON INVESTED CAPITAL

- Organic growth: products, services & people
- Strategic acquisitions
- Opportunistic share repurchases
- Debt reduction; maintain strong balance sheet
- Leverage target of 1.5x – 2.5x

The timeline to achieve these goals will be re-established as soon as practicable once the market has appropriately recovered

Achieving EBITDA Margin Expansion with Market Recovery



Structural Cost Reductions Expected to Drive Stronger Incremental Margins on Future Growth

Return on Invested Capital - Deploying Capital to Create Long-Term Sustainable Returns



**Invest in Ourselves to
Drive Organic Growth**



**Disciplined M&A within
Tool Space**



**Reduce Debt and Maintain
a Strong Balance Sheet**



**Opportunistic Share
Buybacks**

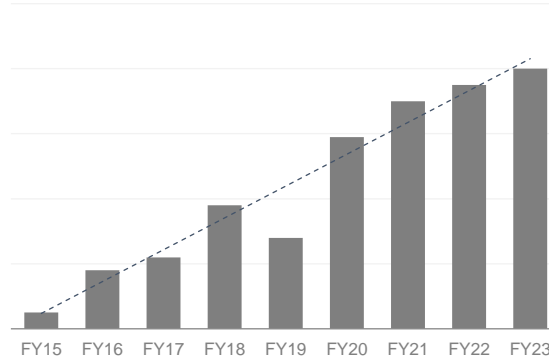
**Goal of enhancing
Enerpac's position as a
premier industrial tools and
services company and its
commitment to sustainable
shareholder value creation**



NEW PRODUCT DEVELOPMENT

- Focusing on innovation through Centers of Excellence (CoE) and Vertical Market teams
- Bringing new products to market faster
- Improving utilization of resources between CoE's, supply chain and regions to drive launch execution

NEW PRODUCT SALES



NEW PRODUCT VITALITY

FY15	FY19	FY20	FY21+
3.5%	7%	11%	10+%

Investment in NPD which began in FY'16 has driven acceleration in new products as a percent of sales



E-Pulse Hydraulic Pump



New Self Locking Cube Jack



XC-Torque Wrench Pump



Clamshell Cutters



RSL Torque Wrench



Lock-Grip Pullers

CHANNEL DEVELOPMENT

- Partnership with Program Distributors and National Accounts
- Selectively expanding network of value-added distributors targeting key vertical markets
- Strengthening distributor relationship via expanded product offerings and technical support

EXPANDED NETWORK OF VALUE ADDED DISTRIBUTORS

- Enhancing distributor capabilities and coverage



COVERAGE

- Increasing distributor support from field-based Product and Market specialist teams
- Expanding key / national account coverage leveraging Enerpac and Hydratight relationships
- Sales and Marketing aligned to leverage our strong brand, drive demand, generate leads and sell more products

ENERPAC TOOL CENTERS

- Opened pilot ENERPAC Tool Center with launch in Deer Park, TX
- Expanding Enerpac Tool Center capability- Product Sales, Rental, Service, Calibration, Training, Product Demos
- Enhances distribution coverage
- Drives additional rental of Enerpac tools





Opportunity to Drive Profitability

- Enhancing EBITDA growth through operational improvements



Value Added Service

- Focus on value-add service – joint integrity, custom machining, bolting
- Eliminating commodity service creates profit improvement



Manufacturing Excellence

- Facilities/locations
- Employing lean techniques and continuous operational improvements/SQDC
- Optimized manufacturing, service and distribution



Strategic Sourcing & Supply Chain

- Proven competency of leveraging global supply chain
- Sales & operations planning (S&OP)

Philosophy of continuous improvement





DISCIPLINED STRATEGY

- Targeting bolt-on and strategic acquisitions of small to mid-sized companies
- Any target must meet our financial and operational criteria
- Margins in line with Enerpac line average

DRIVING GROWTH THROUGH M&A

- Goal is to become larger, more meaningful provider
- Any acquisition must support the extension of product lines and/or provide technology, which gives Enerpac a competitive advantage

STRONG BALANCE SHEET

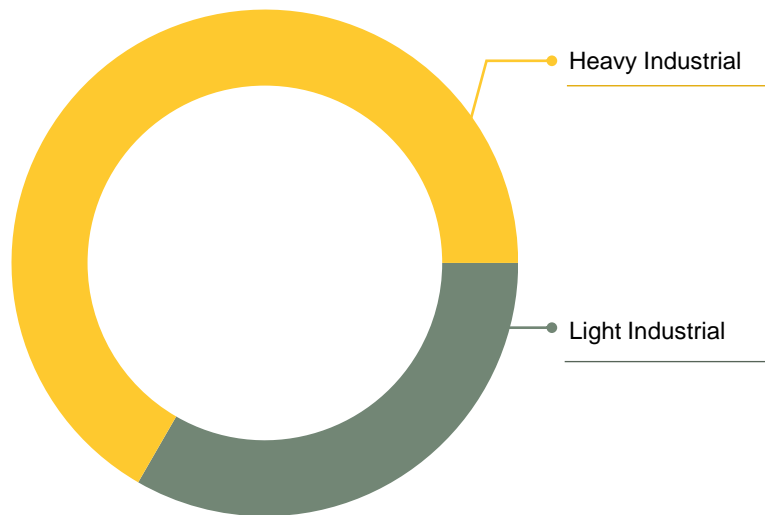
- Will maintain strong financial position
- Current liquidity gives us ample capacity between our cash on hand, existing credit facilities and access to debt markets

Investing in strategic acquisitions through a disciplined process to capture new growth opportunities



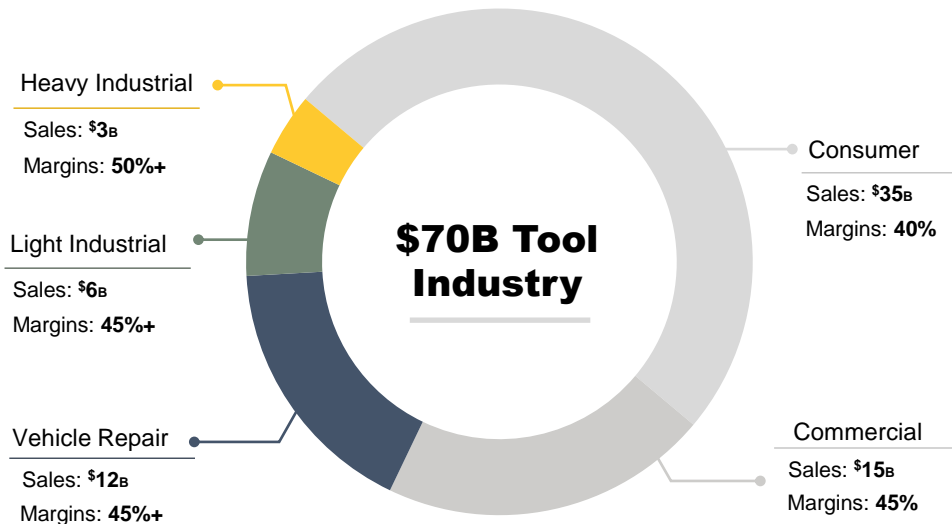
Enerpac Today*

Strong Market Position in Key Segments

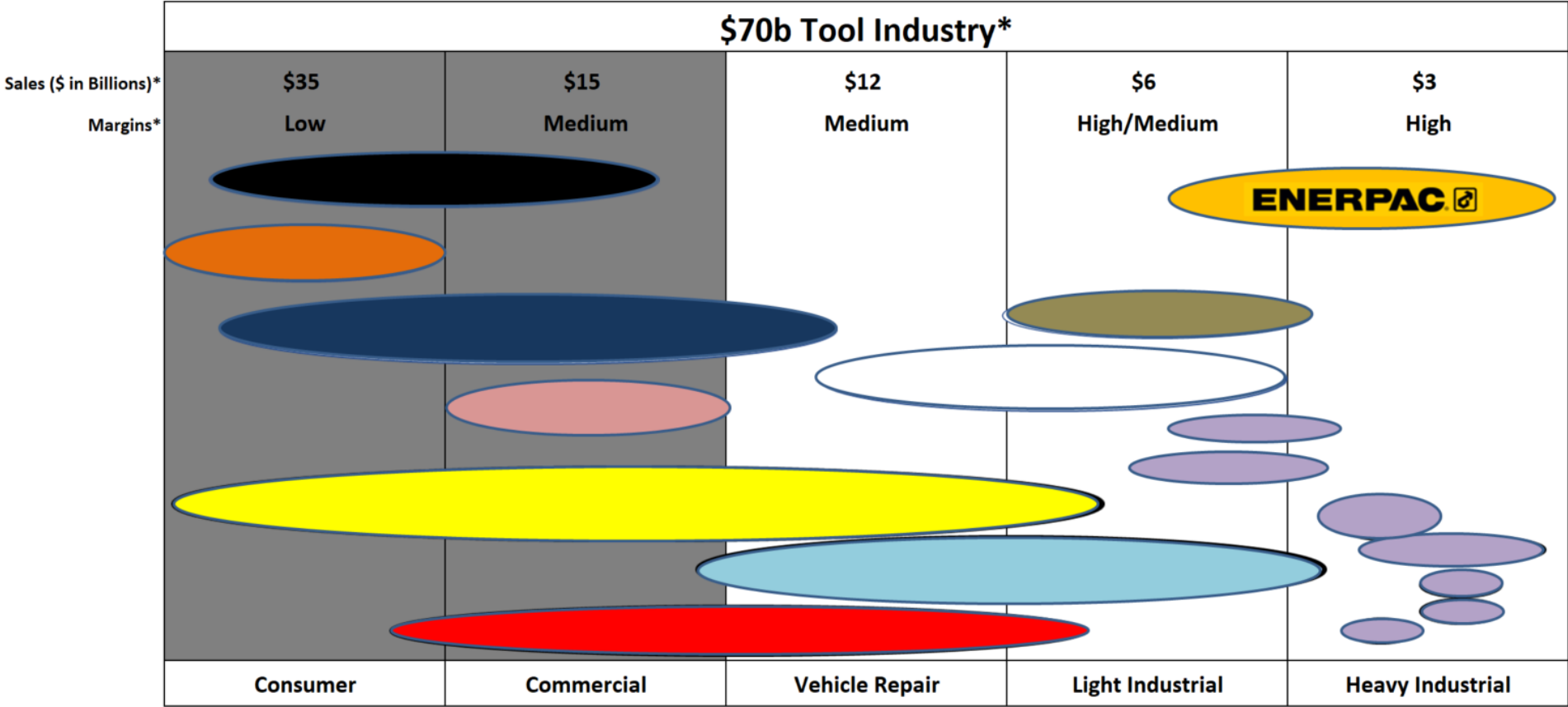


Tool Industry Market*

Targeting Growth in High Margin Segments

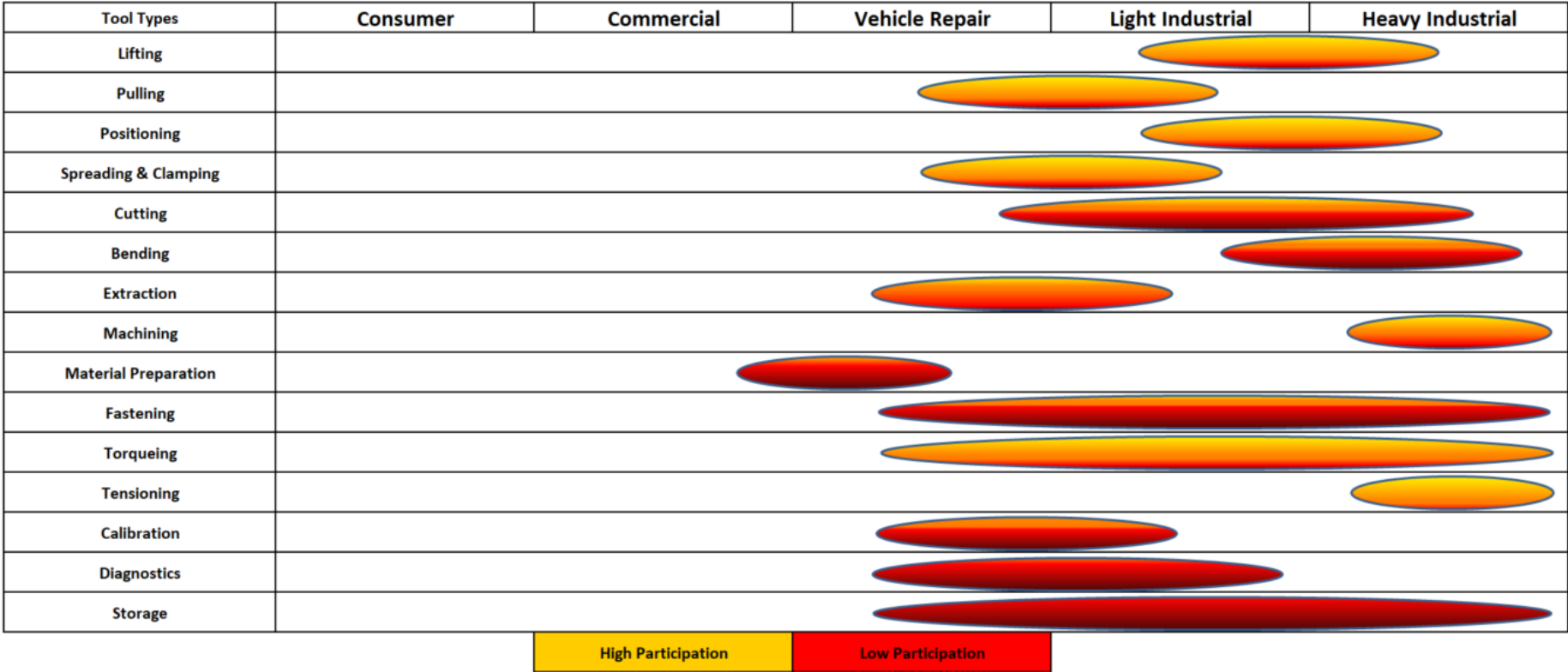


Tools Industry — Consumer to Heavy Industrial



* Based on management estimates

Tools Industry – Consumer to Heavy Industrial





OUR VISION

Is to be our customers' preferred partner through relentless innovation of industrial tools and services that help them safely and reliably tackle their toughest jobs around the world.



OUR PEOPLE

Our talented teams across the globe are our most valuable asset. We recognize their hard work and dedication to make Enerpac Tool Group what it is today. We are focused on employee development and retention of our talent.



OUR VALUES

- We put safety and integrity first
- We focus on our customers
- We work collaboratively
- We deliver on our commitments
- We support our employees and communities



DIVERSITY, EQUITY & INCLUSION

Focused on building an accepting and welcoming culture where all ethnicities, genders, points of view and backgrounds feel a sense of belonging.

Dedicated to creating an environment that allows for open communication about diversity and inclusion.

Launched Women's initiative to support development and success of diverse talent.

NEVER COMPROMISE





SAFETY

Safety is our #1 priority.

We are committed to the safety, security and health of our people along with the safety and protection of the facilities and communities in which we operate.

Safety is deeply embedded in Enerpac's culture and is fully embraced by all leaders in our organization. We strive to achieve the highest health, safety, security, environmental, and quality standards for our products, services and solutions. We are committed to achieving the Goal of Zero harm to employees, customers and end users of our products.



COMMUNITY OUTREACH

We strive to improve the quality of life and enhance the vitality of the communities in which we operate throughout the world.

We encourage our employees to volunteer their time and talent on behalf of the company and provide paid time off for team-related, sanctioned events.

Our "Give Where You Live" program supports local organizations both financially and through employee volunteer efforts.



SUSTAINABILITY

Our company promotes awareness about protecting the environment, and considers environmental criteria when evaluating projects, products, processes and purchases.

We encourage technologies that do not pollute and employ processes and product designs that minimize waste.

Recently added Sustainability section to enerpactoolgroup.com highlighting our sustainability efforts.

Appendix



Employee Safety Remains #1 Concern

- Plants continue to operate with appropriate safety measures in place
- Travel to customer/project sites varies by region but consistently finding ways to promote Enerpac products



Financial Highlights

- Did not experience typical top line seasonal declines
- Decremental margins in line with expectations



Remain Focused on Long-Term Strategy

- NPD continues to deliver results
- Capital allocation priorities remain unchanged
- Balance sheet remains strong; paid down \$45 million of debt



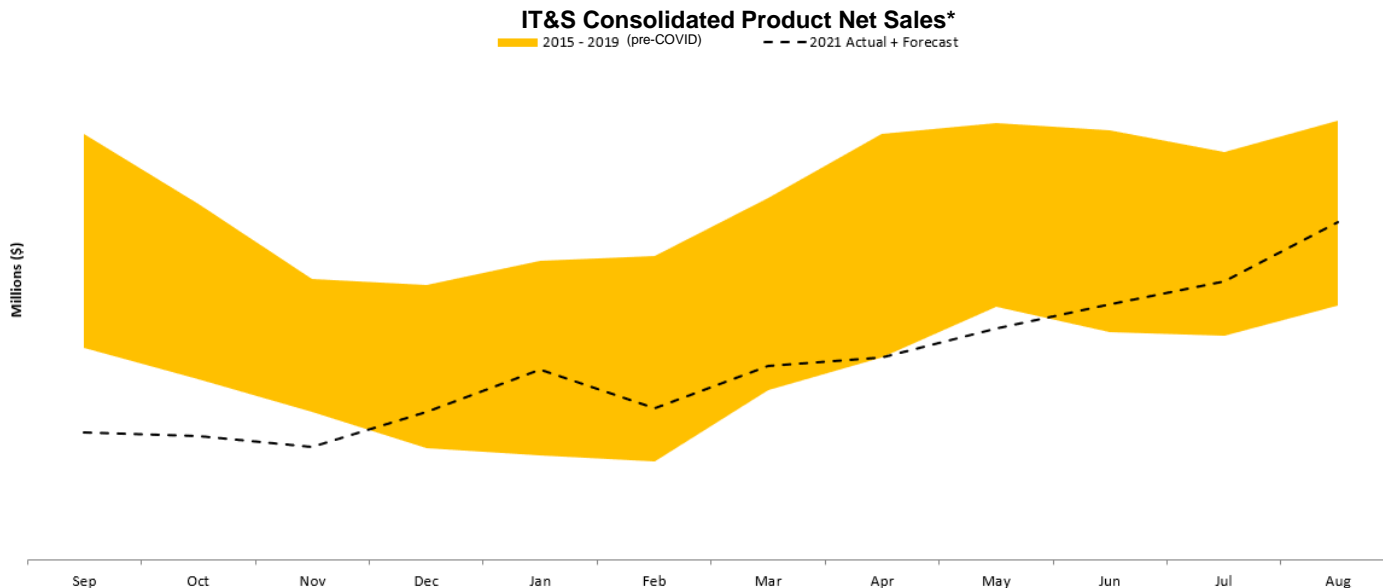
Diversity, Equity & Inclusion

- Employee Development: Recruit, Develop & Retain
- Regional Diversity Councils
- Women of Enerpac



Product Net Sales

- Order rates continued to improve during the quarter, with IT&S product core sales declines improving sequentially to 10% in Q2 from 14% in Q1
- As we proceed toward year-over-year growth, our focus shifts to reviewing our business in pressure waves rather than weekly order rates
- The pressure wave shows that in Q3 we expect to be at the low end of the 5-year range (pre-COVID) and in Q4 be squarely back in range



The pressure wave to the left shows the peaks and valleys of the five-year sales range and the overall cyclicity of our business

*incl acquisitions from date of purchase and excluding strategic exits



Financials

- Sales: \$121M
- Core sales decline of 11% (Product down 11% and Service down 12%)
- Adjusted EBITDA decremental margins of 29%, excluding the impact of currency (better than our target range of 35-45%) driven by mix and additional SAE costs
- Adjusted Diluted EPS: \$0.06
- Temporary cost actions provided ~ \$1M in benefit in the quarter
- Free Cash Flow: \$1M of cash generated compared to \$9M usage in the comparable prior year period
- Paid down \$45 million of debt, leverage at 2.1x



IT&S Regional Core Sales

- Asia Pacific decline: LSD
- Europe decline: MSD
- Middle East decline: LDD
- Americas decline: LDD



Americas / Europe

- Continued sequential improvement in the Americas; Europe consistent with expectations
 - US impacted by weather in Texas
- Key Verticals
 - Positive trends continue in Power Generation (Wind/Nuclear) and Construction
 - Infrastructure in Europe is particularly strong
 - Mining activity strong in Western Canada and Latin America
- Distribution
 - Sentiment is favorable for the back half of the fiscal year
 - Uptick in customer / distributor site visits, but access remains limited
 - Additional stocking activity in the quarter



Asia Pacific

- China remains stable, Australia & New Zealand are showing signs of improvement while Southeast Asia is a bit slower to recover due to continued COVID restrictions
- Key Verticals
 - Mining continues to remain strong in the region driven by global demand for iron ore
 - Starting to see increased oil & gas activity in Australia
 - Continue to see positive trends and wins in Power Generation, especially wind energy



Supplying heavy cylinders, pumps and controls, this project shows our strong capabilities with unique customer solutions to challenging problems.



Middle East/North Africa/Caspian (MENAC)

- MENAC region pressured with renewed COVID-19 related border lockdowns
- Planned maintenance projects scheduled to begin in Q2 were pushed out
- Key Verticals
 - Solid progress toward expansion beyond oil & gas
 - Power Generation product and service work in the quarter
 - Other vertical opportunities include: Construction, Rail and Aero

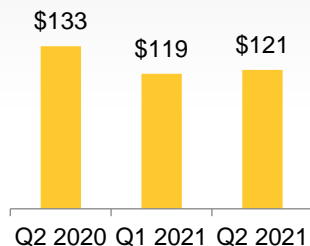


Operations

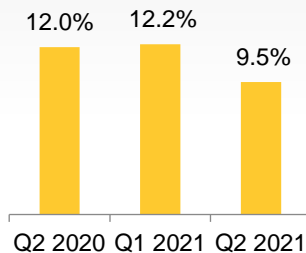
- Safety, Quality and On-Time Delivery were all positives
- Utilization improved as the quarter progressed
- Scaling our operations and supply chain for growth in the back half of the year
- Managing logistics challenges and commodity price increases

Second Quarter 2021 Comparable Results

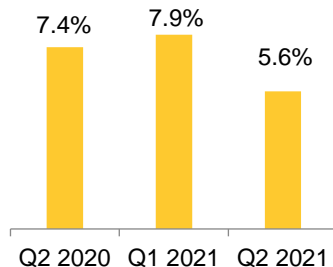
(US\$ in millions except EPS)



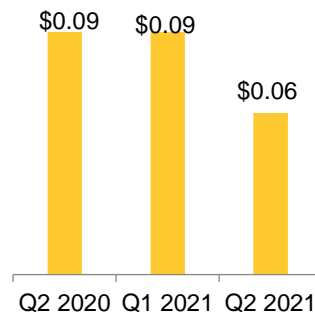
Net Sales*



Adjusted EBITDA %*



Adjusted Operating Profit %*



Adjusted Diluted EPS*

*Adjusted Operating Margin, EBITDA Margin and EPS excludes restructuring, impairment and other charges identified in the accompanying reconciliations to GAAP measures. In addition, see reconciliation of net sales to core sales in the appendix.

NET SALES*

- Core sales decreased 11% - product -11% and service -12%
 - IT&S product sales -10%
 - Continue to be impacted by COVID-19 pandemic
 - Rate of decrease improved from -14% in Q1
 - Other product -21%
- New Product Development (NPD) – 2 new products families launched
 - NPD % of product sales ~10%
- HTL acquisition ~ \$3M
- Favorable impact of FX ~\$3M

ADJUSTED EBITDA*

- Decremental margins of ~29%, excluding the impact of currency

ADJUSTED OPERATING PROFIT*

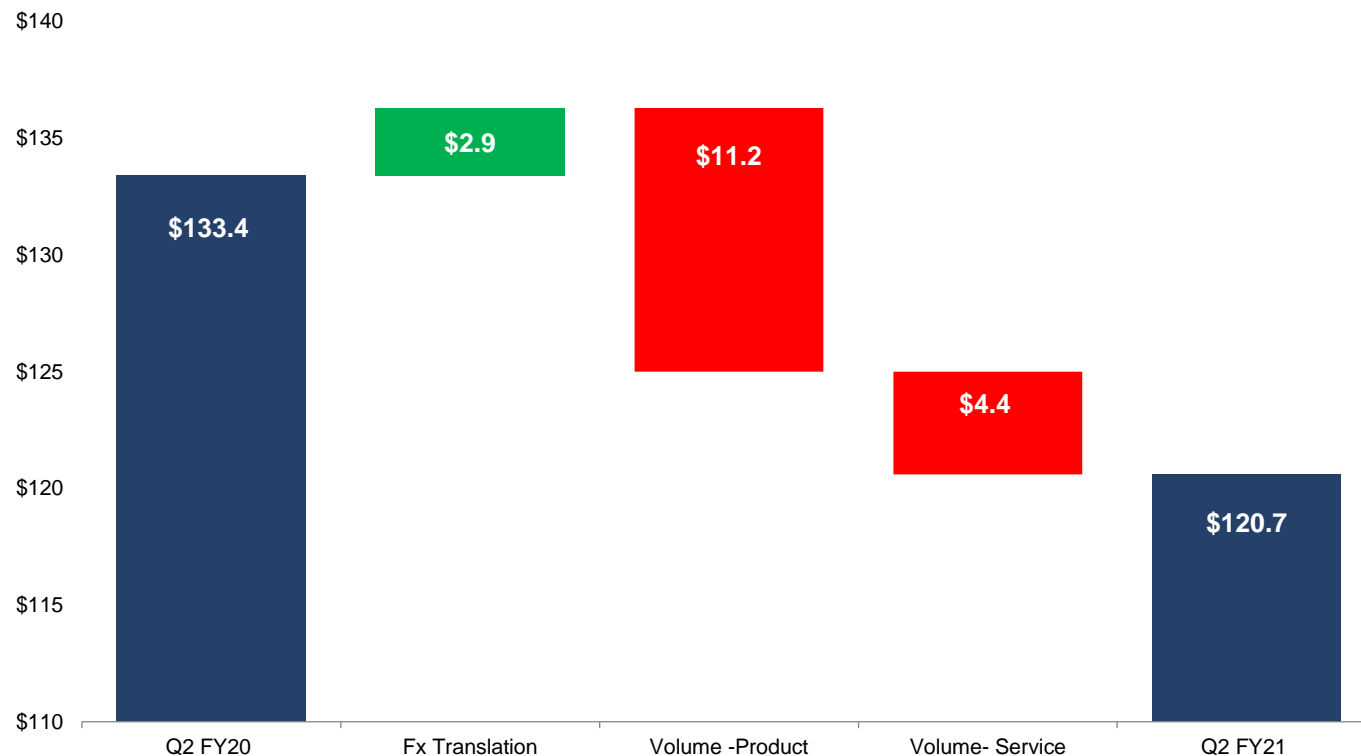
- Year-over-year decline due to significantly reduced product volume partially offset by restructuring and other cost savings initiatives

ADJUSTED DILUTED EPS*

- Year-over-year adjusted operating profit decline was partially offset by interest savings
- Adjusted tax rate for the quarter ~16%

Net Sales Waterfall*

(US\$ in millions)



The impact of the COVID-19 pandemic (including border closings in the MENAC region) resulted in lower sales year-over-year offset by a \$3M benefit from foreign currency

We are encouraged by the level of activity that we are beginning to see as our primary markets recover

Adjusted EBITDA Waterfall*

(US\$ in millions)

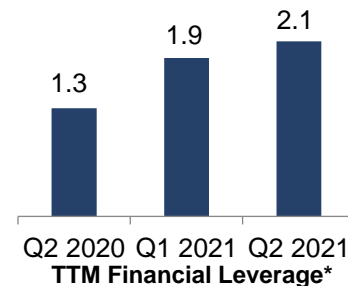
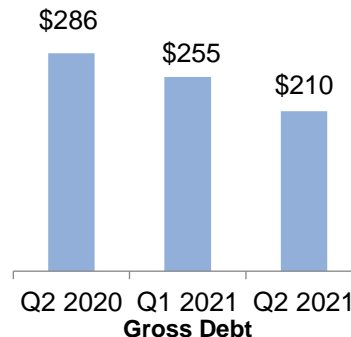
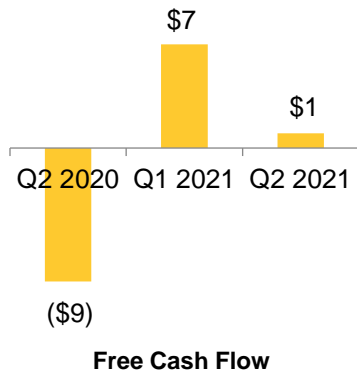


Adjusted EBITDA decreased year-over-year primarily due to COVID-19 product volume decreases, partially offset by restructuring and other cost savings initiatives resulting in decremental EBITDA margins of 29%, excluding the impact of currency, better than our target range of 35-45%

Commodity price pressure in steel, aluminum and freight to be passed through via upcoming price increases

Liquidity – Positioned for Success

(US\$ in millions)



Free Cash Flow (FCF)

- FCF generation of \$8M in first half of fiscal year compared to \$34 use of cash in the first half of the prior year
- First time in five years (FY 2016) generating FCF in the second quarter
- Proactively managing Receivables and Inventory

Debt & Leverage

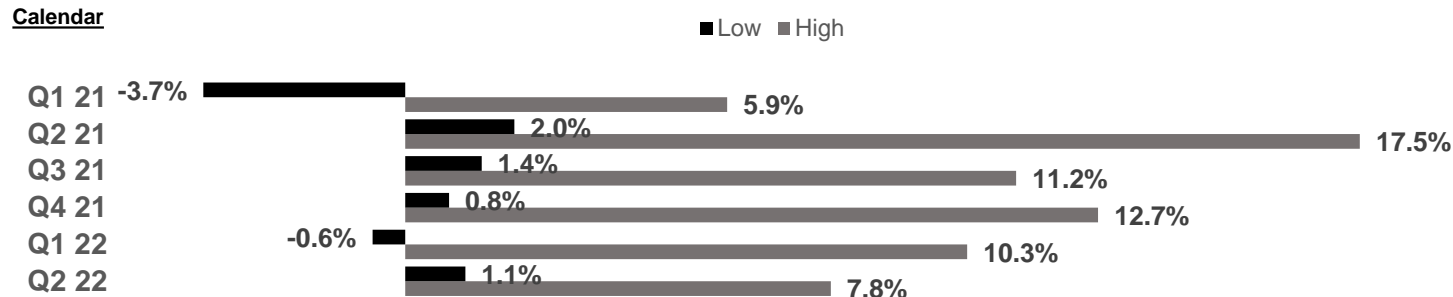
- Paid down \$45 million of debt in Q2 of fiscal 2021
- Remain well within target range of 1.5-2.5x
- Slight uptick in leverage was expected due to COVID impacted quarters with lower EBITDA

Thoughts on Remainder of Fiscal 2021



- Anticipate that net sales will return to pre-COVID levels as we exit the fiscal year
- Expect incremental EBITDA margins on the high end of 35%-45%, excluding the impact of currency
- Continue to execute our strategy
 - Continue to invest in long-term growth through new product development and commercial effectiveness
 - Manage liquidity and maintain strong balance sheet
 - Remain focused on cost management to deliver solid margins

Near-term Industrial Production Estimates (Annualized q/q %) *



Sentiment has shifted to growth in coming quarters but variance remains as to how much growth and how fast the recovery will happen

Despite continued economic uncertainty, barring any additional COVID related shutdowns, we anticipate the top line returning to pre-COVID levels as we exit the fiscal year.



Expectations for 2H of Fiscal 2021:

- **Sales of \$280 million to \$290 million**
- **Continued sequential improvement through Q4**
- **Projected year-over-year core growth by category**
 - IT&S Product ~ mid 20%
 - IT&S Service ~ low to high 40%
 - Other ~ low 20% to low 30%
- **Incremental EBITDA margins on the high end of 35%-45% excluding the impact of currency**



Fiscal 2021 Annual Modeling Assumptions:

- Tax Rate: ~20%-25%
- Depreciation/Amortization: ~\$20-\$24 million
- Interest Expense: ~\$5-\$7 million
- Capital Expenditures: ~\$10-\$15 million
- Cash Taxes: ~\$3-\$5 million
- 100% Free Cash Flow conversion
- Key FX rates as of January 2021:
 - \$1.22/1€
 - \$1.34/1£

Barring any additional COVID related shutdowns/border closures, we are projecting to deliver growth in the back half of the year, exiting the fiscal year at pre-COVID run rates