



ENERPAC

TOOL GROUP

Jefferies Industrial Conference

September 7, 2023

Forward-Looking Statements and Non-GAAP Measures

Statements made in this presentation that are not historical are forward-looking statements made pursuant to the provisions of the Private Securities Litigation Reform Act of 1995. The terms “may,” “should,” “could,” “anticipate,” “believe,” “estimate,” “expect,” “objective,” “plan,” “project” and similar expressions are intended to identify forward-looking statements. Such forward-looking statements are subject to inherent risks and uncertainties that may cause actual results or events to differ materially from those contemplated by such forward-looking statements. Among other risks and uncertainties, the Company’s results are subject to risks and uncertainties arising from general economic uncertainty, market conditions in the industrial, oil & gas, energy, power generation, infrastructure, commercial construction, truck and automotive industries, the impact of geopolitical activity, including the invasion of Ukraine by Russia and international sanctions imposed in response thereto, the ability of the Company to achieve its plans or objectives related to its growth strategy, market acceptance of existing and new products, market acceptance of price increases, successful integration of acquisitions, the impact of dispositions and restructurings, the ability of the Company to achieve its plans or objectives related to the ASCEND program, including any assumptions underlying its calculation of expected incremental EBITDA or program investment, operating margin risk due to competitive pricing and operating efficiencies, operating margin risk due to competitive pricing and operating efficiencies, supply chain risk, material, labor, or overhead cost increases, tax law changes, foreign currency risk, interest rate risk, commodity risk, tariffs, litigation matters, and impairment of goodwill or other intangible assets. See the Company’s Form 10-K for the fiscal year ended August 31, 2022, and its other filings with the Securities and Exchange Commission for further information regarding risk factors. Enerpac Tool Group disclaims any obligation to publicly update or revise any forward-looking statements as a result of new information, future events or any other reason.

All estimates of future performance are as of June 21, 2023. 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.

This presentation also contains financial measures that are not measures presented in conformity with GAAP. These non-GAAP measures include EBITDA from continuing operations, adjusted EBITDA from continuing operations, adjusted earnings from continuing operations, adjusted diluted earnings per share from continuing operations, adjusted operating profit from continuing operations, segment adjusted operating profit and adjusted EBITDA, free cash flow and net debt. The supplemental financial schedules appended at the end of this presentation include reconciliations of historical non-GAAP measures to the most comparable GAAP measure. Enerpac Tool Group acknowledges that there are many items that impact a company’s reported results and the adjustments reflected in these non-GAAP measures are not intended to present all items that may have impacted these results. In addition, these non-GAAP measures are not necessarily comparable to similarly titled measures used by other companies.

Premier Industrial Solutions Provider

Making Complex, Often Hazardous Jobs Possible Safely and Efficiently

\$571M
FY2022 Revenue

\$83M
FY2022
Adj. EBITDA*

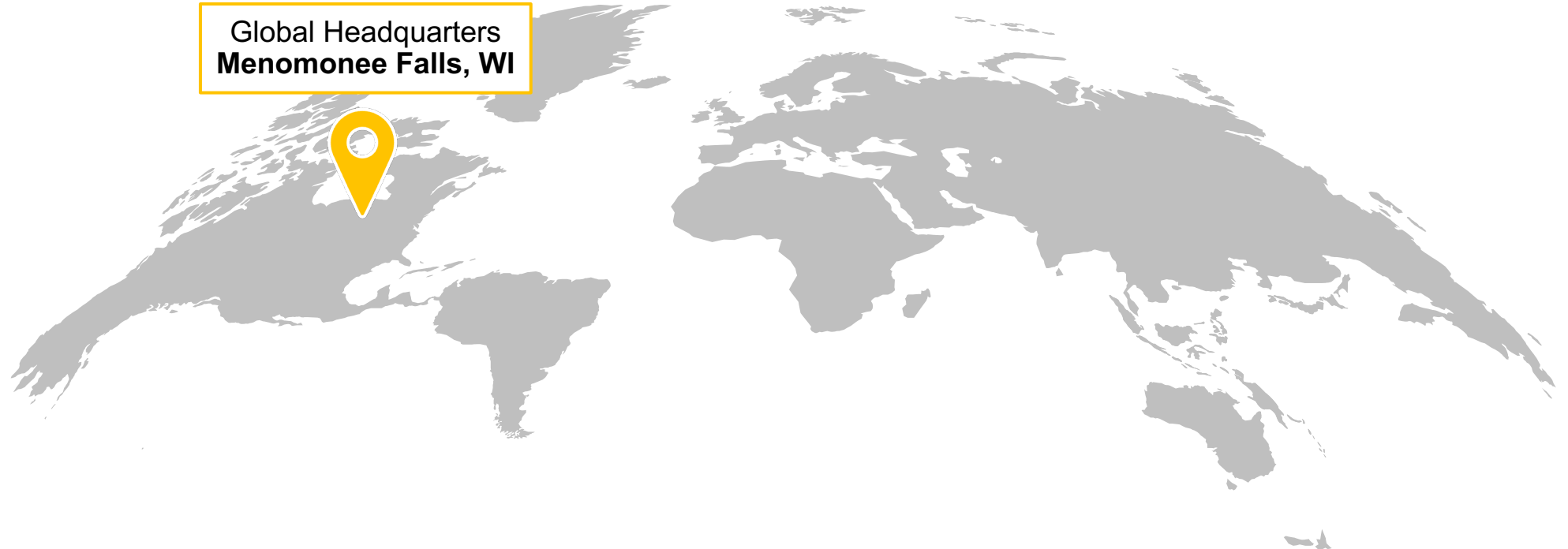
110+
Years of History

100+
Countries Served

~2200
Global Employees

~1000
Distributors

~\$1.5B
Market Cap**



Globally Recognized Leader in Industrial Tools and Services

PRODUCTS

Cylinders/Jacks, Pumps, Bolting Tools, Presses, Pullers, Tools, Heavy Lifting Technology (HLT)

EXTENSIVE GLOBAL DISTRIBUTION

~1,000 Long-standing Distribution Relationships

SERVICE & RENTAL

Bolting, Machining and Joint Integrity

DIVERSIFIED CUSTOMER BASE

Specialty Dealers
National Distribution
Large OEMs

STRONG BRAND RECOGNITION

ENERPAC 

PREMIUM INDUSTRIAL TOOLS

HEAVY LIFTING

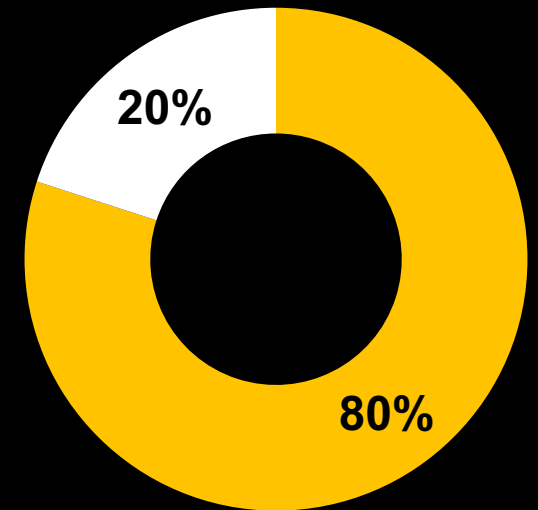
hydratight

SERVICE | RENTAL | TRAINING

CORTLAND 

BIOMEDICAL

Revenue Mix



■ Product ■ Service

Serving Broad Array of Vertical End Markets

Large, Fragmented Vertical Markets Provide Growth Opportunities, Both Organic and Inorganic, and Create Diversification for Enerpac

INFRASTRUCTURE/
CIVIL CONSTRUCTION



MANUFACTURING
& MACHINING



INDUSTRIAL MRO



OIL & GAS



POWER
GENERATION
(WIND/NUCLEAR)



MINING



RAIL



MILITARY



AEROSPACE



OFF-HIGHWAY
VEHICLE REPAIR



Offering a Wide Array of Durable and Reliable Products



Pumps



Cylinders



Bolting



Pullers



Spreaders



Cutters



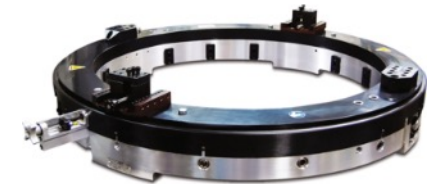
Presses



Work Holding



Heavy Lifting



Machining

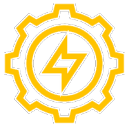
Providing High Quality Services Our Customers Rely On



Primary Focus on **Repairs** and **Maintenance**



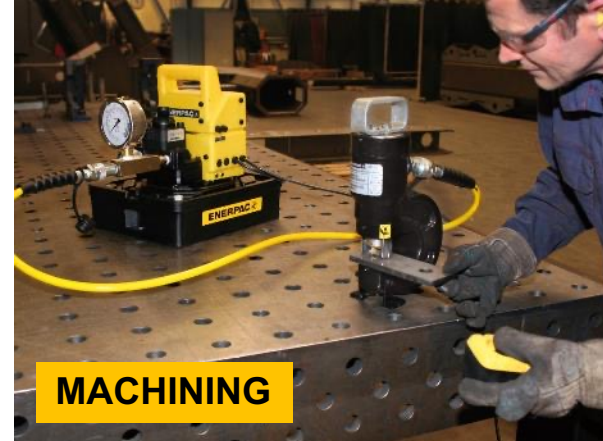
Large Opportunity in Niche Services including Specialty **High Margin Services**



Additional Opportunities in **Power Generation, Wind, Rail and Industrial MRO**



BOLTING

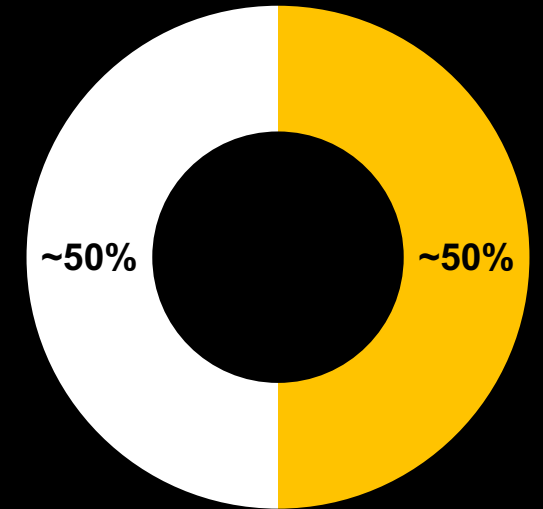


MACHINING



JOINT INTEGRITY

Service Breakdown



■ Rental ■ Manpower

Significant Market Opportunity



Industrial Tools TAM
>\$100B

High-Pressure
Hydraulics TAM
\$20B

Enerpac SAM
>\$4B

EPAC FY22
REVENUE
\$0.6B

Enerpac Has Identified **Large Market Opportunities** Across Our Verticals

Growth Strategy Aims to **Capitalize** on **Targeted Market Opportunities**

Positioned to Win via our Products, Services, and Distribution Networks

Enerpac's Competitive Advantage



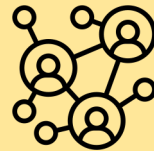
**STRENGTH
OF BRAND**



**QUALITY,
DURABILITY,
RELIABILITY,
SAFETY**



**BREADTH AND
DEPTH OF
PRODUCT
PORTFOLIO**



**BREADTH OF
CHANNEL PARTNER
NETWORK**



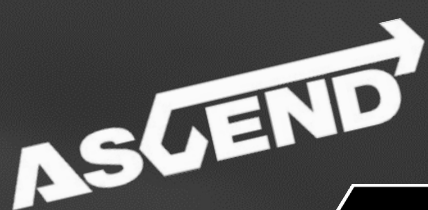
**GLOBAL
COVERAGE**



**TECHNICAL AND
APPLICATIONS
EXPERTISE THAT
CUSTOMERS
RELY UPON**



**POSITIVE CUSTOMER/
DISTRIBUTOR EXPERIENCES**



Transformative Plan to Power Performance



**ACCELERATE
ORGANIC GROWTH**
GO-TO-MARKET
STRATEGIES

HUNDREDS OF INITIATIVES

Across all Functions and Regions

LED BY ~100

WORKSTREAM LEADS

and Initiative Owners with
Meaningful Incentives Tied to Results

**UTILIZING A FORMAL
STAGE-GATE PROCESS**

to Track Progress: Idea → Business Case →
Plan → Implementation → Impact



**IMPROVE
OPERATIONAL
EXCELLENCE**
AND PRODUCTION
EFFICIENCY

On Track to Deliver

~\$50-60M

**Incremental Adjusted
EBITDA
Impact by FY25**



**DRIVE GREATER
EFFICIENCY &
PRODUCTIVITY**
IN SG&A

**FULL-TIME PROGRAM MANAGEMENT
OFFICE COORDINATING GLOBALLY**

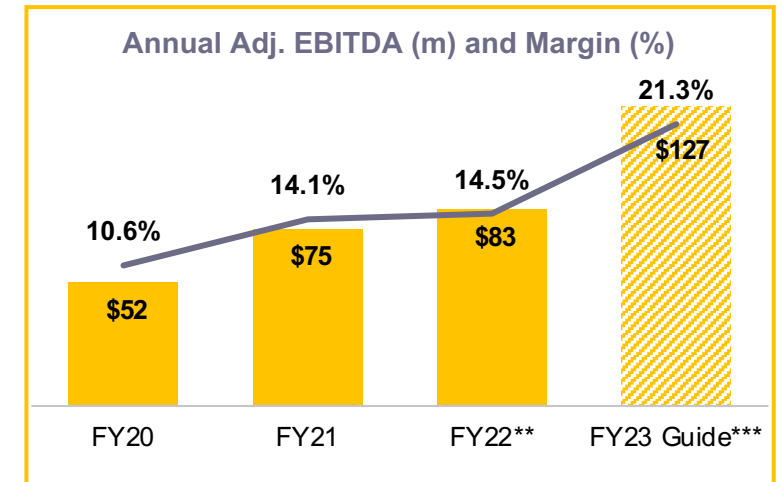
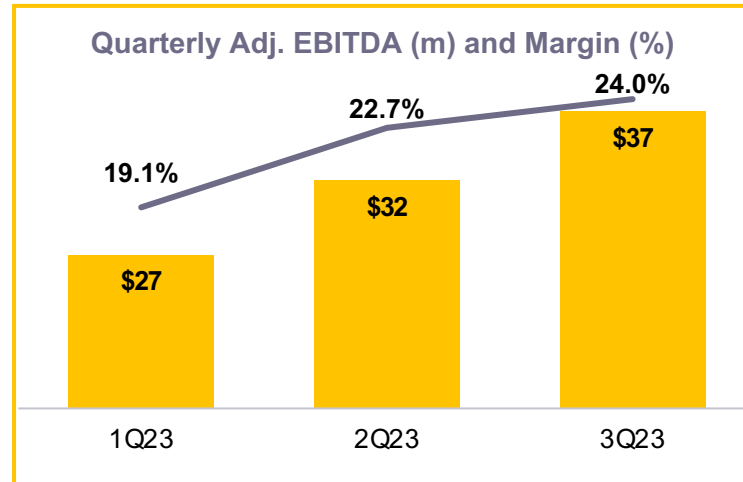
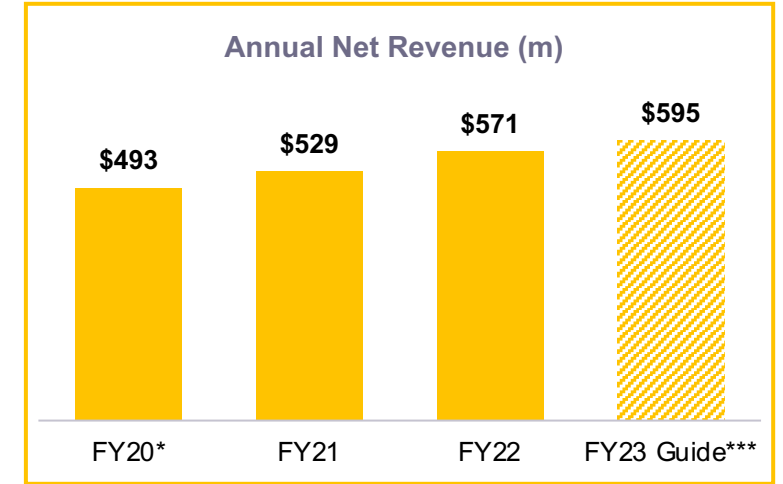
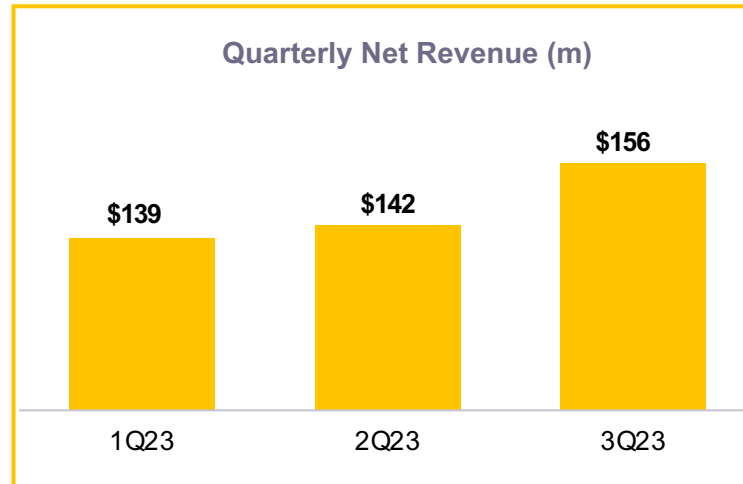
Through Weekly Steering Committee Meetings by
Function and Region with Senior Management
Ownership

Frequently Refreshing the Funnel and
ADDING NEW INITIATIVES

**CAPTURING STATUS, ACTIONS, OWNERS,
MILESTONES, AND IMPACT**

in a Central Repository for
'Single Source of Truth'

Transformation Driving Solid Results



Ambitious Growth Strategy Centered Around Four Key Pillars



01

EXPANSION
in Targeted
Vertical Markets



02

Digital
TRANSFORMATION



03





Customer Driven
INNOVATION



04

EXPANSION
in Asia Pacific

Targeted Expansion Opportunities

	Infrastructure		Wind		Rail		Industrial MRO*	
Standalone Attractiveness	Size/Growth	Rating	Size/Growth	Rating	Size/Growth	Rating	Size/Growth	Rating
Market Size and Growth	SAM: \$550-\$650M Growth MSD-HSD**		SAM: \$330-\$430M Growth MSD**		Rail SAM: \$140-\$180M Growth MSD**		SAM: ~\$1.2-\$1.6B Growth LSD**	
Trends Benefitting Enerpac	Government Investment, Infrastructure Upgrades		Public and Private Investments, Energy Independence and Security		Green Transportation, Automation of Maintenance		Larger Distribution Networks, Automation in Manufacturing	
Enerpac's Right to Win	Product Portfolio, Customer Relationships, Technological Advantage		Solutions Offerings, Battery Powered Solutions, Legacy Relationships with OEMs		Targeted Rail Solutions, Strong Brand Reputation		Brand Recognition, Reputation for Quality, Shift to E-Commerce	

Durable Business Model Provides Stability and Fuels Strategic Priorities

Resilient, Cash-Generative Business Model

Continued Focus on Margin Improvement

Balanced Capital Allocation Strategy

Proven Ability to Maintain Balance Sheet Strength



Balanced Capital Allocation Strategy



Invest in Ourselves

Investments in Digital, Product Innovation, R&D, Operational Excellence Improvements



Disciplined M&A



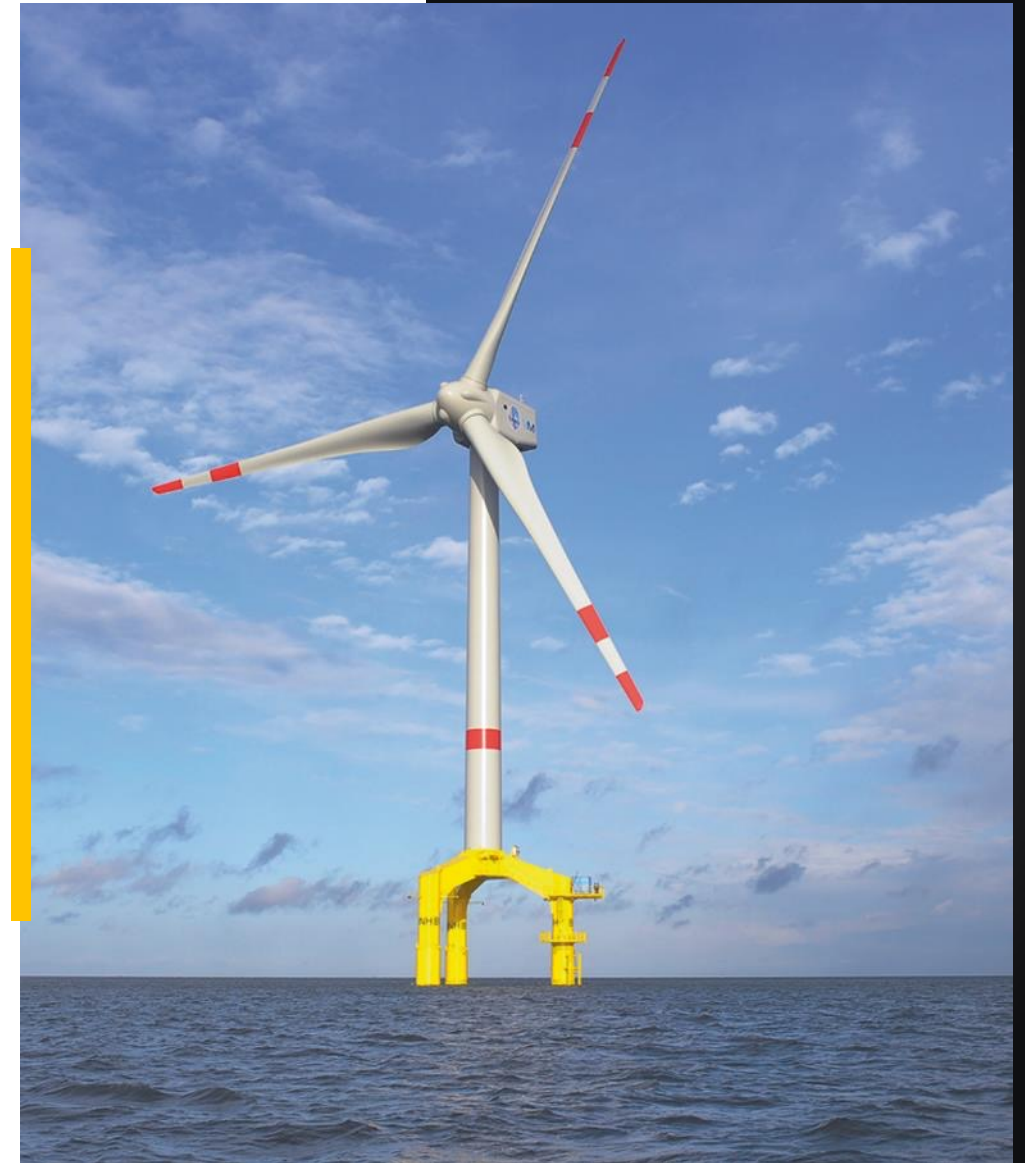
Maintain Our Strong Balance Sheet

Target Leverage of 1.5x – 2.5x



Opportunistically Returning Capital to Shareholders

Board Recently Authorized a 10m Share Repurchase Program



Disciplined M&A Program



Continuing **Pure Play Strategy**, but Looking Beyond Just Tools and Services to **Solve Customer Needs** in Targeted Vertical Markets



Healthy Pipeline with Focus on Our 4 Key Verticals



M&A Activity Focused on **Expanding Solutions** Offerings by Addressing Gaps in:
Product Offerings | Market/Vertical/Geographies | Technology



Disciplined Approach Means any Targets Must Meet Strict **Financial** and **Operational Criteria**



Appendix

Reconciliation of Non-GAAP Measures

Reconciliation of GAAP Measures to Non-GAAP Measures

(In thousands)

	Fiscal 2022					Fiscal 2023				
	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL
EBITDA from Continuing Operations (2)										
Earnings from continuing operations	\$ 3,185	\$ 2,121	\$ 4,061	\$ 10,224	\$ 19,591	\$ 6,409	\$ 7,158	\$ 16,976	\$ -	\$ 30,544
Financing costs, net	961	755	951	1,719	4,386	2,815	3,105	3,250	-	9,170
Income tax expense (benefit)	1,781	1,337	1,377	(95)	4,401	2,383	2,988	4,688	-	10,058
Depreciation & amortization	5,175	4,986	4,822	4,617	19,600	4,193	4,226	4,084	-	12,503
EBITDA	\$ 11,102	\$ 9,199	\$ 11,211	\$ 16,465	\$ 47,978	\$ 15,800	\$ 17,477	\$ 28,998	\$ -	\$ 62,275
Adjusted EBITDA from Continuing Operations (2)										
EBITDA	\$ 11,102	\$ 9,199	\$ 11,211	\$ 16,465	\$ 47,978	\$ 15,800	\$ 17,477	\$ 28,998	\$ -	\$ 62,275
Impairment & divestiture charges	-	1,116	-	1,297	2,413	-	-	-	-	-
Restructuring charges	2,737	1,832	517	3,049	8,135	982	2,987	2,252	-	6,220
Gain on sale of facility, net of transaction charges	-	-	(585)	-	(585)	-	-	-	-	-
Leadership transition charges (benefit) (1)	3,759	1,747	2,800	(37)	8,269	400	202	90	-	693
Business review charges	-	2,500	502	-	3,002	-	-	-	-	-
M&A charges	-	-	-	-	-	-	196	166	-	362
ASCEND transformation program charges	-	-	3,856	9,760	13,616	9,419	11,372	5,947	-	26,738
Adjusted EBITDA	\$ 17,598	\$ 16,394	\$ 18,301	\$ 30,534	\$ 82,828	\$ 26,601	\$ 32,234	\$ 37,453	\$ -	\$ 96,288

Reconciliation of Non-GAAP Measures

Reconciliation of GAAP Measures to Non-GAAP Measures

(Dollars in thousands)

	Fiscal 2020					Fiscal 2021				
	Q1	Q2	Q3	Q4	TOTAL	Q1	Q2	Q3	Q4	TOTAL
EBITDA from Continuing Operations (2)										
Earnings (loss) from continuing operations	\$ 6,372	\$ 3,918	\$ (4,930)	\$ 197	\$ 5,557	\$ 4,822	\$ 3,584	\$ 25,257	\$ 6,549	\$ 40,212
Financing costs, net	6,729	4,630	4,552	3,307	19,218	1,716	1,338	1,340	870	5,266
Income tax expense (benefit)	950	806	(407)	943	2,292	2,258	1	(4,390)	5,895	3,763
Depreciation & amortization	4,779	5,277	5,318	5,347	20,720	5,458	5,507	5,473	5,173	21,611
EBITDA	\$ 18,830	\$ 14,631	\$ 4,533	\$ 9,794	\$ 47,787	\$ 14,254	\$ 10,430	\$ 27,680	\$ 18,487	\$ 70,852

Adjusted EBITDA from Continuing Operations (2)

Industrial Tool & Services Segment	\$ 28,996	\$ 24,022	\$ 11,906	\$ 15,938	\$ 80,862	\$ 21,002	\$ 18,210	\$ 28,873	\$ 30,421	\$ 98,506
Other	1,275	244	926	(449)	1,996	(740)	(942)	897	(133)	(918)
Corporate / General	(10,825)	(8,272)	(6,249)	(5,058)	(30,406)	(5,659)	(5,788)	(5,327)	(6,121)	(22,896)
Adjusted EBITDA	\$ 19,446	\$ 15,994	\$ 6,583	\$ 10,431	\$ 52,452	\$ 14,603	\$ 11,480	\$ 24,443	\$ 24,167	\$ 74,692
Impairment & divestiture benefit (charges)	1,356	768	1,443	(408)	3,159	(139)	(401)	-	(5,659)	(6,198)
Restructuring & other exit charges (1)	(1,972)	(1,929)	(3,292)	(987)	(8,179)	(210)	(649)	(1,571)	37	(2,392)
Purchase accounting inventory step-up charge	-	(202)	(201)	-	(403)	-	-	-	-	-
Pension curtailment	-	-	-	758	758	-	-	-	-	-
Gain on sale of facility, net of transaction charges	-	-	-	-	-	-	-	5,359	-	5,359
Corporate development and board search charges	-	-	-	-	-	-	-	(551)	(58)	(609)
EBITDA	\$ 18,830	\$ 14,631	\$ 4,533	\$ 9,794	\$ 47,787	\$ 14,254	\$ 10,430	\$ 27,680	\$ 18,487	\$ 70,852

Reconciliation of GAAP To Non-GAAP Guidance

(In millions)

Reconciliation of Continued Operations GAAP Operating Profit

To Adjusted EBITDA (5)

GAAP Operating profit	\$ 60	\$ 74
ASCEND transformation program charges	38	33
Restructuring charges	9	7
Adjusted operating profit	\$ 107	\$ 114
Other expense, net	(1)	(1)
Depreciation & amortization	17	17
Adjusted EBITDA	\$ 123	\$ 130

Fiscal 2023

Low High