



ENERPAC

TOOL GROUP

Q2 FY24 Earnings

March 21, 2024

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 “outlook,” “guidance,” “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. Risks and uncertainties, that may cause actual results or events to differ materially from those contemplated by such forward-looking statements include, without limitation, 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, as well as the armed conflict involving Hamas and Israel, 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 continue to achieve its objectives related to the ASCEND program, including any assumptions underlying its calculation of expected incremental operating profit or program investment, operating margin risk due to competitive pricing and operating efficiencies, supply chain risk, risks related to reliance on independent agents and distributors for the distribution and service of products, material, labor, or overhead cost increases, tax law changes, foreign currency risk, interest rate risk, commodity risk, tariffs, litigation matters, impairment of goodwill or other intangible assets, the Company’s ability to access capital markets and other risks and uncertainties that may be referred to or noted in the Company’s reports filed with the Securities and Exchange Commission from time to time, including those described in the Company’s Form 10-K for the fiscal year ended August 31, 2023 and most recent report on Form 10-Q. 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 March 20, 2024.

This presentation also contains financial measures that are not measures presented in conformity with GAAP. These non-GAAP measures include organic sales, 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, adjusted SG&A, free cash flow and net debt. The supplemental financial schedules appended at the end of this presentation include reconciliations of these 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.



Taking Enerpac to the Next Level of Growth & Profitability



Q2 FY24 Results

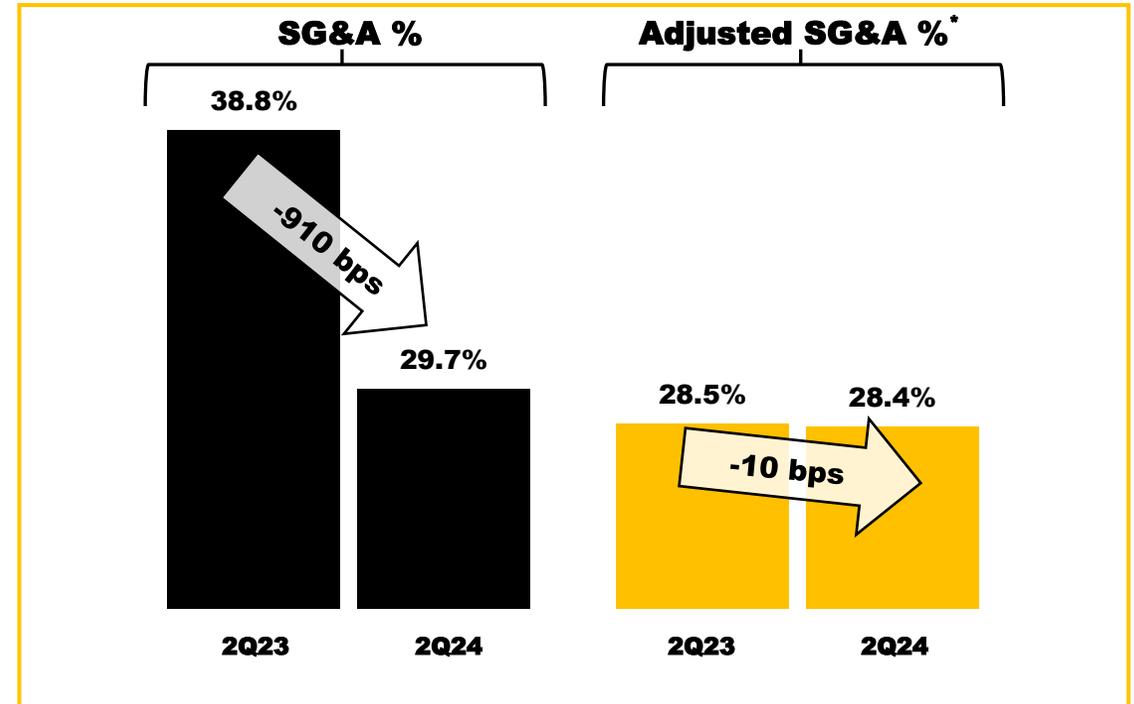
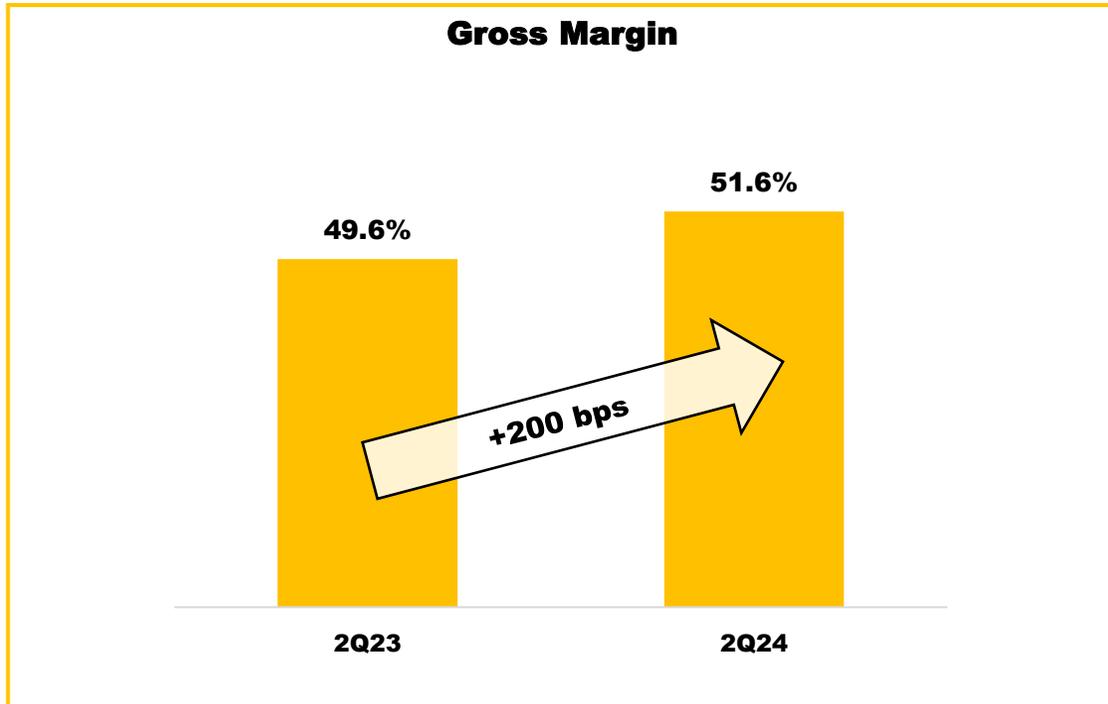
(\$ in millions)

	Net Sales 2Q23	Net Sales 2Q24	Organic Growth*
Industrial Tools & Service (IT&S)	\$131	\$135	+2.8%
IT&S Product	\$104	\$108	+3.7%
IT&S Service	\$27	\$27	-0.8%
Other**	\$11	\$4	-25.3%
Energpac Tool Group	\$142	\$138	+1.8%

*Organic net sales is a non-GAAP measure and excludes the impact of foreign exchange rates, acquisitions, and dispositions identified in the accompanying reconciliations to GAAP measures.

**2Q23 Other segment included revenues from Cortland Industrial.

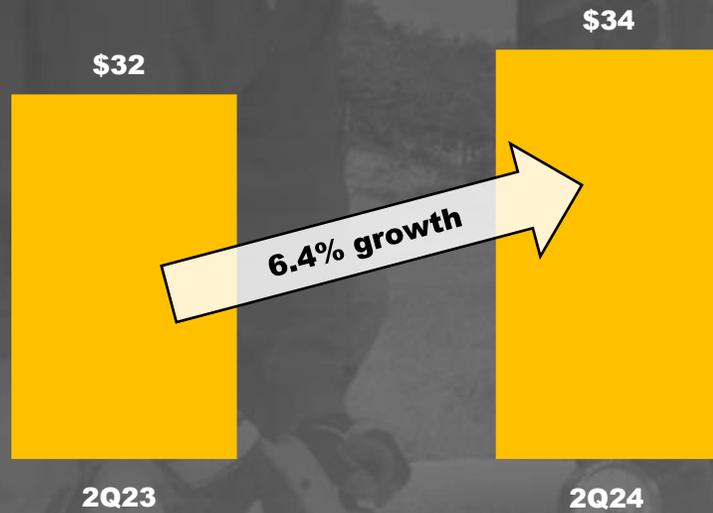
Continued Operational and SG&A Efficiency Gains



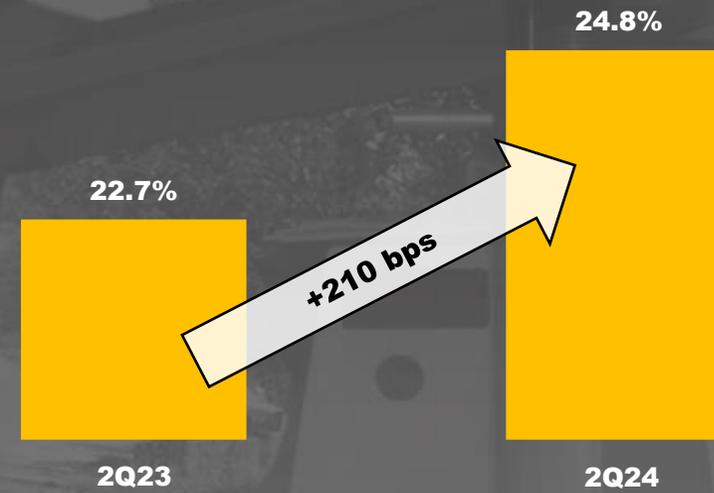
Driving EBITDA & Margin Expansion

(\$ in millions)

Adjusted EBITDA*



Adjusted EBITDA Margin*

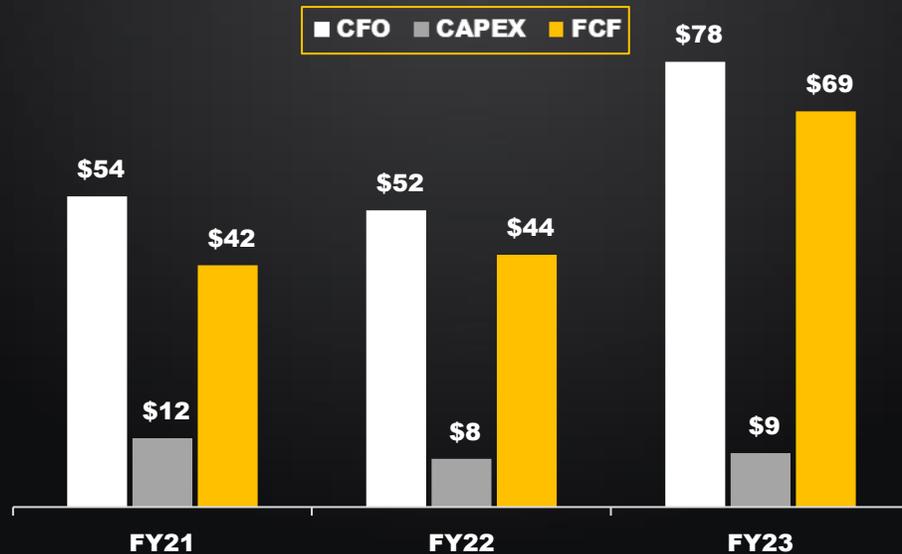


Strong Liquidity & Balance Sheet

(\$ in millions)

Cash & Equivalents	\$154
Revolver Capacity (Undrawn)	\$351
Total Liquidity	\$505
Total Debt	\$245
Net Debt/Adj. EBITDA*	0.7x

Asset-Light Model Enables Strong FCF**



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



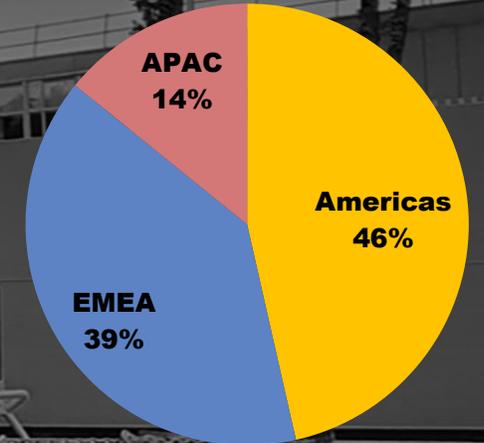
Opportunistically Returning Capital to Shareholders

~3M shares remaining on current 10M share repurchase authorization

IT&S Organic Growth by Region*

Region	2Q23	2Q24
EMEA	 +MSD%	 +MSD%
Americas	 +HSD%	 +LSD%
APAC	 +MSD%	 -LSD%

FY23 IT&S Regional Sales



Vibrant Innovation Pipeline: New Product Launches

40-Ton Hydraulic Pin Puller Kit



- Provides safe & easy way to remove joint pins used in mining, on/off-highway vehicles, and in equipment found in manufacturing facilities
- Controlled power prevents damage
- Increases technician safety over traditional methods of lancing, torching, and hammering
- Transport & assembly made easier by lightweight yet robust aluminum construction of the hydraulic cylinder

100-Ton Hydraulic Lock Grip Puller



- Safe & productive removal of shaft-mounted components in rail, power generation, and mining applications
- Eliminates costly & disruptive damage
- Mobile & ergonomic for ease-of-use and minimal manpower required



Making Complex Jobs Possible: Moving the Space Shuttle

Enerpac Cube Jacks were used for the challenging job of moving the retired Space Shuttle Endeavor to its permanent display at the California Science Center in Los Angeles



Driving Growth with Enerpac Commercial Excellence



 Growth focus aligned with Enerpac's strategic direction

 Consistent commercial approach driven by focused sales activity

 A winning, positive culture driven by data, discipline, and collaboration

 Delivering predictable performance from actions to results

Enerpac HQ Relocating to Downtown Milwaukee

- Part of ongoing footprint rationalization efforts to reduce fixed costs
- Rightsized for Enerpac with a 30% reduction in square footage
- Enhanced work environment with modernized industrial vibe and an abundance of amenities for employees
- Increases ability to attract and retain top talent
- Target relocation by early 2025



Q&A





Appendix

Affirming FY24 Guidance

Key Assumptions:

- Targeting to outperform industry and gain market share
- No broad-based global recession

Depreciation & Amortization	~\$13-\$15M
Interest Expense	~\$14-\$16M
Adjusted Tax Rate	~20-25%
Cash Taxes	~\$22-\$24M
Capex	~\$12-\$17M
ASCEND Costs	~\$10-\$15M*
Key FX Rates	\$1.10/1€, \$1.25/1£



NET SALES

\$590 - \$605M

CORE GROWTH OF ~2-4%



ADJ. EBITDA

\$142 - \$152M



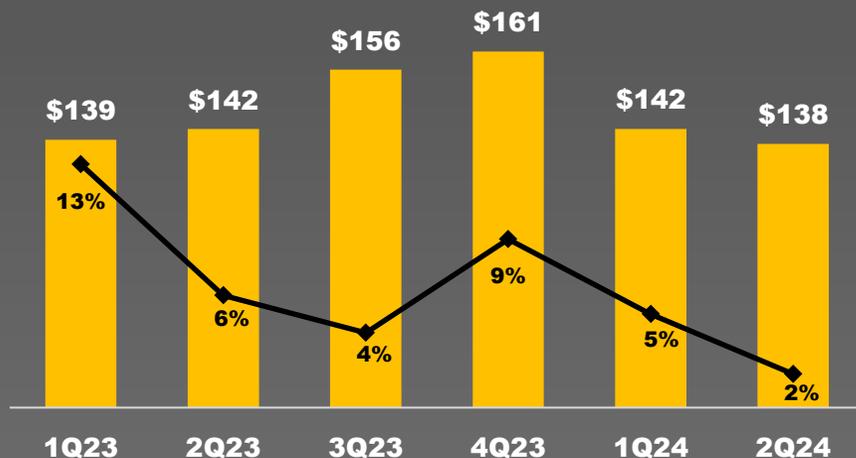
FREE CASH FLOW

\$60 - \$70M

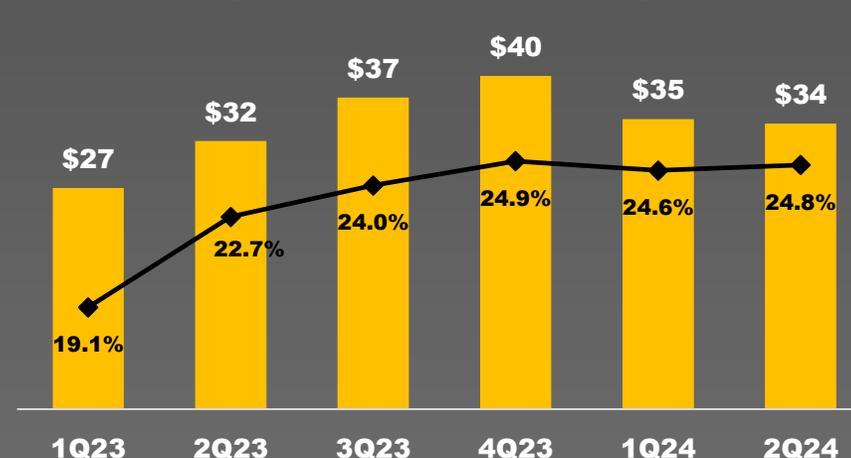
Quarterly Results

(\$ in millions, except per share)

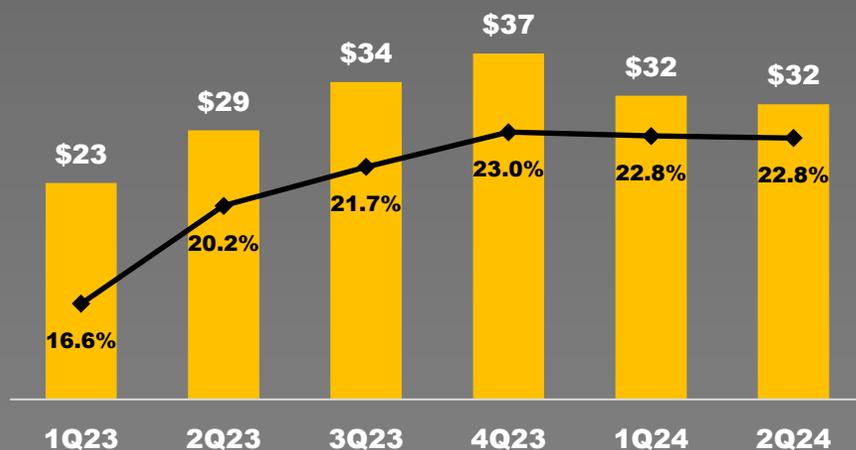
Net Sales & YoY Core Growth*



Adjusted EBITDA and Margin*



Adjusted Operating Profit and Margin*



Adjusted Diluted EPS*



Reconciliation of Non-GAAP Measures

(US\$ in millions)

Consolidated Organic Sales by Quarter

Q1 FY23

	Q1 FY23	Q1 FY22	% Change
Net Sales	\$139	\$131	6.5%
Fx Impact	-	(7)	
Total	\$139	\$124	12.6%

Q2 FY23

	Q2 FY23	Q2 FY22	% Change
Net Sales	\$142	\$137	3.9%
Fx Impact	-	(3)	
Total	\$142	\$133	6.4%

Q3 FY23

	Q3 FY23	Q3 FY22	% Change
Net Sales	\$156	\$152	2.9%
Fx Impact	-	(2)	
Divestiture	-	0	
Total	\$156	\$150	4.3%

Q4 FY23

	Q4 FY23	Q4 FY22	% Change
Net Sales	\$161	\$152	5.8%
Fx Impact	-	1	
Divestiture	-	(6)	
Total	\$160	\$148	8.8%

Q1 FY24

	Q1 FY24	Q1 FY23	% Change
Net Sales	\$142	\$139	1.9%
Fx Impact	-	2	
Divestiture	-	(7)	
Total	\$142	\$135	5.5%

Q2 FY24

	Q2 FY24	Q2 FY23	% Change
Net Sales	\$138	\$142	-2.5%
Fx Impact	-	0	
Divestiture	-	(6)	
Total	\$138	\$136	1.8%

Q2 FY24 Organic Sales by Product

Consolidated Organic Sales			
	Q2 FY24	Q2 FY23	% Change
Net Sales	\$138	\$142	-2%
Fx Impact	-	0	
Divestiture	-	(6)	
Total	\$138	\$136	2%

IT&S Organic Sales			
	Q2 FY24	Q2 FY23	% Change
Net Sales	\$135	\$131	3%
Fx Impact	-	0	
Divestiture	-	0	
Total	\$135	\$131	3%

IT&S Product Organic Sales			
	Q2 FY24	Q2 FY23	% Change
Net Sales	\$108	\$104	4%
Fx Impact	-	0	
Divestiture	-	0	
Total	\$108	\$104	4%

IT&S Service Organic Sales			
	Q2 FY24	Q2 FY23	% Change
Net Sales	\$27	\$27	1%
Fx Impact	-	0	
Divestiture	-	0	
Total	\$27	\$27	-1%

Other Organic Sales			
	Q2 FY24	Q2 FY23	% Change
Net Sales	\$4	\$11	-67%
Fx Impact	-	0	
Divestiture	-	(6)	
Total	\$4	\$5	-25%

Q2 FY23 Organic Sales by Product

Consolidated Organic Sales			
	Q2 FY23	Q2 FY22	% Change
Net Sales	\$142	\$137	4%
Fx Impact	-	(3)	
Total	\$142	\$133	6%

IT&S Organic Sales			
	Q2 FY23	Q2 FY22	% Change
Net Sales	\$131	\$126	4%
Fx Impact	-	(3)	
Total	\$131	\$123	7%

IT&S Product Organic Sales			
	Q2 FY23	Q2 FY22	% Change
Net Sales	\$104	\$97	7%
Fx Impact	-	(3)	
Total	\$104	\$95	10%

IT&S Service Organic Sales			
	Q2 FY23	Q2 FY22	% Change
Net Sales	\$27	\$28	-6%
Fx Impact	-	(1)	
Total	\$27	\$28	-4%

Other Organic Sales			
	Q2 FY23	Q2 FY22	% Change
Net Sales	\$11	\$11	4%
Fx Impact	-	-	
Total	\$11	\$11	4%

Reconciliation of Non-GAAP Measures

(US\$ in millions, except per share)

	Net Sales					
	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24
Enerpac Tool Group	\$ 139	\$ 142	\$ 156	\$ 161	\$ 142	\$ 138

	Adjusted Operating Profit					
	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24
Operating profit	12	14	25	32	29	30
Impairment & divestiture (benefit) charges	-	-	-	(6)	-	-
Restructuring charges (1)	1	3	2	1	2	0
Leadership transition charges	0	0	0	0	-	-
M&A charges	-	0	0	1	-	-
ASCEND transformation program charges	9	11	6	9	1	2
Adjusted operating profit	\$ 23	\$ 29	\$ 34	\$ 37	\$ 32	\$ 32
Adjusted operating profit %	16.6%	20.2%	21.7%	23.0%	22.8%	22.8%

	EBITDA					
	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24
Net earnings from continuing operations	6	7	17	23	18	18
Financing costs, net	3	3	3	3	4	4
Income tax expense	2	3	5	5	6	7
Depreciation & amortization	4	4	4	4	3	3
EBITDA	\$ 16	\$ 17	\$ 29	\$ 35	\$ 31	\$ 32

	Adjusted EBITDA					
	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24
EBITDA	16	17	29	35	31	32
Impairment & divestiture (benefit) charges	-	-	-	(6)	-	-
Restructuring charges (1)	1	3	2	1	2	0
Leadership transition charges	0	0	0	0	-	-
M&A charges	-	0	0	1	-	-
ASCEND transformation program charges	9	11	6	9	1	2
Adjusted EBITDA	\$ 27	\$ 32	\$ 37	\$ 40	\$ 35	\$ 34
Adjusted EBITDA %	19.1%	22.7%	24.0%	24.9%	24.6%	24.8%

	Adjusted Net Earnings from Continuing Operations					
	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24
Net Earnings	7	4	12	22	18	18
Earnings (loss) from Discontinued Operations, net of income tax	1	(3)	(5)	(1)	(1)	-
Net Earnings from Continuing Operations	6	7	17	23	18	18
Impairment & divestiture (benefit) charges	-	-	-	(6)	-	-
Restructuring charges (1)	1	3	2	1	2	0
Leadership transition charges	0	0	0	0	-	-
M&A charges	-	0	0	1	-	-
ASCEND transformation program charges	9	11	6	9	1	2
Accelerated debt issuance costs	0	-	-	-	-	-
Net tax effect of reconciling items above	(1)	(2)	(3)	(4)	-	-
Other income tax expense	-	0	-	-	-	0
Adjusted Net Earnings from Continuing Operations	17	20	22	23	22	20

	Adjusted Diluted Earnings per share from Continuing Operations					
	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24
Net Earnings	0.13	0.08	0.22	0.40	0.32	0.33
Earnings (loss) from Discontinued Operations, net of income tax	0.02	(0.05)	(0.08)	(0.02)	(0.01)	(0.00)
Net Earnings from Continuing Operations	0.11	0.12	0.30	0.41	0.33	0.33
Impairment & divestiture (benefit) charges, net of tax effect	-	-	-	(0.11)	0.00	-
Restructuring charges (1), net of tax effect	0.02	0.05	0.03	0.01	0.04	0.00
Leadership transition charges, net of tax effect	0.01	0.00	0.00	0.00	-	-
M&A charges, net of tax effect	-	0.00	0.00	0.01	-	-
ASCEND transformation program charges, net of tax effect	0.15	0.17	0.06	0.10	0.02	0.03
Accelerated debt issuance costs, net of tax effect	0.01	0.00	0.00	0.00	-	-
Other income tax expense	-	0.00	-	-	-	0.00
Adjusted Diluted Earnings per share from Continuing Operations	0.29	0.35	0.39	0.42	0.39	0.36

	Free Cash Flow					
	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24
Cash provided by (used in) operating activities	18	(8)	17	51	(7)	13
Capital expenditures	(3)	(2)	(3)	(1)	(2)	(2)
Free Cash Flow	15	(10)	14	50	(8)	12

Reconciliation of Non-GAAP Measures

(US\$ in millions)

Adjusted Selling, general and administrative expenses						
	Q1 FY23	Q2 FY23	Q3 FY23	Q4 FY23	Q1 FY24	Q2 FY24
Selling, general and administrative expenses	\$ 54	\$ 55	\$ 51	\$ 52	\$ 45	\$ 41
Selling, general and administrative expenses %	38.9%	38.8%	32.7%	32.3%	31.4%	29.7%
Selling, general and administrative expenses	\$ 54	\$ 55	\$ 51	\$ 52	\$ 45	\$ 41
SG&A Restructuring charges (1)	(1)	(3)	(2)	(1)	(2)	0
Leadership transition charges	0	0	0	0	-	-
M&A charges	-	0	0	(1)	-	-
SG&A ASCEND transformation program charges	(9)	(11)	(6)	(8)	(1)	(1)
Adjusted Selling, general and administrative expenses	\$ 43	\$ 40	\$ 43	\$ 42	\$ 41	\$ 39
Adjusted Selling, general and administrative expenses %	31.2%	28.5%	27.5%	26.0%	29.0%	28.4%

Fiscal 2024 Guidance

	Fiscal 2024	
	Low	High
Reconciliation of Continued Operations GAAP Operating Profit		
To Adjusted EBITDA ⁽⁵⁾		
GAAP Operating profit	\$ 113	\$ 130
ASCEND transformation program charges	10	7
Restructuring charges	5	3
Adjusted operating profit	\$ 128	\$ 140
Other expense, net	(1)	(1)
Depreciation & amortization	15	13
Adjusted EBITDA	\$ 142	\$ 152
Reconciliation of GAAP Cash Flow From Operations to Free Cash Flow		
Cash provided by operating activities	\$ 72	\$ 87
Capital expenditures	(12)	(17)
Free Cash Flow Guidance	\$ 60	\$ 70