



# **ENERPAC**

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# **TOOL GROUP**

**Q4 FY2024 Earnings**

October 16, 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. In addition to statements with respect to guidance, 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. In addition to the assumptions and other factors referred to specifically in connection with such 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, supply chain risks, including disruptions in deliveries from suppliers due to political tensions or the imposition, or threat of imposition, of tariffs, which could be affected by the outcome of the upcoming U.S. presidential election, the impact of geopolitical activity, including the invasion of Ukraine by Russia and international sanctions imposed in response thereto, as well as armed conflicts in the Middle East, including the impact on shipping in the Red Sea, 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 plans or 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, 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, cybersecurity risk, 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 October 15, 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, 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.

# Growth & Margin Expansion in Challenging Macro Environment

(\$ in millions)

	Fiscal 2023 Actual Results	Fiscal 2024 Actual Results	YoY Change
<b>Organic Growth<sup>*</sup></b>	<b>7.8%</b>	<b>2.2%</b>	
<b>Adjusted EBITDA<sup>**</sup></b>	<b>\$136</b>	<b>\$147</b>	<b>8.2%</b>
<b>Adjusted EBITDA Margin</b>	<b>22.8%</b>	<b>25.0%</b>	<b>+220 bps</b>

\*Organic growth represents organic revenue growth excluding the impact of foreign exchange rates, acquisitions, and dispositions.

\*\*Adjusted EBITDA excludes restructuring and other charges identified in the accompanying reconciliations to GAAP measures. The Enerpac Tool Group fiscal 2024 Q4 earnings release and full GAAP to non-GAAP reconciliation is available online at <https://ir.enerpactoolgroup.com/>.



# Fiscal 2024 Results

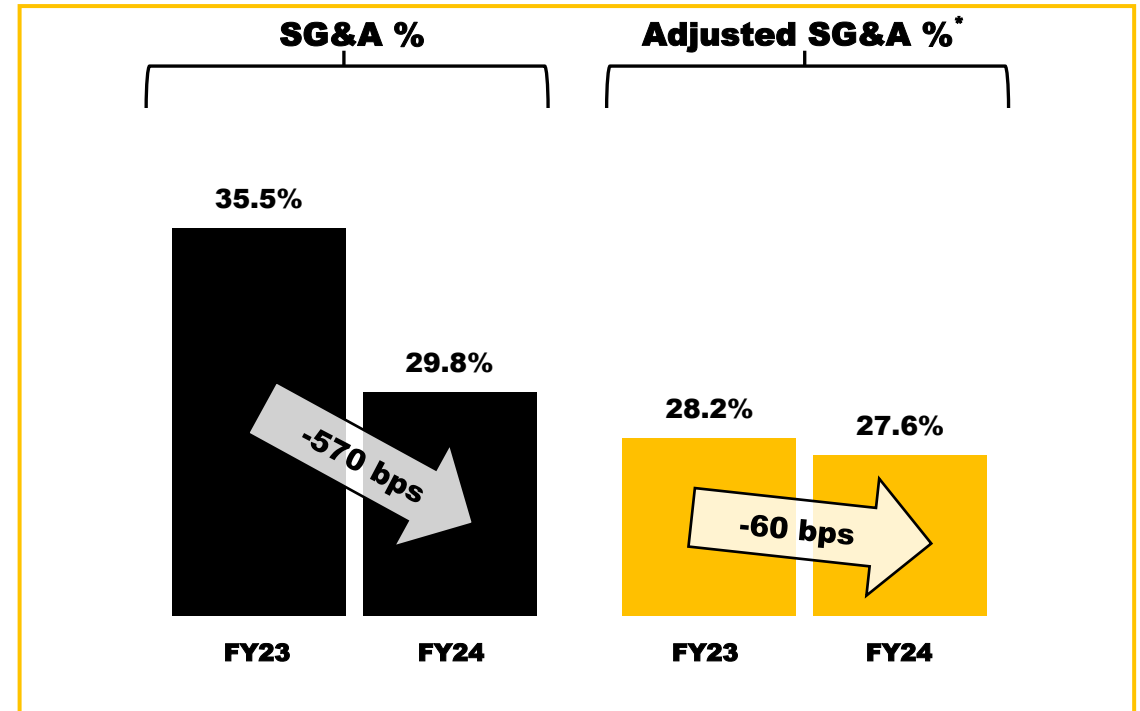
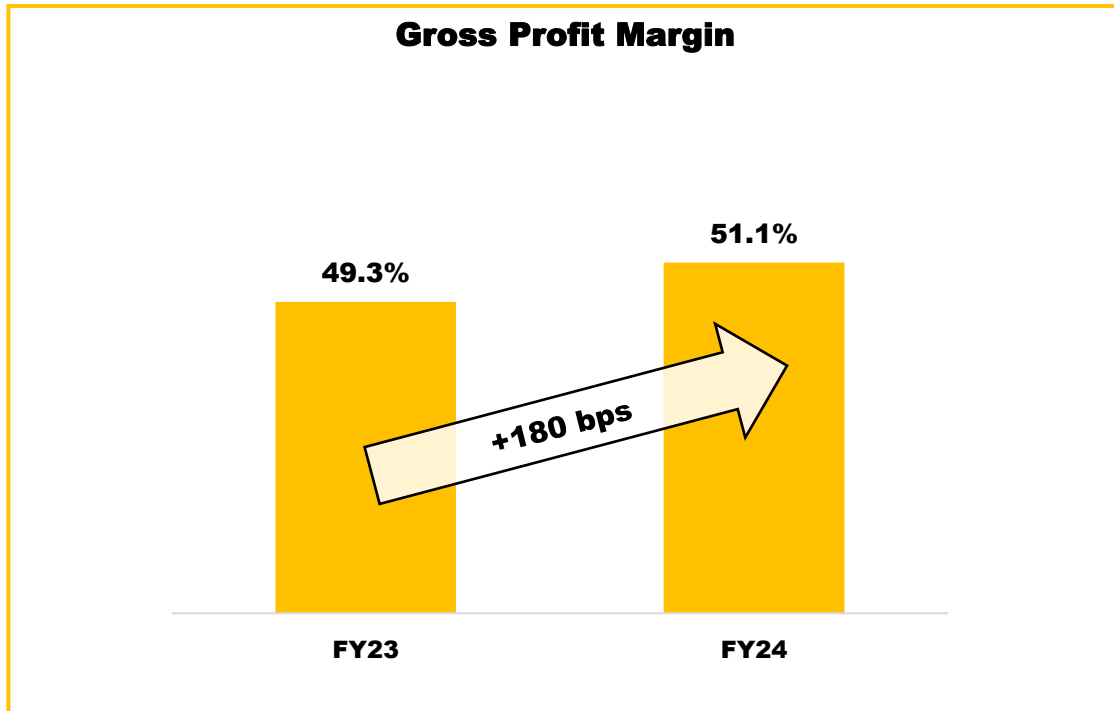
(\$ in millions)

	Net Sales FY23	Net Sales FY24	Change	Organic Growth*
<b>Industrial Tools &amp; Service (IT&amp;S)</b>	<b>\$555</b>	<b>\$571</b>	<b>2.9%</b>	<b>+2.7%</b>
<b>IT&amp;S Product</b>	<b>\$448</b>	<b>\$456</b>	<b>1.8%</b>	<b>+1.7%</b>
<b>IT&amp;S Service</b>	<b>\$108</b>	<b>\$116</b>	<b>7.4%</b>	<b>+6.6%</b>
<b>Other**</b>	<b>\$43</b>	<b>\$18</b>	<b>-57.3%</b>	<b>-9.5%</b>
<b>Energpac Tool Group</b>	<b>\$598</b>	<b>\$590</b>	<b>-1.5%</b>	<b>+2.2%</b>

\*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.

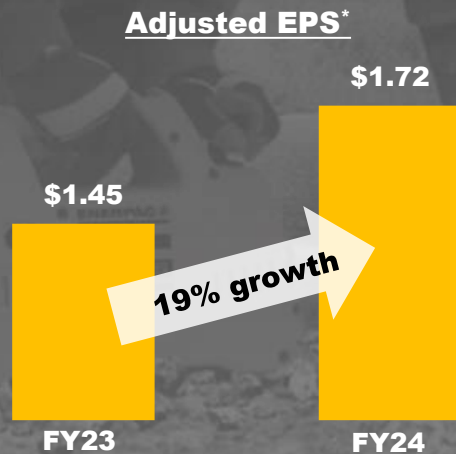
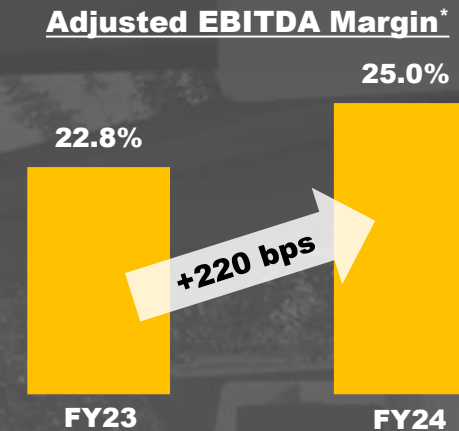
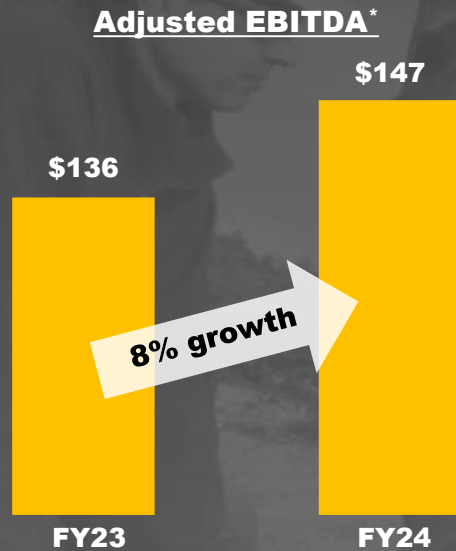
\*\*Fiscal 2023 Other segment included \$22.7 million in revenues from the divested Cortland Industrial business.

# Continued Operational and SG&A Efficiency Gains



# Another Year of Profit Growth & Margin Expansion

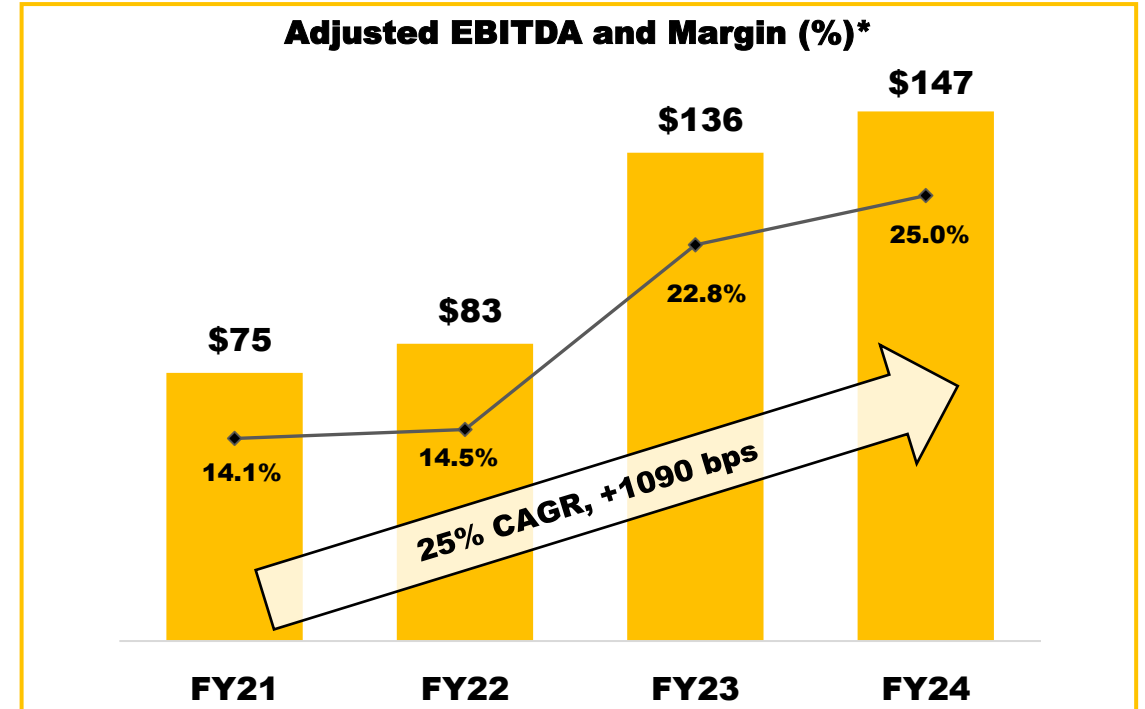
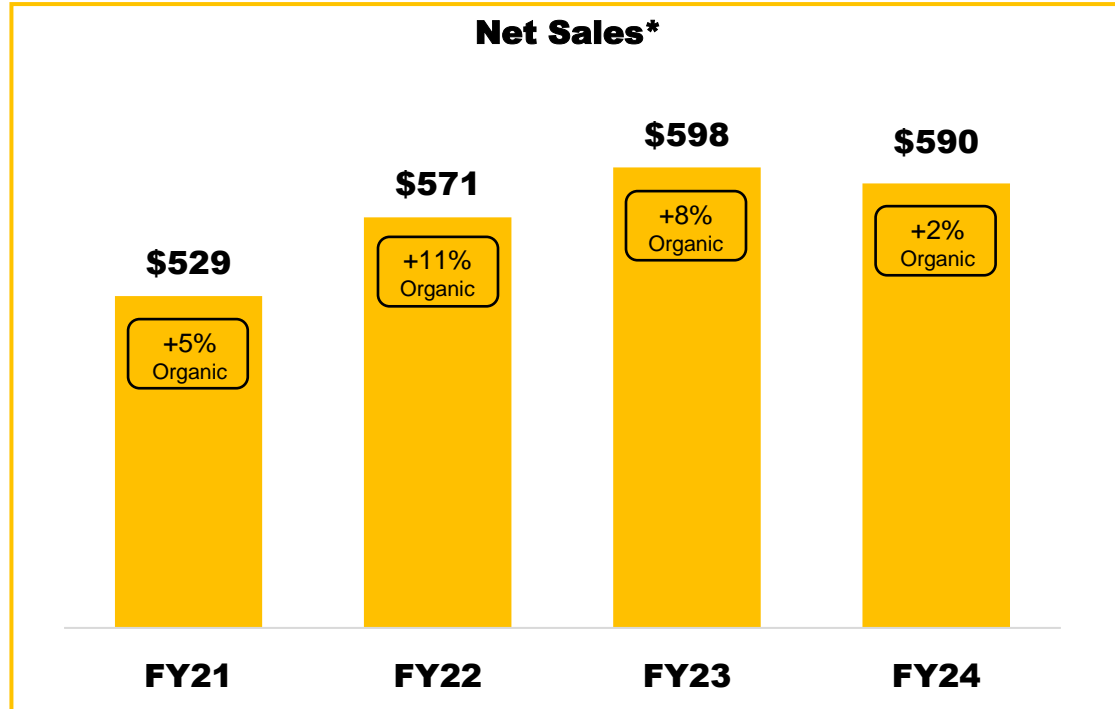
(\$ in millions, except per share)



\*Adjusted EBITDA, adjusted EPS, and adjusted EBITDA margin are non-GAAP measures and exclude restructuring and other charges identified in the accompanying reconciliations to GAAP measures. The Company calculates free cash flow as cash from operations, less capital expenditures.

# Significant Profit Expansion Through ASCEND

(\$ in millions)



\*Net sales in FY23 include \$27.2 million from Cortland Industrial which was sold in July 2023. Adjusted EBITDA and adjusted EBITDA margin exclude restructuring and other charges identified in the accompanying reconciliations to GAAP measures. FY22 Adjusted EBITDA Includes a \$13 million charge for increase in MENAC AR reserve, an approximate 230 bps impact to margin

# 4Q24 Results

(\$ in millions, except EPS)

	4Q23	4Q24	YoY Change
<b>Net Sales</b>	<b>\$161</b>	<b>\$159</b>	<b>-1%</b>
<b>Organic Growth*</b>	<b>8.8%</b>	<b>0.9%</b>	
IT&S Organic Growth	8.4%	0.8%	
IT&S Product Organic Growth	13.8%	-1.0%	
IT&S Service Organic Growth	-11.8%	9.7%	
<b>Gross Margin</b>	<b>49.1%</b>	<b>48.8%</b>	<b>-30 bps</b>
<b>Adjusted SG&amp;A**</b>	<b>26.0%</b>	<b>26.0%</b>	<b>flat</b>
<b>Adjusted EBITDA**</b>	<b>\$40</b>	<b>\$39</b>	<b>-4%</b>
<b>Adjusted EBITDA Margin</b>	<b>24.9%</b>	<b>24.3%</b>	<b>-60 bps</b>
<b>Adjusted EPS**</b>	<b>\$0.42</b>	<b>\$0.50</b>	<b>+19%</b>



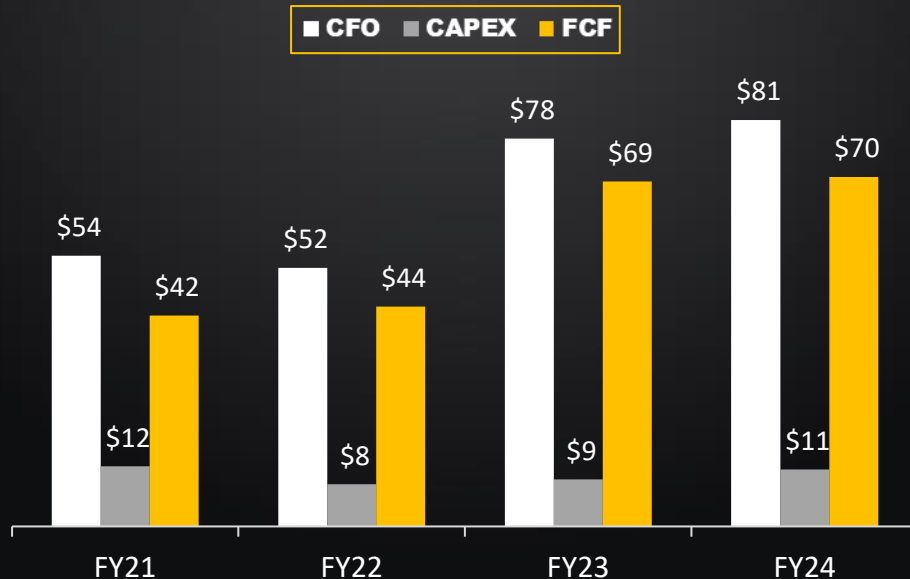


# Strong Liquidity & Balance Sheet

(\$ in millions)

<b>Cash &amp; Equivalents</b>	<b>\$167</b>
<b>Revolver Capacity (Undrawn)</b>	<b>\$398</b>
<b>Total Liquidity</b>	<b>\$565</b>
<b>Total Debt</b>	<b>\$195</b>
<b>Net Debt/Adj. EBITDA*</b>	<b>0.2</b>

## 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

# FY25 Guidance

## Key Assumptions:

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

Depreciation & Amortization	~\$14 - \$16M
Interest Expense	~\$13 - \$15M
Adjusted Tax Rate	~21 - 26%
Cash Taxes	~\$35 - \$40M
Capex	~\$19 - \$24M
Key FX Rates	\$1.10/1€, \$1.31/1£



NET SALES

**\$610 - \$625M**

~0-2% Organic Growth  
~3-6% Total Growth



ADJ. EBITDA\*

**\$150 - \$160M**



FREE CASH FLOW

**\$85 - \$95M**

# PEP: Transition to Continuous Improvement



**EMPOWERING  
IDEAS THAT  
ENERGIZE  
OUR FUTURE**

## Strategic Efforts

## Focus Areas



**Accelerating Growth**

Execution and monitoring of growth strategy



**Optimizing Operations**

Continuous improvement projects in manufacturing and procurement



**Minimizing Inefficiencies**

Continuing to streamline SG&A through greater efficiency and productivity



**Standardizing Processes**



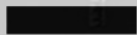



Driving further global standardization and simplification leveraging 80/20 framework

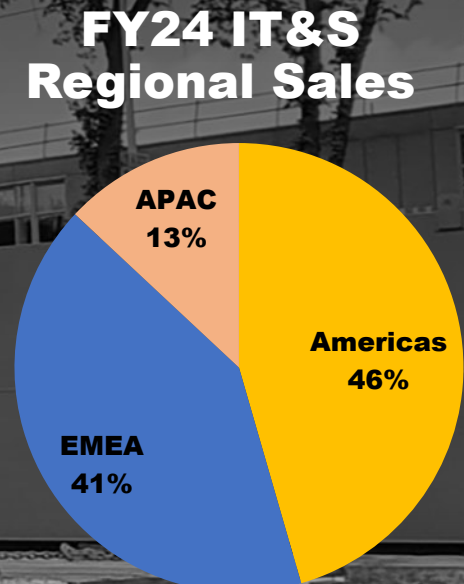


**Solving Challenges**

Structured problem-solving approach to determine true root-cause and implement countermeasures

# IT&S Organic Growth by Region\*

Region	4Q24	Fiscal 2024
EMEA	 +LSD%	 +HSD%
Americas	 Flat	 +LSD%
APAC	 -MSD%	 -MSD%



# Growing in our Key Vertical Markets through Leading Trade Shows

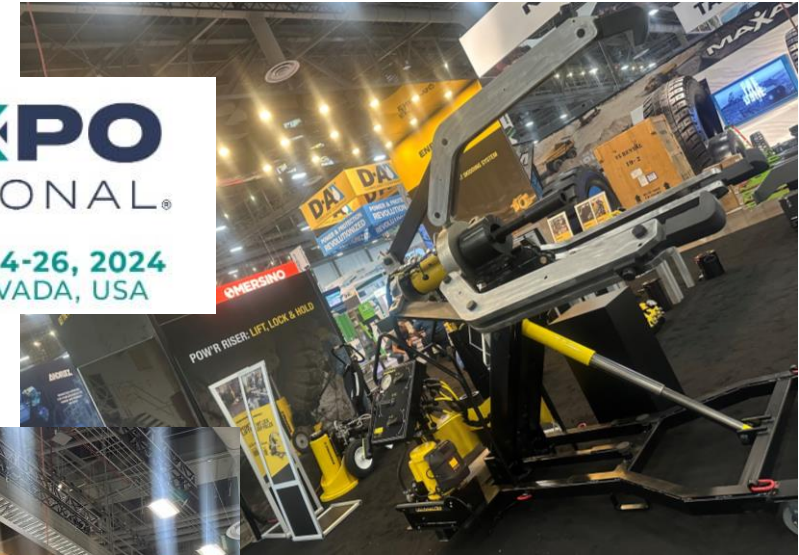


InnoTrans  
**InnoTrans 2024**  
24 – 27 SEPTEMBER · BERLIN  
International Trade Fair for Transport Technology

- Exhibited the RP70 Rail Stressing Kit and TL248 Track Lift System
- Generated numerous leads, including requests for live demos



**MINEXPO**  
INTERNATIONAL®  
20 | SEPTEMBER 24-26, 2024  
24 | LAS VEGAS, NEVADA, USA



- Exhibited a variety of standard industrial tool and new product
  - SC & XC2 Cordless Battery Pumps
  - BTW Battery Torque Wrench
  - LGH3100 100 Ton Lock Grip Puller.
- Exhibited several HLT products including Cube Jack, Low Height Skidding System, and Evo Pump

# Target End Markets: Wind

- Showcased line of recently launched battery-powered industrial tools
  - BTW Battery Torque Wrench
  - SC/XC2 Battery-Powered Pumps
- Generated new leads for Wind Vertical



The New York Times

## *Wind Beat Coal Two Months in a Row for U.S. Electricity Generation*

The shift occurred as the cost of wind power and other renewable energy is rapidly declining and coal is being pushed out by natural gas.



# Executive Appointments

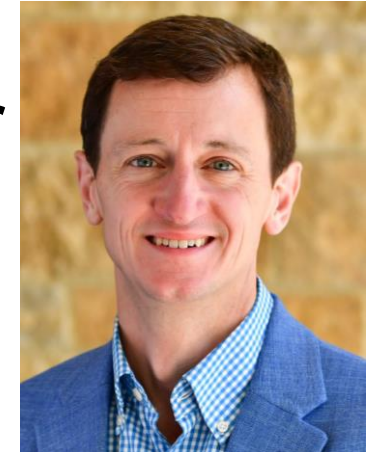
## Eric Chack EVP – Operations



### Experience:

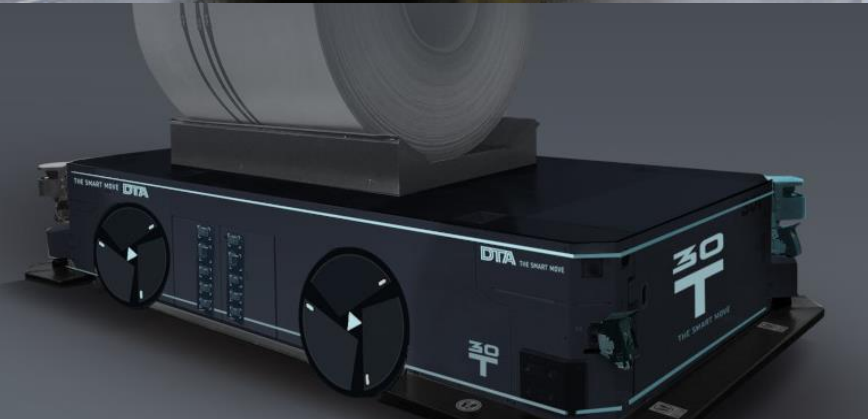
- Strategic operations leadership, including manufacturing excellence and supply chain efficiency
- Deep industrial manufacturing experience

## Darren Kozik EVP – Chief Financial Officer



### Experience:

- Leadership of global corporate finance, FP&A, M&A, Treasury, Procurement, and Investor Relations
- Operational leadership of IT and Customer Service



# DTA Acquisition

Strategic Fit:

Combination of Enerpac's vertical lift and DTA's horizontal movement provides comprehensive customer solutions

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Revenue Synergies:

Tap Enerpac's global sales and strong distribution channel to expand beyond Europe

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Operating /  
Cost Synergies:

Implement Enerpac's disciplined operating processes

Leverage shared procurement and back-office expense





# Appendix

# IT&S Organic Growth by Region

**Regional IT&S Organic Growth by Region**

	1Q23	2Q23	3Q23	4Q23	Fiscal 2023	1Q24	2Q24	3Q24	4Q24	Fiscal 2024
Americas	+HT	+LDD	+MSD	+HSD	+LDD	+MSD	+LSD	-LSD	Flat	+LSD
EMEA	+HSD	+MSD	Flat	+MSD	+MSD	+HSD	+MSD	+LDD	+LSD	+HSD
APAC	+LSD	+MSD	+HT	+HT	+LDD	+LSD	-LSD	-LDD	-MSD	-MSD

# Reconciliation of Non-GAAP Measures

(US\$ in millions)

## Consolidated Organic Growth

ETG Organic Sales - YTD FY24 vs. YTD FY23			
	YTD FY24	YTD FY23	% Change
Net Sales	\$590	\$598	-1.5%
Fx Impact	-	1	
Divestiture	-	(23)	
<b>Total</b>	<b>\$590</b>	<b>\$577</b>	<b>2.2%</b>

ETG Organic Sales - YTD FY23 vs. YTD FY22			
	YTD FY23	YTD FY22	% Change
Net Sales	\$598	\$571	4.7%
Fx Impact	-	(11)	
Divestiture	-	(6)	
<b>Total</b>	<b>\$598</b>	<b>\$555</b>	<b>7.8%</b>

ETG Organic Sales - YTD FY22 vs. YTD FY21			
	YTD FY22	YTD FY21	% Change
Net Sales	\$571	\$529	8.1%
Fx Impact	-	(15)	
<b>Total</b>	<b>\$571</b>	<b>\$514</b>	<b>11.1%</b>

ETG Organic Sales - YTD FY21 vs. YTD FY20			
	YTD FY21	YTD FY20	% Change
Net Sales	\$529	\$493	7.2%
Fx Impact	-	11	
Acquisitions	(14)	(7)	
Strategic Exits	-	(9)	
<b>Total</b>	<b>\$515</b>	<b>\$489</b>	<b>5.4%</b>

## IT&S Organic Growth

IT&S Organic Sales - YTD FY24 vs. YTD FY23			
	YTD FY24	YTD FY23	% Change
Net Sales	\$571	\$555	2.9%
Fx Impact	-	1	
Divestiture	-	0	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$571</b>	<b>\$556</b>	<b>2.7%</b>

IT&S Organic Sales - YTD FY23 vs. YTD FY22			
	YTD FY23	YTD FY22	% Change
Net Sales	\$555	\$527	5.3%
Fx Impact	-	(11)	
Divestiture	-	0	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$555</b>	<b>\$516</b>	<b>7.5%</b>

## IT&S Product Organic Growth

IT&S Organic Product Sales - YTD FY24 vs. YTD FY23			
	YTD FY24	YTD FY23	% Change
Net Sales	\$456	\$448	1.8%
Fx Impact	-	0	
Divestiture	-	0	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$456</b>	<b>\$448</b>	<b>1.7%</b>

IT&S Organic Product Sales - YTD FY23 vs. YTD FY22			
	YTD FY23	YTD FY22	% Change
Net Sales	\$448	\$410	9.1%
Fx Impact	-	(9)	
Divestiture	-	0	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$448</b>	<b>\$401</b>	<b>11.6%</b>

## IT&S Service Organic Growth

IT&S Organic Service Sales - YTD FY24 vs. YTD FY23			
	YTD FY24	YTD FY23	% Change
Net Sales	\$116	\$108	7.4%
Fx Impact	-	1	
Divestiture	-	0	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$116</b>	<b>\$108</b>	<b>6.6%</b>

IT&S Organic Service Sales - YTD FY23 vs. YTD FY22			
	YTD FY23	YTD FY22	% Change
Net Sales	\$108	\$117	-8.1%
Fx Impact	-	(2)	
Divestiture	-	0	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$108</b>	<b>\$115</b>	<b>-6.6%</b>

## Other Organic Growth

Other Organic Sales - YTD FY24 vs. YTD FY23			
	YTD FY24	YTD FY23	% Change
Net Sales	\$18	\$43	-57.3%
Fx Impact	-	0	
Divestiture	-	(23)	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$18</b>	<b>\$20</b>	<b>-9.5%</b>

Other Organic Sales - YTD FY23 vs. YTD FY22			
	YTD FY23	YTD FY22	% Change
Net Sales	\$43	\$44	-1.9%
Fx Impact	-	0	
Divestiture	-	(6)	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$43</b>	<b>\$38</b>	<b>12.0%</b>

# Reconciliation of Non-GAAP Measures

(US\$ in millions)

## Consolidated Organic Growth

ETG Organic Sales - Q4 FY24 vs. Q4 FY23			
	Q4 FY24	Q4 FY23	% Change
Net Sales	\$159	\$161	-1.2%
Fx Impact	-	(1)	
Divestiture	-	(3)	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$159</b>	<b>\$157</b>	<b>0.9%</b>

ETG Organic Sales - Q4 FY23 vs. Q4 FY22			
	Q4 FY23	Q4 FY22	% Change
Net Sales	\$161	\$152	5.8%
Fx Impact	-	1	
Divestiture	-	(6)	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$160</b>	<b>\$148</b>	<b>8.8%</b>

## IT&S Organic Growth

IT&S Organic Sales - Q4 FY24 vs. Q4 FY23			
	Q4 FY24	Q4 FY23	% Change
Net Sales	\$153	\$153	0.3%
Fx Impact	-	(1)	
Divestiture	-	0	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$153</b>	<b>\$152</b>	<b>0.8%</b>

IT&S Organic Sales - Q4 FY23 vs. Q4 FY22			
	Q4 FY23	Q4 FY22	% Change
Net Sales	\$153	\$140	9.4%
Fx Impact	-	1	
Divestiture	-	0	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$153</b>	<b>\$141</b>	<b>8.4%</b>

## IT&S Product Organic Growth

IT&S Organic Product Sales - Q4 FY24 vs. Q4 FY23			
	Q4 FY24	Q4 FY23	% Change
Net Sales	\$125	\$127	-1.2%
Fx Impact	-	0	
Divestiture	-	0	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$125</b>	<b>\$126</b>	<b>-1.0%</b>

IT&S Organic Product Sales - Q4 FY23 vs. Q4 FY22			
	Q4 FY23	Q4 FY22	% Change
Net Sales	\$127	\$110	14.6%
Fx Impact	-	1	
Divestiture	-	0	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$127</b>	<b>\$111</b>	<b>13.8%</b>

## IT&S Service Organic Growth

IT&S Organic Service Sales - Q4 FY24 vs. Q4 FY23			
	Q4 FY24	Q4 FY23	% Change
Net Sales	\$28	\$26	8.0%
Fx Impact	-	0	
Divestiture	-	0	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$28</b>	<b>\$26</b>	<b>9.7%</b>

IT&S Organic Service Sales - Q4 FY23 vs. Q4 FY22			
	Q4 FY23	Q4 FY22	% Change
Net Sales	\$26	\$29	-10.2%
Fx Impact	-	1	
Divestiture	-	0	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$26</b>	<b>\$30</b>	<b>-11.8%</b>

## Other Organic Growth

Other Organic Sales - Q4 FY24 vs. Q4 FY23			
	Q4 FY24	Q4 FY23	% Change
Net Sales	\$5	\$8	-31.0%
Fx Impact	-	0	
Divestiture	-	(3)	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$5</b>	<b>\$5</b>	<b>2.8%</b>

Other Organic Sales - Q4 FY23 vs. Q4 FY22			
	Q4 FY23	Q4 FY22	% Change
Net Sales	\$8	\$12	-36.1%
Fx Impact	-	0	
Divestiture	-	(6)	
Acquisitions	-	0	
Strategic Exits	-	0	
<b>Total</b>	<b>\$8</b>	<b>\$7</b>	<b>16.1%</b>

# Reconciliation of Non-GAAP Measures

(US\$ in millions, except per share)

Net Sales		
	FY2023	FY2024
Energpac Tool Group	\$ 598	\$ 590

EBITDA		
	FY2023	FY2024
Net earnings from continuing operations	\$ 54	\$ 82
Financing costs, net	12	14
Income tax expense	15	23
Depreciation & amortization	16	13
EBITDA	\$ 98	\$ 132

Adjusted EBITDA		
	FY2023	FY2024
EBITDA	\$ 98	\$ 132
Impairment & divestiture (benefit) charges	(6)	-
Restructuring charges (1)	8	8
Leadership transition charges	1	0
M&A charges	1	0
ASCEND transformation program charges	35	7
Adjusted EBITDA	\$ 136	\$ 147
Adjusted EBITDA %	22.8%	25.0%

Adjusted Net Earnings from Continuing Operations		
	FY2023	FY2024
Net Earnings	\$ 47	\$ 86
Earnings (loss) from Discontinued Operations, net of income tax	(7)	4
Net Earnings from Continuing Operations	\$ 54	\$ 82
Impairment & divestiture (benefit) charges	(6)	-
Restructuring charges (1)	8	8
Leadership transition charges	1	0
M&A charges	1	0
ASCEND transformation program charges	35	7
Accelerated debt issuance costs	0	-
Net tax effect of reconciling items above	(10)	(3)
Other income tax expense	-	0
Adjusted Net Earnings from Continuing Operations	\$ 83	\$ 95

Adjusted Diluted Earnings per share from Continuing Operations		
	FY2023	FY2024
Net Earnings	\$ 0.82	\$ 1.56
Earnings (loss) from Discontinued Operations, net of income tax	(0.12)	0.06
Net Earnings from Continuing Operations	\$ 0.94	\$ 1.50
Impairment & divestiture (benefit) charges, net of tax effect	(0.11)	-
Restructuring charges (1), net of tax effect	0.11	0.11
Leadership transition charges, net of tax effect	0.01	0.00
M&A charges, net of tax effect	0.01	0.00
ASCEND transformation program charges, net of tax effect	0.48	0.11
Accelerated debt issuance costs, net of tax effect	-	0.00
, net of tax effect	-	-
Other income tax expense	-	0.00
Adjusted Diluted Earnings per share from Continuing Operations	\$ 1.45	\$ 1.72

Adjusted SG&A		
	FY2023	FY2024
Selling, general and administrative expenses Total	\$ 212	\$ 176
SG&A restructuring charges (1)	(7)	(7)
Leadership transition charges	(1)	-
M&A charges	(1)	0
ASCEND transformation program charges	(34)	(6)
Adjusted SG&A	\$ 169	\$ 162
Adjusted SG&A %	28.2%	27.6%

# Reconciliation of Non-GAAP Measures

(US\$ in millions, except per share)

Net Sales		
	Q4 FY23	Q4 FY24
Energpac Tool Group	\$ 161	\$ 159

EBITDA		
	Q4 FY23	Q4 FY24
Net earnings from continuing operations	\$ 23	\$ 23
Financing costs, net	3	3
Income tax expense	5	3
Depreciation & amortization	4	3
EBITDA	\$ 35	\$ 33

Adjusted EBITDA		
	Q4 FY23	Q4 FY24
EBITDA	\$ 35	\$ 33
Impairment & divestiture (benefit) charges	(6)	-
Restructuring charges (1)	1	4
Leadership transition charges	0	-
M&A charges	1	0
ASCEND transformation program charges	9	2
Adjusted EBITDA	\$ 40	\$ 39
Adjusted EBITDA %	24.9%	24.3%

Adjusted Net Earnings from Continuing Operations		
	Q4 FY23	Q4 FY24
Net Earnings	\$ 22	\$ 24
Earnings (loss) from Discontinued Operations, net of income tax	(1)	1
Net Earnings from Continuing Operations	\$ 23	\$ 23
Impairment & divestiture (benefit) charges	(6)	-
Restructuring charges (1)	1	3
Leadership transition charges	0	-
M&A charges	1	0
ASCEND transformation program charges	9	2
Accelerated debt issuance costs	-	-
Net tax effect of reconciling items above	(4)	(2)
Other income tax expense	-	-
Adjusted Net Earnings from Continuing Operations	\$ 23	\$ 27

Adjusted Diluted Earnings per share from Continuing Operations		
	Q4 FY23	Q4 FY24
Net Earnings	\$ 0.40	\$ 0.44
Earnings (loss) from Discontinued Operations, net of income tax	(0.02)	0.02
Net Earnings from Continuing Operations	\$ 0.41	\$ 0.43
Impairment & divestiture (benefit) charges, net of tax effect	(0.11)	-
Restructuring charges (1), net of tax effect	0.01	0.04
Leadership transition charges, net of tax effect	0.00	-
M&A charges, net of tax effect	0.01	0.00
ASCEND transformation program charges, net of tax effect	0.10	0.03
Accelerated debt issuance costs, net of tax effect	0.00	-
, net of tax effect	-	-
Other income tax expense	-	-
Adjusted Diluted Earnings per share from Continuing Operations	\$ 0.42	\$ 0.50

Adjusted SG&A		
	Q4 FY23	Q4 FY24
Selling, general and administrative expenses Total	52	47
SG&A restructuring charges (1)	(1)	(3)
Leadership transition charges	-	-
M&A charges	(1)	0
ASCEND transformation program charges	(8)	(2)
Adjusted SG&A	\$ -	\$ -
Adjusted SG&A %	26.0%	26.0%

# Reconciliation of Non-GAAP Measures

Free Cash Flow		
	Q4 FY23	Q4 FY24
Cash provided by (used in) operating activities	51	44
Capital expenditures	(1)	(6)
Free Cash Flow	50	38

Free Cash Flow		
	FY2023	FY2024
Cash provided by (used in) operating activities	78	81
Capital expenditures	(9)	(11)
Free Cash Flow	69	70

(1) Approximately \$0.4 million of the Q4 fiscal 2024 and \$0.6 million of the Q4 fiscal 2023 restructuring charges were recorded in cost of products sold.

(2) EBITDA represents net earnings from continuing operations before financing costs, net, income tax expense, and depreciation & amortization. Neither EBITDA nor adjusted EBITDA are calculated based upon generally accepted accounting principles ("GAAP"). The amounts included in the EBITDA and adjusted EBITDA calculation, however, are derived from amounts included in the Condensed Consolidated Statements of Earnings. EBITDA and adjusted EBITDA should not be considered as alternatives to net earnings, operating profit or operating cash flows. The Company has presented EBITDA and adjusted EBITDA because it regularly reviews these performance measures. In addition, EBITDA and adjusted EBITDA are used by many of our investors and lenders, and are presented as a convenience to them. The EBITDA and adjusted EBITDA measures presented may not always be comparable to similarly titled measures reported by other companies due to differences in the components of the calculation.

(3) Organic Sales (formerly referred to as "core sales") is defined as sales excluding the impact to foreign currency changes and the impact from recent acquisitions and divestitures to net sales

(4) Adjusted earnings from continuing operations and adjusted diluted earnings per share represent net earnings and diluted earnings per share per the Condensed Consolidated Statements of Earnings net of charges or credits for items to be highlighted for comparability purposes. These measures are not calculated based upon GAAP and should not be considered as an alternative to net earnings or diluted earnings per share or as an indicator of the Company's operating performance. However, this presentation is important to investors for understanding the operating results of the current portfolio of Enerpac Tool Group companies.

*For all reconciliations of GAAP measures to Non-GAAP measures, the summation of the individual components may not equal the total due to rounding. With respect to the earnings per share reconciliations the impact of share dilution on the calculation of the net earnings or loss per share and discontinued operations per share may result in the summation of these components not equaling the total earnings per share from continuing operations.*