ENERPAC®

TOOL GROUP

Wells Fargo Industrials Conference, May 2022

Forward-Looking Statements

Statements in this presentation that are not historical are considered “forward-looking statements” and are subject to change based on various factors and uncertainties that may cause actual results to differ significantly from expectations. Those factors are contained in Enerpac Tool Group’s Securities and Exchange Commission filings.

All estimates of future performance are as of March 23, 2022. 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.

A Global Leader in Industrial Tools and Services

110
YEARS OF HISTORY

Menomonee Falls, WI
HEADQUARTERS

~2,100
EMPLOYEES

100+
YEARS OF LEADERSHIP TEAM EXPERIENCE

100+
OF COUNTRIES 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

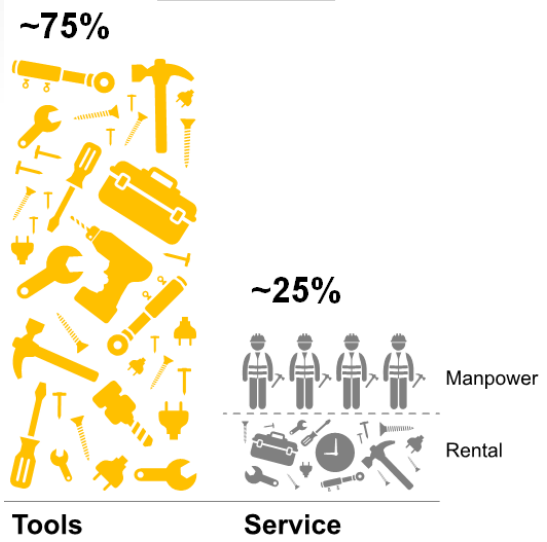
STRONG BRAND RECOGNITION

ENERPAC
Premium Industrial Tools
Heavy Lifting

hydratight
Service
Rental
Training

CORTLAND
Medical
Industrial Ropes

Revenue Mix



Wide Array of Durable and Reliable Products

ENERPAC TOOL GROUP

Bolting



Cylinders



Heavy Lift



Presses



Pumps



Work Holding



Pullers



Spreaders

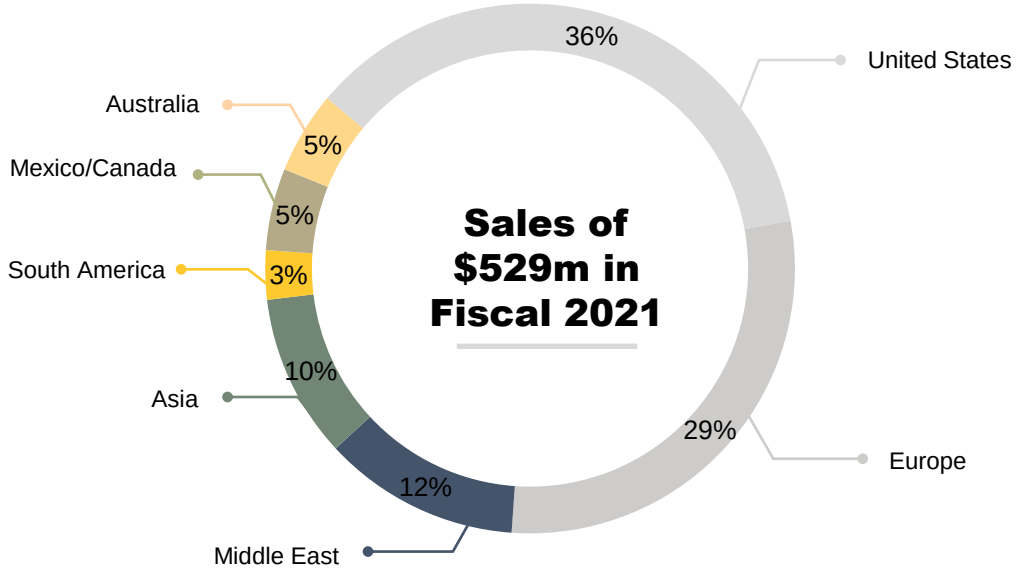


Cutters



Global Breadth of Business

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



Geographic diversification of sales reduces overall exposure to regional economic downturns

Opportunities for further geographic expansion

Extensive Global Distribution

1,500+ distributors

3,500+ points of sale

100+ countries



Global distribution network is a competitive advantage

- **One of the most robust distribution networks in the competitive space**
- **Application experts with hands-on product demonstrations**
- **Local access to world-class tools quickly and conveniently**
- **Sale and rental of the right tools when & where customers need them**
- **Ability to support global customers in all regions**

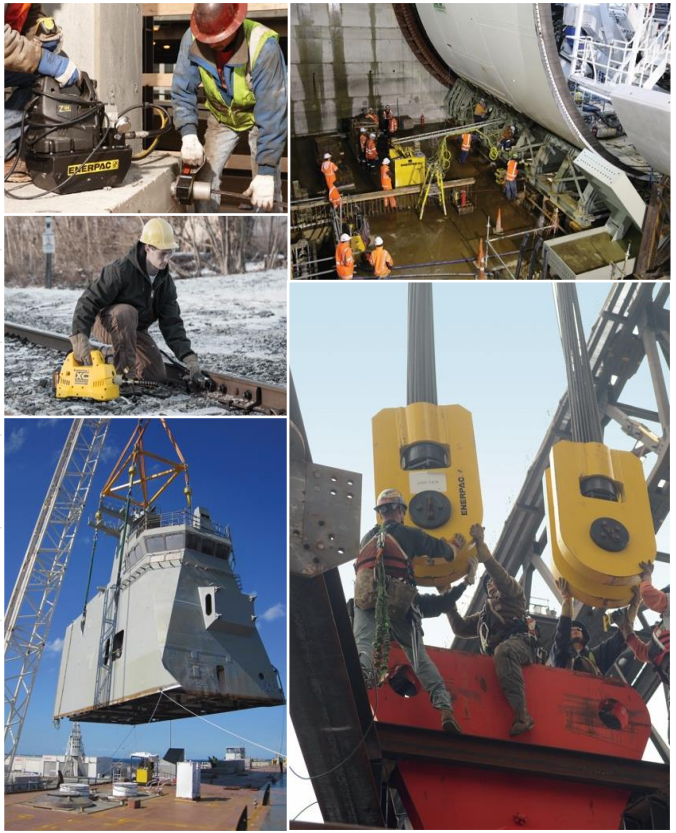
Growth Opportunities in Broad Vertical Markets

ENERPAC TOOL GROUP

13 VERTICAL END MARKETS

- Civil Construction
- Oil & Gas
- Industrial MRO
- Manufacturing and Machine Tools
- Mining
- Aerospace
- Rescue
- Power Gen/ Wind
- Off-Highway Vehicle Repair
- On-Highway Vehicle Repair
- Paper/Wood
- Military
- Steel & Metal

Seeing favorable trends in several of our key end markets



Large, fragmented vertical markets provide growth opportunities, both organic and inorganic

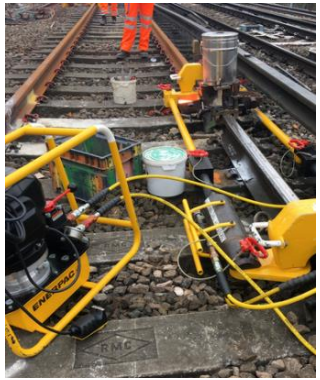


NEVER COMPROMISE

Select Vertical Market Opportunities - Infrastructure

Where We Participate

- Roads and Bridges
- Rail
- Commercial Construction
- Electrical Distribution
- Water
- Airports
- Port Facilities





Premium Product Offering

- Known for precision, durability, and safety
- Strong brand recognition within lifting, pulling, positioning, and cutting
- Well positioned to take advantage of increased government infrastructure spend



Jack Up System



ZU Pump



Rail Stressor

Select Vertical Market Opportunities – Power Gen/Wind

ENERPAC TOOL GROUP

Where We Participate

- Manufacturing
- Transport
- Installation
- Maintenance
- Decommissioning







Premium Product Offering

- Known for precision, durability, and safety
- Strong brand recognition within lifting, positioning and torque and tension
- Well positioned to take advantage of increased focus on renewable energy









Driving Organic Growth: New Product Development

NEW PRODUCT DEVELOPMENT

- Enerpac Connect and our connected product strategy integral to all new products
- Focusing on innovation through extensive user research and a dedicated Advanced Technology Development team
- Focus on truly impactful and significant programs that solve users' problems and improve productivity
- Developing common subsystems and families of components to accelerate future product development and drive standardization

KEY OBJECTIVES OF ENERPAC NPD

- Create value for end users by simplifying the “job to be done,” leveraging deep VOC insight
- Develop and launch highly differentiated products with proprietary technology
- Create profitable incremental revenue streams that are complementary to existing offerings and leverage our channel
- Maintain and enhance Enerpac’s leading position in the market



SC Battery Pump



XC2 Battery Pump



SBL 600 Gantry



Battery Bar Cutter



RC Trio

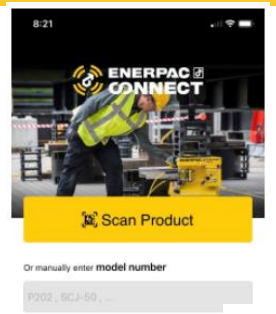


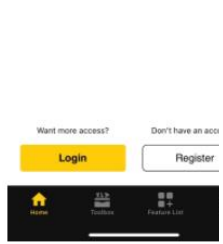
XLP Press

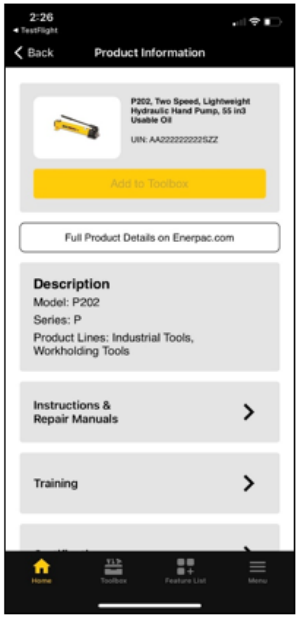
Enabling Technology

Enerpac Connect™

- SmartID tags and Connect app are foundations for the future of Smart Tools, IoT data, and closer ‘connection’ with our customers
- Ultimately, opportunities to drive growth in digital future
- Initial foundation built, with additional features over time such as the following:







“Smart” Tools

Tools working together as systems, e.g.,

- Synchronized lifting systems using independent pumps working together
- Torque wrench and pump identify each other, simplify job setup and control
- Pendant configurations change to suit job type, equipment type, etc.
- Built-in sensors, closed-loop control systems

Connected Tools

Bluetooth and wireless technology built into certain tool types, connecting to Enerpac App:

- Tool set-up/maintenance and configuration/calibration, e.g., synchronous lifting system
- Real-time wireless control, wireless pendants, pumps, etc.
- Tool location and identification

Job Reporting

Recording job details, preparing and exporting reports

- Torques applied to specific joints
- Machining operations completed
- Time taken; consumables used
- Operator ID, qualifications

Strategy Update – Announced ASCEND

ASCEND Transformation Program

- Completed a deep-dive review of the business and markets, where we looked at all aspects of our business
  - Spent the last several months evaluating commercial opportunities, operations and footprint, support functions and organizational structure
- Identified meaningful opportunities to meet or exceed our 25% EBITDA margin target
- Announced ASCEND program focused on driving accelerated growth and EBITDA
  - Expect total incremental annualized adjusted EBITDA of $40-50 million
  - Run-rate expected to be achieved by Fiscal 2025
- Expect to invest $60-$65 million over the program period
- Continuing to pursue key initiatives in addition to ASCEND to drive growth and efficiency

ASCEND Initiatives

ENERPAC TOOL GROUP

ASCEND has three key broad initiatives:

1 ***Accelerating organic growth go-to-market strategies***

- Improved commercial effectiveness
- Vertical market-specific commercial and product strategies
- Channel optimization using 80/20 approach
- Strategic pricing optimization
- Selective innovation to meet broader and emerging market demands

2 ***Improving operational excellence and production efficiency by utilizing a Lean approach***

- Business simplification through further footprint optimization
- Accelerating global strategic sourcing and indirect spend optimization
- Rationalizing SKU's using 80/20 approach

3 ***Driving greater efficiency and productivity in SG&A by better leveraging resources to create a more efficient and agile organization***

- Optimize General & Administrative costs through consolidation and additional shared services implementation
- Strengthen salesforce effectiveness by enhancing sales and channel coverage and flattening structure – being closer to our customers
- Legal entity rationalization

In addition to the ASCEND program, we will continue to focus on several key organic growth initiatives

- Enhanced New Product Development
- Digital and IOT enablement in products, services and go-to-market strategy
- Stronger regional growth strategies in developing markets

And we intend to continue to pursue inorganic growth opportunities to enhance growth

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

ENERPAC TOOL GROUP

Invest in Ourselves to Drive Organic Growth

Disciplined M&A within Industrial Tools 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



Strategy Update – Announced Share Repurchase

Share Repurchase Program

- Board of Directors has approved a new share repurchase program of up to 10 million shares, which replaces the previous program that was paused during COVID-19
- Reauthorization and intent to repurchase shares remains an important part of capital allocation
- Reflects Board's confidence in our strong financial position and cash generating abilities as we embark on our ASCEND program
- We expect that our available cash, existing credit facilities and access to capital markets will also support a disciplined M&A strategy as we continue to identify complementary additions to the Enerpac Tool Group portfolio

Selective, Disciplined M&A

DISCIPLINED STRATEGY

- Commitment to pure-play industrial tools and services
- Targeting adjacent bolt-on and strategic acquisitions with high degree of complementarity
- 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 in our space
- We target acquisitions to support the growth in verticals, provide technology opportunities, or expand geographic coverage 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



Significant Opportunities for Value Creation

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

Pure-Play Industrial Tools 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

Q2 Updates

Q2 Market Update

Overview

- Strong top line, breaking our typical Q2 seasonality driven by broad based improvement in demand
- Continued to actively manage supply chain and logistics challenges
- Took previously announced pricing actions in January to offset on-going inflationary pressures
- COVID challenges did impact the quarter and vary by region but in general have improved in recent weeks, which we expect to continue in the back half of the fiscal year
- Crisis in Russia/Ukraine has caused caution amongst some distributors and created additional supply chain challenges

IT&S Regional Core Sales

- Middle East growth: ~mid 20%
- Americas growth: ~low 20%
- Asia Pacific growth: ~high single digits%
- Europe growth: ~low single digits%

Q2 Regional Update

Americas / Europe

- Another quarter of solid year-over-year core growth in the Americas
- Modest year-over-year core sales growth in Europe
- Key Verticals
  - General industrial markets showed solid signs of activity in North America; Power Generation and Rail were also favorable
  - Infrastructure was strong in Europe
  - Mining (copper) and Oil & Gas were positive in Latin America
- Distribution
  - Dealer sentiment in the Americas is cautiously optimistic given overall economic activity but inflation and supply chain continue to be a concern
  - Dealer sentiment in much of Europe is generally favorable with some variation by region, with Central and Eastern Europe recently more cautious due to the crisis in Ukraine

Asia Pacific

- Year-over-year core growth
- COVID impacts vary by country within the region with overall stability and easing travel restrictions
- Key Verticals
  - Majority of verticals continue to be stable or improving
  - Mining driven by ore pricing and coal demand
  - Both Power Generation and Oil & Gas were favorable due to high energy demand

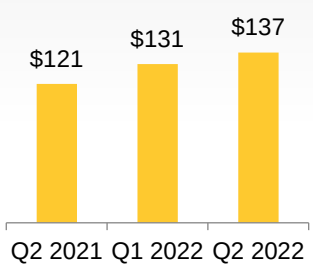
Q2 Regional Update

Middle East/North Africa/Caspian (MENAC)

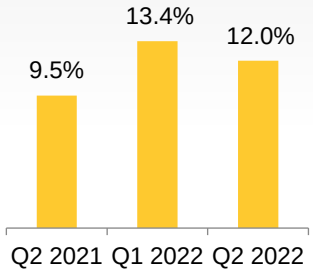
- Solid year-over-year core growth
- Spike in oil & gas activity due to underinvestment the past few years
- Maintenance work on certain sites is being pushed out to leverage the high oil prices
- COVID related travel restrictions remain in some countries but has improved
- Seeing an increase in retail demand and overall dealer sentiment is positive due to easing COVID restrictions and increased oil prices
- Key Verticals
  - Oil & Gas picked up including new projects/expansions and major shutdowns (maintenance work)
  - Power Generation and Infrastructure were strong in the quarter

Second Quarter 2022 Comparable Results

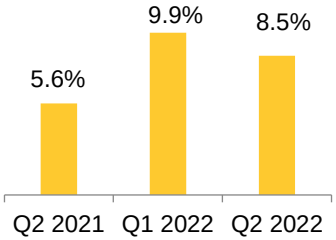
(US$ in millions except EPS)



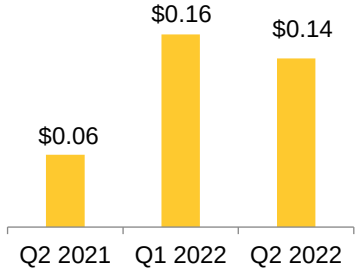
Net Sales*



Adjusted EBITDA %*



Adjusted Operating Profit %*



Adjusted Diluted EPS*

NET SALES

- Core sales growth of 16%
  - IT&S product sales 15%
  - Other product 35%
  - Service 13%
- Unfavorable impact of FX ~$3M

ADJUSTED EBITDA*

- Incremental margins of ~28%, excluding the impact of currency, and ~45% excluding the impact of receivable reserves

ADJUSTED OPERATING PROFIT*

- Year-over-year increase is primarily due to increased volume, price/mix/cost and lower SG&A partially offset by lower service mix/utilization and higher receivable reserves

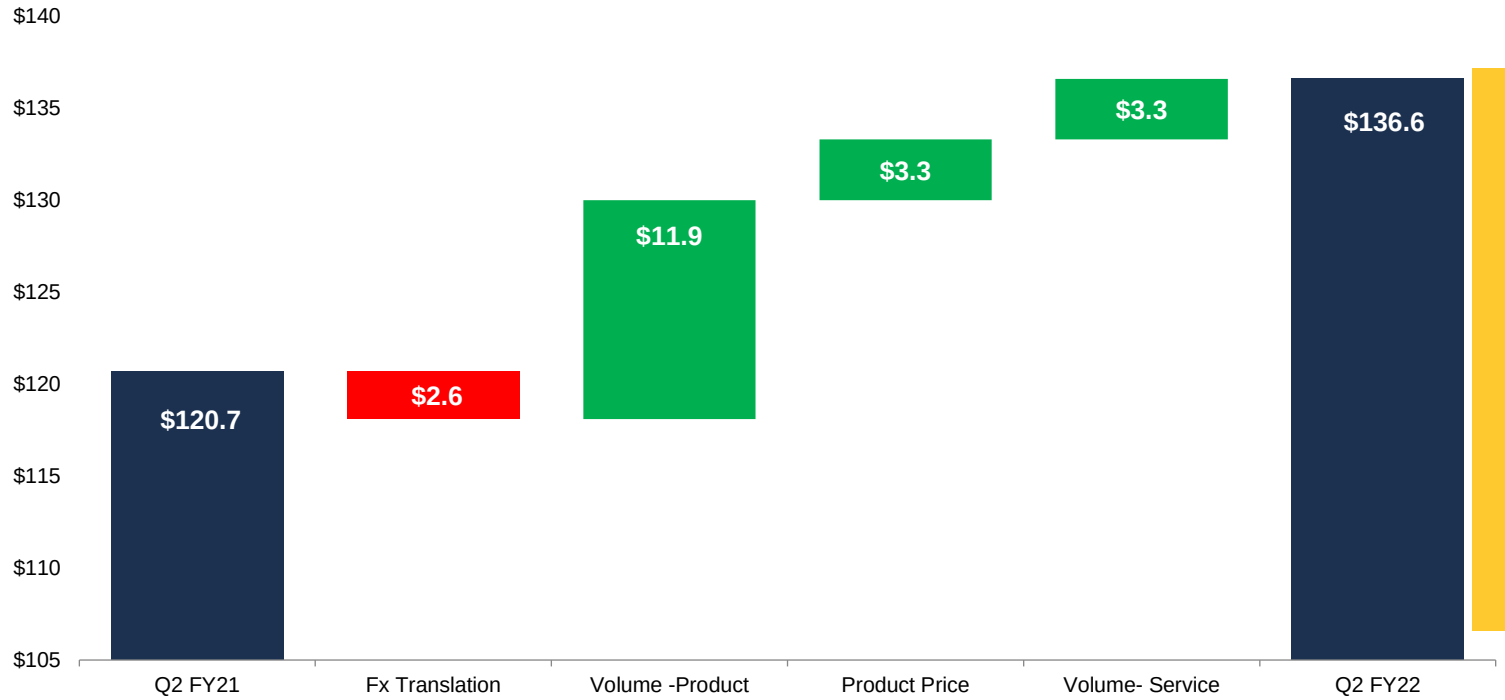
ADJUSTED DILUTED EPS*

- Year-over-year increase is due to operating margin increase, and interest savings offset by the higher effective tax rate
- Adjusted effective tax rate for the quarter ~18% vs ~16% in the prior year

*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.

Q2 Net Sales Waterfall*

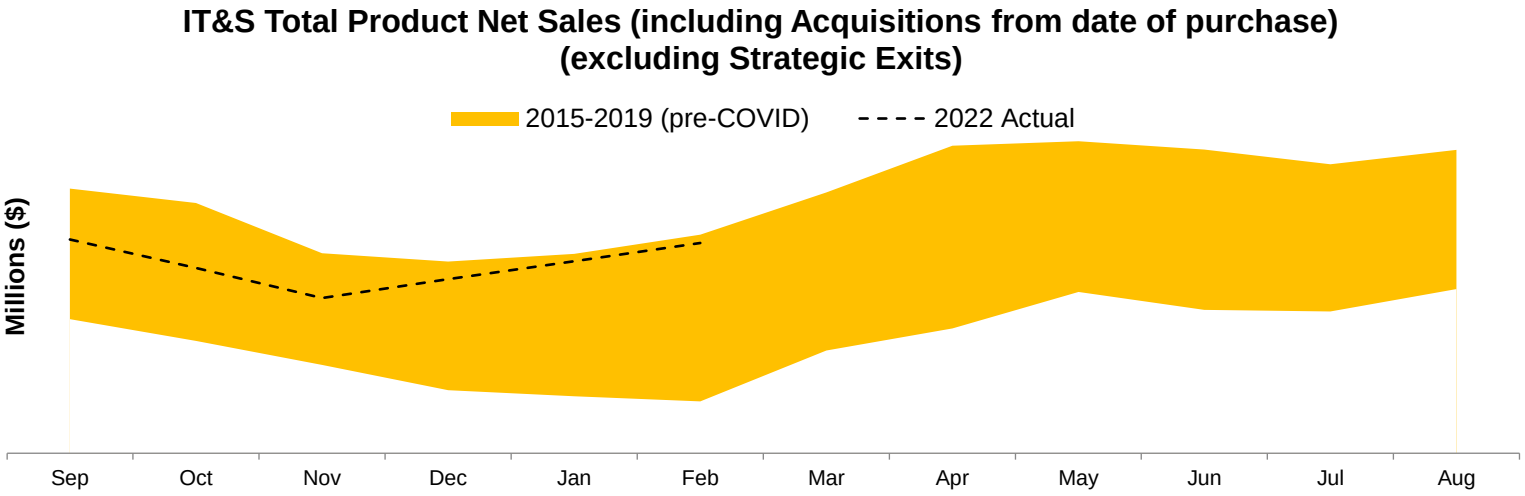
(US$ in millions)



We remain encouraged by the level of product volume that we saw during the quarter as our end markets continue to recover, despite on-going supply chain and logistical challenges

* See the reconciliation of net sales to core sales in the appendix.

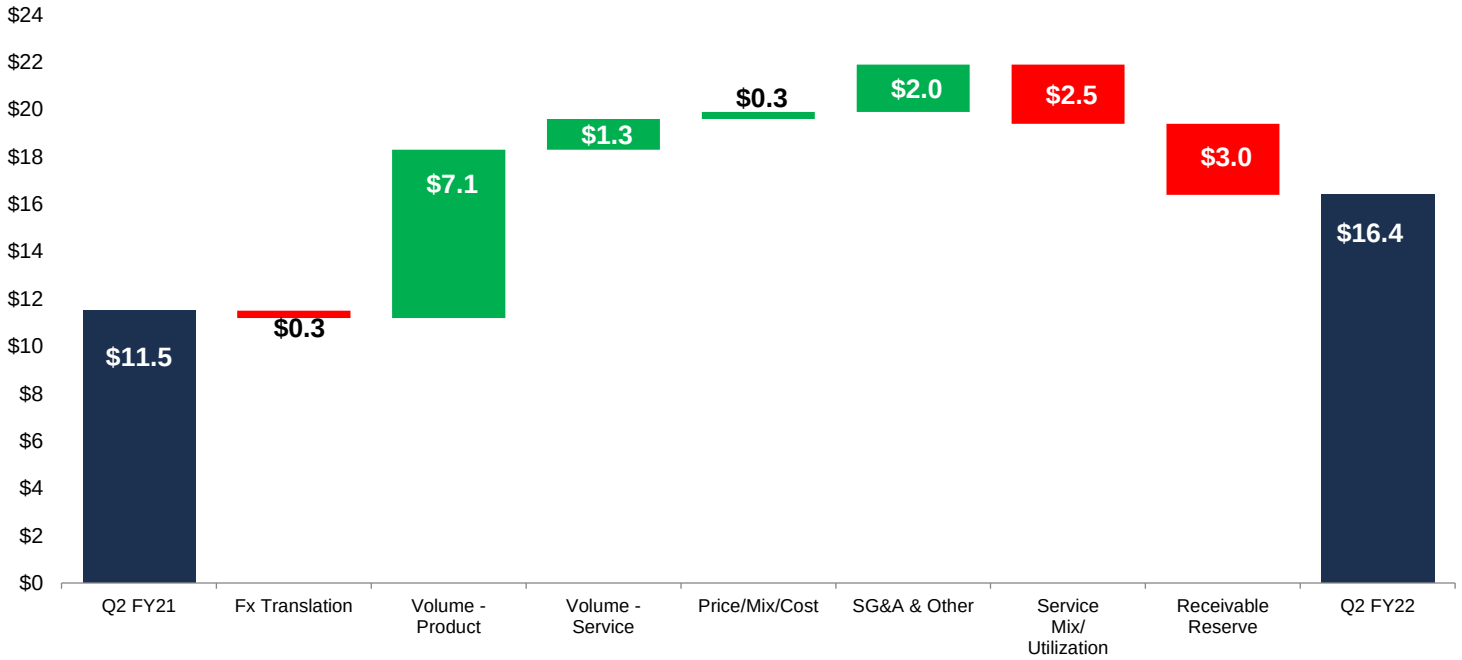
Q2 IT&S Product Net Sales



With continued strong demand, we broke our normal Q2 seasonal trend this quarter, with Q2 net sales exceeding Q1

Q2 Adjusted EBITDA Waterfall*

(US$ in millions)



Adjusted EBITDA benefited primarily from higher volume, price/mix/cost and lower SG&A partially offset by the year-over-year decrease in service mix/utilization and an increase in receivable reserves

* Includes certain Non-GAAP financial measures. See the accompanying reconciliation tables for additional details.

Q2 Operations Update

Supply Chain

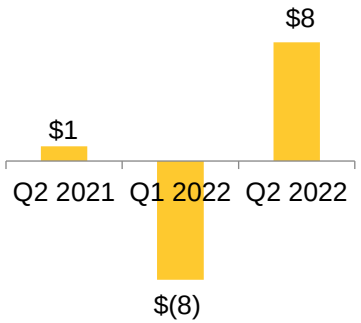
- Supply chain challenges continued during the second quarter; prior to crisis in Ukraine, saw some signs of improvement
- Russia/Ukraine conflict has created incremental supply chain concerns
- Electrical component shortages continued and expected to remain a large factor in our past due backlog
- Remain focused on controlling inventory levels in anticipation of a US west coast port union strike
- Expect supply chain challenges through the back half of fiscal 2022

Logistics & Commodity Costs

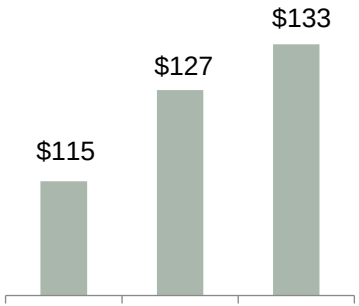
- Logistic constraints and inflationary costs continued during the second quarter
- Freight costs remained high
- Experienced significant commodity price increases within the first 10 days of Russia/Ukraine conflict; costs remain significantly elevated and are expected to continue to increase over the coming months
- Seeing cost increases on almost all categories we purchase
- US and European inflationary pressures are expected to continue
- Took additional pricing effective January 1 as previously announced
- Additional pricing actions forthcoming along with surcharges
- Expect margin compression until inflationary costs subside

Q2 Liquidity – Positioned for Success

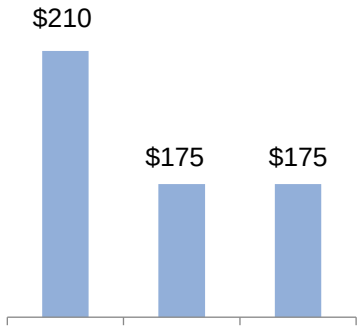
(US$ in millions)



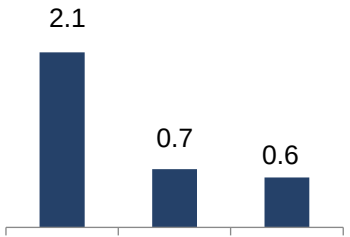
Free Cash Flow



Cash Balance



Gross Debt



TTM Financial Leverage*

Free Cash Flow (FCF)

- Increase in select inventory planned to get ahead of supply chain shortages, increased demand and future logistics concerns

Leverage

- Well below target range of 1.5-2.5x

* Calculated in accordance with the terms of the Company's March 2019 Senior Credit Facility

Expectations for Fiscal 2022*

ENERPAC TOOL GROUP

Updating our Fiscal 2022 Full Year Guidance*:

- **Net Sales in the range of $560 million to $580 million**
  - Nearly half of the change due to the strengthening of the US Dollar
  - Challenging macroeconomic environment creating heightened uncertainty
- **Projected year-over-year core growth by category**
  - IT&S Product ~ low teens%
  - IT&S Service ~ low single digits%
  - Other ~ low to mid 20%
- **Incremental EBITDA margins of 35%-45%, excluding the impact of currency**
  - Incremental margins calculated using FX adjusted Fiscal 2021 sales of ~$515 million

Fiscal 2022 Annual Modeling Assumptions*:

- Tax Rate: ~20%-25%
- Depreciation/Amortization: ~$20-$22 million
- Interest Expense: ~$3-$4 million
- Capital Expenditures: ~$8-$10 million
- Cash Taxes: ~$8-$12 million
- 100% Free Cash Flow conversion
- Key FX rates :
  - $1.09/1€, previously $1.16/1€
  - $1.30/1£, previously $1.37/1£

We continue to be cautious as we enter the back half of fiscal 2022 but are closely monitoring headwinds and tailwinds.

Headwinds may include:

- **Strengthening of US Dollar**
- **Inflationary factors**
- **Continued supply chain/logistic disruptions**
- **Russia/Ukraine crisis**
- **COVID related shutdowns**

Tailwinds may include:

- **Weakening of US Dollar**
- **Infrastructure bill**
- **Further recovery in oil & gas due to oil prices**
- **Stronger growth in areas that haven't fully recovered**

*as of March 23, 2022

ENERPAC®

TOOL GROUP