REFINITIV

DELTA REPORT

10-K

EPAC - ENERPAC TOOL GROUP CORP

10-K - AUGUST 31, 2023 COMPARED TO 10-K - AUGUST 31, 2022

The following comparison report has been automatically generated

TOTAL DELTAS	2397
CHANGES	333
DELETIONS	1043
ADDITIONS	1021

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

 ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended August 31, 2022 August 31, 2023

OR

 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)

OF THE SECURITIES EXCHANGE ACT OF 1934
For the Transition period from to
Commission File No. 1-11288

ENERPAC TOOL GROUP CORP.

(Exact name of Registrant as specified in its charter)

Wisconsin	**39-0168610**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

N86 W12500 WESTBROOK CROSSING
MENOMONEE FALLS, WISCONSIN 53051
Mailing address: P.O. Box 3241, Milwaukee, Wisconsin 53201
(Address of principal executive offices)
(262) 293-1500
(Registrant's telephone number, including area code)
Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Ticker Symbol(s)	Name of each exchange on which registered
Class A common stock, $0.20 par value per share	**EPAC**	**NYSE**

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by checkmark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes **No**

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Yes **No**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months, and (2) has been subject to such filing requirements for the past 90 days. **Yes** **No**

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). **Yes** **No**

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or emerging growth company. See definition of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer		Accelerated filer	
Non-accelerated filer		Smaller reporting company	
Emerging growth company			

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. **Yes** **No**

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act.):

Yes ☐ **No** ☐

As of February 28, 2022 February 28, 2023, the last business day of the registrant's second fiscal quarter, the aggregate market value of the shares of Class A common stock (based upon the closing price on the New York Stock Exchange on February 28, 2022 February 28, 2023) held by non-affiliates of the Registrant was approximately $1.04 billion $1.53 billion.

There were 56,871,057 54,342,259 shares of the Registrant's Class A Common Stock outstanding as of October 18, 2022 October 16, 2023.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the definitive Proxy Statement for the Annual Meeting of Shareholders to be held on February 3, 2023 January 25, 2024 are incorporated by reference into Part III hereof.

TABLE OF CONTENTS

Enerpac Tool Group Corp. provides free-of-charge access to our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and all amendments thereto, through our investor website, www.enerpactoolgroup.com, ir.enerpactoolgroup.com, as soon as reasonably practical after such reports are electronically filed with the Securities and Exchange Commission.

FORWARD LOOKING STATEMENTS AND CAUTIONARY FACTORS

This annual report on Form 10-K contains certain statements that constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainties. 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. In addition to the assumptions and other factors referred to specifically in connection with such statements, factors that may cause actual results or events to differ materially from those contemplated by such forward-looking statements include, without limitation, the economic impact of the COVID-19 pandemic and other 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 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, 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 factors 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 under "Item 1A. Risk Factors" of this annual report on Form 10-K. We disclaim any obligation, except to the extent required by applicable law, to publicly update or revise any forward-looking statements as a result of new information, future events or any other reason.

When used herein, the terms "we," "us," "our," "Enerpac," and the "Company" refer to Enerpac Tool Group Corp. and its subsidiaries. Reference to fiscal years, such as "fiscal 2022, 2023," are to the fiscal year ending on August 31 of the specified year.

PART I

Item 1. Business

General

Enerpac Tool Group Corp. is a premier industrial tools, services, technology and services solutions company serving a broad and diverse set of customers in more than 100 countries. The Company is a Enerpac Tool Group's businesses are global leader in the engineering and manufacturing leaders of high pressure hydraulic tools, controlled force products and solutions for precise positioning of heavy loads that help customers around the world safely, reliably and reliably efficiently tackle some of the most challenging, jobs around the world. complex, and often hazardous jobs. The Company was founded in 1910 and is headquartered in Menomonee Falls, Wisconsin. The Company has six operating segments, one reportable segment, the Industrial Tools & Service Services Segment ("IT&S") Americas, IT&S Europe/Sub Sahara Africa/India ("IT&S ESSAI"), IT&S Asia Pacific/Australia/China ("IT&S APAC"), IT&S Middle East/North Africa/Caspian ("IT&S MENAC"), Cortland Industrial and Cortland Medical. In accordance with generally accepted accounting principles in the United States ("US GAAP"), the IT&S operating segments met the criterion for aggregation and have been aggregated into IT&S, our only reportable segment. . The IT&S segment is primarily engaged in the design, manufacture and distribution of branded hydraulic and mechanical tools and in providing services and tool rental to the industrial, maintenance, infrastructure, oil & gas, alternative energy and other markets. Financial information related to the Company's reportable segment is included in Note 16, 15, "Business Segment, Geographic and Customer Information" in the notes to the consolidated financial statements. Our businesses provide an array of products and services across multiple markets and geographies, which results in significant diversification. The IT&S segment and the Company are well-positioned to drive shareholder value through a sustainable business strategy built on well-established brands, broad global distribution and end markets, with a clear focus on the core tools and services business, and disciplined capital deployment.

During the fourth quarter of fiscal 2019, we entered into a Securities Purchase Agreement ("SPA") to sell the remaining businesses within our legacy Engineered Components & Systems ("EC&S") segment. We closed the transaction during our first quarter of fiscal 2020. The divestiture of the EC&S segment was a strategic shift to become a pure-play industrial tools and services company. As such, retained liabilities associated with the results of the former EC&S segment are considered discontinued operations in all periods presented herein.

Our Business Model

Our long-term goal is to create shareholder value and best sustainable returns for our shareholders through above-market growth in class returns through growth of our core businesses, driving efficiency and profitability, business, expanding our margins, generating strong cash flow, and being disciplined in the deployment of our capital. We intend to leverage grow through execution of our strong brand, market positions, and dealer and distribution networks to generate organic core sales growth that exceeds end-market growth rates. Our plan is to accomplish organic growth through a combination of market share capture and product innovation, as well as market expansion into new strategy, focused on key vertical markets that benefit from long-term macro trends, driving customer driven innovation, expansion of our digital ecosystem to acquire and engage customers, and an expansion in emerging industries and new geographic regions. markets such as Asia Pacific. In addition to organic growth, we also focus on profit margin expansion by utilizing through operational efficiency techniques, including lean, continuous improvement techniques and 80/20, to drive productivity and lower lower costs, as well as

optimizing our selling, general and by enacting routine administrative expenses through consolidation and shared service implementation. We also apply these techniques and pricing initiatives actions to generate price realization and offset cost increases, such as commodity and tariff increases and general inflation. inflationary pricing. Finally, cash flow generation is critical to achieving our financial and long-term strategic objectives. We expect to achieve strong believe driving profitable growth and margin expansion will result in cash flow generation, by maximizing returns on assets and which we seek to supplement through minimizing primary working capital needs. The capital. We intend to allocate the cash flow that results from efficient asset management the execution of our strategy in a disciplined way toward investment in our businesses, maintaining our strong balance sheet, disciplined M&A and improved profitability is used opportunistically returning capital to fund internal shareholders. We anticipate the compounding effect of reinvesting in our business will fuel further growth opportunities, strategic acquisitions, paydown of debt and opportunistic returns to shareholders. profitable returns.

In March 2022, the Company announced the start of its ASCEND transformation program ("ASCEND"). ASCEND's key initiatives include accelerating organic growth go-to-market strategies, improving operational excellence and production efficiency by utilizing a Lean approach, and driving greater efficiency and productivity in selling, general and administrative expense by better leveraging resources to create a more efficient and agile organization. The In support of the ASCEND initiatives, the Company expects that it will deliver anticipates investing approximately $70-$75 million over the life of the program, which is expected to be fully implemented by the end of the fourth quarter of fiscal 2024, with an incremental $40- expected annual operating profit improvement from the program in the range of $50-$50 million 60 million. Through the end of fiscal 2023, the Company has realized approximately $54 million of annual operating profit from the execution of the ASCEND program and had invested approximately $60 million as part of the program.

In June 2022, the Company approved a restructuring plan in connection with the full run rate initiatives identified as part of operating profit the ASCEND transformation program (see Note 3, "ASCEND Transformation Program" in the notes to the consolidated financial statements) to drive greater efficiency and productivity in global selling, general and administrative resources. The total costs of this plan were then estimated at $6 to $10 million, constituting predominately severance and other employee-related costs to be incurred as cash expenditures and impacting both IT&S and Corporate. On September 23, 2022, the Company approved an updated restructuring plan. The costs of this updated plan (which includes the amounts for the plan approved in June 2022) are estimated at $10 to $15 million. These costs are expected to be reflected in its results as it exits fiscal 2024 and fully incorporated into its fiscal 2025 projections. Enerpac anticipates investing approximately $60-$65 million incurred over the life expected duration of the transformation program, to support ending in the ASCEND initiatives. fourth quarter of fiscal 2024.

Description of Business Segments

Industrial Tools & Services Reportable Segment

IT&S is a global supplier of both products and services to a broad array of end markets, including infrastructure, industrial maintenance, repair and operations, oil & gas, mining, alternative and renewable energy, and civil construction markets.

Our primary products include branded tools, cylinders, pumps, hydraulic torque wrenches and highly engineered heavy lifting technology solutions. Examples of our products include high-force hydraulic and mechanical tools (cylinders, pumps, valves, bolt tensioners, specialty tools and specialty tools) other miscellaneous products), which are designed to allow users to apply controlled force and motion to increase productivity, reduce labor costs and make work safer and easier to perform, bolt tensioners and other miscellaneous products. perform. These tools operate at very high pressures of approximately 5,000 to 12,000 pounds per square inch. With our products used in a wide variety of end markets, they are often deployed in harsh operating conditions, such as machining, infrastructure maintenance and repair, and oil & gas production, where safety is a key differentiator. As a result, we hold ourselves to a world-class safety standard to protect both our employees and those using our products and services.

On the services side of the segment, our highly trained technicians provide maintenance and manpower services on customer assets to meet their specific needs including bolting, machining, and joint integrity. We also provide rental capabilities services for certain of our products.

Our branded tools and services are primarily marketed through the Enerpac, Hydratight, Larzep and Simplex brand names.

The segment delivers products and services primarily through our world-class, global network of distributors, as well as direct sales to OEMs and select end users. Examples of industrial distributors include W.W. Grainger, MSC and Blackwoods.

Other Operating Segment

The Cortland Industrial and Medical operating segments, which primarily design and manufacture high performance synthetic ropes and biomedical textiles, respectively, do not meet the quantitative or qualitative thresholds individually or collectively, to be considered reportable segments, and together represent the Other operating segment. Therefore, the results are not disclosed separately as would be required if the Other operating segment were considered a reportable segment, and as the business is not closely related to the IT&S segment, results are not aggregated to be included in the results of the IT&S reportable segment. Certain On July 11, 2023, the Company completed the sale of the Cortland Industrial business (see Note 5, "Discontinued Operations and Other Divestiture Activities" in the notes to the consolidated financial statements). Certain information related to the Other operating segment is disclosed within Note 16, 15, "Business Segment, Geographic, and Customer Information" in the notes to the consolidated financial

statements in order to comply with requirements under generally accepted accounting principles in the United States ("US GAAP requirements GAAP") to reconcile certain required disclosures to the Consolidated Financial Statements.

Acquisitions and Divestitures

For a summary of recent acquisition and divestiture transactions impacting continuing operations, see Note 5, "Acquisitions" and Note 6, "Discontinued Operations and Other Divestiture Activities" in the notes to the consolidated financial statements.

International Business

Our products and services are generally available globally, with our principal markets outside the United States being Europe, the Middle East and Asia. In fiscal 2022, 2023, we derived 40% 39% of our net sales from the United States, 24% 25% from Europe, 14% from the Middle East, 14% 12% from Asia and 8% 10% from other geographic areas. We have operations around the world that allow us to draw on the skills of a global workforce, provide flexibility to our operations, drive economies of scale, provide revenue streams that may help offset economic trends that are specific to individual countries, and facilitate access to new markets. Although international operations are subject to certain risks, we continue to believe that a global presence is key to maintaining strong relationships with many of our global customers and suppliers. Financial information related to the Company's

geographic footprint of our continuing operations is included in Note 16, 15, "Business Segment, Geographic and Customer Information" in the notes to the consolidated financial statements.

Product Development and Engineering

We conduct research and development activities to develop new products and to enhance the functionality, effectiveness, ease of use and reliability of our existing products. We believe that our engineering and research and development efforts have been, and continue to be, key drivers of our success in the marketplace. Our advanced design and engineering capabilities contribute to the development of innovative and highly engineered products, maintain our technological leadership and enhance our ability to provide customers with unique and customized solutions and products. We anticipate that we will continue to make significant expenditures for research and development as we seek to provide new innovative tools and services to grow our market share. Research and development ("R&D") costs are expensed as incurred. R&D costs were $7.3 million $9 million in fiscal 2023, $7 million in fiscal 2022 a decrease of 1% from $7.4 million and $7 million in fiscal 2021 and an increase of 1% from $7.3 million in fiscal 2020. 2021.

The Company holds numerous patents and trademarks; however, trademarks. While no individual patent or trademark is believed to be of of such importance that its termination would have a material adverse effect on our business, the termination of certain of our trademarks, including ENERPAC®, SIMPLEX®, HYDRATIGHT® and LARZEP & DESIGN®, could have a material adverse effect on our business.

Competition

The markets for our products are highly competitive. We provide a diverse and broad range of industrial products and services to numerous global end markets, many of which are highly fragmented. Although we face larger competitors in several served markets, some of our competition is comprised of smaller companies which may lack the footprint or financial resources to serve global customers. We compete for business principally on the basis of customer service, product quality and availability, engineering and research and development expertise. In addition, we believe that our cost structure, strategic global sourcing capabilities and global distribution support our competitive position.

Manufacturing and Operations

While we do have manufacturing capabilities including machining and fabrication, our manufacturing consists primarily of light assembly of components we source from a network of global suppliers. We have implemented single piece flow processes in most of our plants, which reduces inventory levels, lowers re-work costs and shortens lead times to customers. Components are built to our highly engineered specifications by a variety of suppliers including those in best-cost locations including various countries such as China and India. in Asia. We have built strong relationships with our key suppliers and, while we single source certain of our components, in many cases there are several qualified alternative sources.

Raw Material Costs, Inflation and Tariffs

We source materials and components from a network of global suppliers. These items are typically available from multiple suppliers. Raw materials that go into the components we source, such as steel, aluminum, plastic resin, brass, steel wire and rubber, are subject to price fluctuations and tariffs, which could have an impact on our results. We have been able to offset the impact of inflation with pricing actions, manufacturing efficiencies and other cost reductions. In addition, several of our products have been subject to tariffs, but to date we have been able to offset the majority of additional costs from tariffs through price increases. We continue to manage our supply chain to mitigate ongoing risks associated with the evolving political and inflationary environments.

Order Backlogs and Seasonality

Our operating segments have a relatively short order-to-ship cycle. We had order backlogs of $54 million and $72 million at August 31, 2023 and $55 million at August 31, 2022 and 2021, 2022, respectively. The increase decrease in our order backlog year over during the fiscal year was primarily due to a combination of strong orders and alleviated pressure on the supply chain. Assuming no significant supply chain challenges putting pressure on past due backlog. The supply chain challenges, including logistical constraints are a result arise after the date of the demand surge following the lessening of the COVID-19 pandemic at the end of fiscal 2021. Exclusive of further deterioration of our supply chain, this report, substantially all of the backlog at August 31, 2022 August 31, 2023 is expected to be filled within twelve months.

While we typically experience a stronger second half to our fiscal year, our consolidated sales are not subject to significant seasonal fluctuations.

Percentages of Sales by Fiscal Quarter

	2022	2021
Quarter 1 (September - November)	23 %	23 %
Quarter 2 (December - February)	24 %	23 %
Quarter 3 (March - May)	27 %	27 %
Quarter 4 (June - August)	26 %	27 %
	100 %	100 %

	2023	2022
Quarter 1 (September - November)	23%	23%
Quarter 2 (December - February)	24%	24%
Quarter 3 (March - May)	26%	27%
Quarter 4 (June - August)	27%	26%
	100%	100%

Human Capital Management

The goal of human capital management strategy and practices is for Enerpac to be considered an employer of choice, and our initiatives and programs are predicated on making this objective a reality.

The talent and skills of that makes up our workforce (approximately 2,200 2,100 employees as of August 31, 2022 August 31, 2023) are is critical to the success of our future success company and the ability to deliver shareholder value. Our talent development framework starts with is built around a robust performance management. management and development structure. Together with their leaders, employees establish annual goals and objectives that clearly align directly with our organizational commitments. We monitor progress throughout the year, with candid and frequent dialogue encouraged along the way. Annually, way, and, new for fiscal 2024, a formal check-in process to facilitate a clear understanding of goals and the status of progress toward achieving those goals. Bi-annually, our senior leadership team Executive Leadership Team ("ELT") reviews the skills we require to execute our corporate strategy and key roles role requirements to identify development opportunities for our emerging talent talent. Annually, we conduct performance review and perform succession planning. We planning, and we promote a longer-term long-term career development view by inviting employees to work with leaders to create their own encouraging the creation of unique individual development plan. plans. Training programs in many different manners are available opportunities for all levels throughout Enerpac, addressing a wide variety of skills the organization are available and competencies, both general focus on skill, competency and technical. leadership development. We believe in coaching and the sharing of perspectives, and we facilitate mentorship opportunities for the benefit of our workforce. We are committed to devoting the time, resources and planning necessary to maximize the potential of our employees. employees' career development, as well as address the future skill needs of our organization.

We offer competitive compensation and benefits tailored to the geographical markets and industries in which we operate. In the U.S., employees who work more than 30 hours per week are eligible for a comprehensive menu of benefits, including paid time off, healthcare (health, dental, and vision), coverage, short and long-term disability, life and accidental disability insurance, a 401(k) retirement plan with a Company match and immediate vesting, access to our Employee Assistance Program, employee assistance program, an annual bonus program with broad participation, equity incentive programs, an Employee Stock Ownership Plan employee stock ownership plan that allows employees to buy company shares at a discount, flexible work arrangements, and up to 12 weeks of paternal leave. We also offer annual parental leave, of which six weeks are paid at an employee's full salary. In fiscal 2023, we increased our tuition reimbursement of up to $3,500 $5,250 for associate and undergraduate programs and $5,000 $7,500 for graduate programs, for all U.S. while also offering the same level of reimbursement to part time workers as full-time employees and $1,000 for part-time employees who work more than 20 hours per month. workers. During 2022, fiscal 2023, we expanded paid parental leave, adoption assistance, medical coverage for fertility treatments our supplemental life and expanded short-term disability benefits for hourly employees. spousal insurance offering. We continue to evaluate enhancements to our compensation and benefit programs in all locations to ensure we remain competitive and meet the needs of our employees. Consistent with this desire, we are enhancing or adding several benefits for our U.S. employees beginning in calendar 2023, including enriching our tuition reimbursement programs and adding voluntary benefits including critical illness, accident insurance, identity protection and certain legal services.

Diversity, Equity, Inclusion & Inclusion. Belonging. Our senior leadership team Diversity, Equity, Inclusion & Belonging ("DEIB") remains a core tenet of our organizational ethos, championed by our ELT and management at all levels are dedicated levels. Our unwavering commitment to creating a fostering an inclusive culture of inclusion and belonging and a workplace where all employees can thrive and do their best work, and senior management reports to the Board on the Company's progress in these areas on a regular basis. Over the past year, we have significantly enhanced our focus on Diversity, Equity & Inclusion ("DE&I") and have incorporated these objectives into our core strategy. Our DE&I objectives include: (i) a focus on our culture, (ii) supporting education for disadvantaged groups in our communities, and (iii) broadening our recruiting efforts to reach and attract more diverse employees. Because of the strategic importance of DE&I, and to embed it into our strategy, DE&I initiatives are under the responsibility of our EVP & Human Resource Officer. To date, as part of our strategy execution, we have hired a leader of DE&I for Enerpac, leveraged the efforts of a third-party consulting firm to assist in the execution of our priorities, created DE&I councils is reflected in our four operating regions, key DEIB pillars: prioritize cultivating a diverse and formed the Women of Enerpac, inclusive workplace culture, support education and skill building opportunities for our first employee resource group. Our DE&I initiatives have strong ties into the broader organization employees, broaden our talent acquisition efforts to ensure we are successful in achieving our goals. In 2023, we will be adding further attract diversity, and empower employees through employee resource groups including a multicultural resource group. ("ERGs").

We also believe diversity at the executive and Board level is key to the long-term success of the Company and to promote diversity and inclusion include diverse representation in our workplace. slates for all positions and will continue to do so. At the end of fiscal 2022, our executive officers included one female (17% of the membership of that committee). At the end of fiscal 2022, 2023, our board of directors included two females (25% includes three female (30%) and one racially diverse individual (13% (10%). individual. We firmly believe that valuing embedding diversity as part of into our core strategy will provide greater opportunity for Enerpac to attract and retain not only aligns with our values but also provides a competitive advantage, attracting exceptional talent, benefit from leveraging diverse points of view perspectives, and ultimately assist in achieving driving value creation for our goals to drive shareholder value creation. shareholders.

Employee Safety. The safety, health, and well-being of our employees, contractors, and visitors at our sites globally is our top priority and a principle that is deeply embedded in our culture. Our health, safety, security, environment, and quality

("HSSEQ") programs are fully embraced by our leaders and employees at all levels embrace our health,

safety, security, environment, and translate quality ("HSSEQ") programs, which translates into an enterprise-wide obligation to provide healthy, safe and productive work environments for our employees and deliver high standards of safety and quality in the products, services and solutions for our customers and end-users. At the heart of our HSSEQ efforts is a desire to foster a culture of continuous improvement and employee empowerment through training, frequent and constructive management engagement, a risk-based evaluation of business activities and behaviors, and the deployment of programs and resources to mitigate those risks. We continually track and report our performance, including through thorough reviews of incidents, near-misses, and quality issues; and management accountability and discussion of these improvement opportunities is a cornerstone of all business reviews. We finished the year with a Total Case Incident Rate total case incident rate (TCIR) of 0.61. 0.64. This is up slightly year over year year-over-year as fiscal year 2021 2022 had a TCIR of 0.56. 0.61. This puts us right at our performance in the top quartile performance (less than 0.6) in comparison to the BLS NAICS bracket for Machinery Manufacturing (333) for companies with greater than 1,000 employees.

Executive Officers of the Registrant

The names, ages and positions of all of the executive officers of the Company as of October 15, 2022 October 15, 2023 are listed below.

Name	Age	Position
Paul E. Sternlieb	50 51	President and Chief Executive Officer
Barbara G. Bolens	61	Executive Vice President and Chief Strategy Officer
Anthony P. Colucci	52 53	Executive Vice President and Chief Financial Officer
James P. Denis	48 49	Executive Vice President, General Counsel, Company Secretary & Chief Compliance Counsel
Markus Limberger	52 53	Executive Vice President, Operations
Benjamin J. Topercer	45 46	Executive Vice President and Chief Human Resource Officer
Scott Vuchetich	53	Executive Vice President, Marketing and President - Americas

Paul Sternlieb, President and Chief Executive Officer, was appointed President and Chief Executive Officer of the Company in October 2021. Prior to joining the Company, Mr. Sternlieb served as Executive Vice President ("EVP") and President, Protein, at John Bean Technologies Corporation ("JBT") since October 2017. Prior to JBT, Mr. Sternlieb was Group President, Global Cooking in the Food Equipment Group at Illinois Tool Works since 2014. He served as a Vice President ("VP") & General Manager with Danaher from 2011 to 2014. Before Danaher, he held management roles with the H.J. Heinz Company, a leading food production company and was a consultant with McKinsey & Company.

Barbara Bolens, EVP and Chief Strategy Officer, joined the Company in August 2018 as VP of Investor Relations and Corporate Strategy and was appointed EVP and Chief Strategy Officer in October 2019. Prior to joining the Company, Ms. Bolens spent over six years at Komatsu Mining Corporation (formerly Joy Global Inc.) as its Vice President and Treasurer. Prior to Komatsu, she held financial leadership positions of progressive responsibility at several other multinational corporations as well as early career leadership roles in sales and marketing.

Anthony Colucci, EVP and Chief Financial Officer, ("CFO"), joined the Company in that capacity in May of 2022, and leads global Finance and IT. Information Technology. From June 2020 until joining the Company, Mr. Colucci served as Executive Vice President and Chief Finance and Administrative Officer of Robertshaw Industries, a global engineering and manufacturing company focused on controls and solutions for residential white goods and commercial appliances. Prior to joining Robertshaw, Mr. Colucci served as Senior Vice President and Chief Financial Officer of Hayward Industries, Inc., a manufacturer of pool equipment and controls products, from May 2018 to May 2020, and in various positions with Honeywell International since September 2006, including as Vice President and Chief Financial Officer of Honeywell Performance Materials & Technologies from March 2016 to

May 2018 and Vice President and Chief Financial Officer of Honeywell Sensing & Productivity Solutions from September 2011 to March 2016. Mr. Colucci served in various financial roles with AT&T Wireless from September 1997 until he joined Honeywell.

James Denis, EVP, General Counsel, Company Secretary & Chief Compliance Counsel, has served in this capacity since September 2022. He joined the Company in 2013 as our Global Litigation Counsel and was promoted to Regional General Counsel for the Americas and APAC in October 2018 and Assistant General Counsel in March 2020. In December 2021, he was appointed Acting General Counsel and Corporate Secretary. Before joining the Company, Mr. Denis was a shareholder with the law firm of Reinhart Boerner Van Deuren s.c., where he was a member of the firm's Products Liability and Insurance Risk Management Teams.

Markus Limberger, EVP, Operations, joined the Company in September of 2022, with responsibilities for manufacturing, distribution, and procurement. Mr. Limberger served as Vice President Global Operations for Leica Microsystems GmbH, a subsidiary of Danaher Corporation and manufacturer of microscopy equipment, from September 2018 until he joined Enerpac. Prior to that, Mr. Limberger was with Leica Camera AG, serving as Head of Operations from January 2011 to July 2011 and then as Chief Operating Officer until August 2018. Before joining Leica Camera, Mr. Limberger served as Head of Production from August 2007 to January 2008 and then as Managing Director until December 2010 of Uwe Weller Feinwerktechnik

GmbH, a metal processing company. Prior to that, he held operations, logistics and dispatching management positions with a number of other manufacturing firms. His background includes a strong focus on operational excellence and in developing and executing operations strategies to achieve sustained improvements in performance, with extensive experience in Lean and continuous improvement principles. On September 26, 2023, Mr. Limberger resigned his position as Executive Vice President, Operations effective December 1, 2023, when by mutual agreement he will be placed on leave but will continue as an employee, at the same salary with the same benefits, through his contractual notice period until March 31, 2024.

Benjamin Topercer, EVP and Chief Human Resource Officer, joined the Company in February 2022 and leads the global HR human resources function, including our global Health, Safety, Security, Environment, and Quality (HSSEQ) HSSEQ organization, as well as the Diversity, Equity, our DEIB initiatives and Inclusion (DE&I) initiatives. communications function. From June 2016 until he joined Enerpac, Mr. Topercer was the Chief Human Resource Officer for Vantage Specialty Chemicals, a manufacturer of specialty chemicals and ingredients included in consumer and industrial products. Prior to joining Vantage, he served in various human resources management roles for Premier Farnell Corporation, a distributor of electronic components, including as Global Head of HR for its sales, marketing, e-commerce and technology groups and specified business units, from September 2013 to June 2016. Prior to that, Mr. Topercer served as Director, Human Resources for Eaton Corporation, and its predecessor, Cooper Industries, from July 2011 to September 2013. Prior to that, he served in positions of progressive responsibility in the human resources group of Henkel Corporation from September 2004 to July 2011 and at Rexam Sussex from March 2000 to September 2004.

Scott Vuchetich, EVP, Marketing and President - Americas, joined the Company in December 2021. Prior to joining Enerpac, he served Brady Corporation, a global manufacturer of safety, identification and compliance products, in roles of progressive responsibility from January 2015, including as Vice President & General Manager of the People ID division from April 2018 until December 2021. Prior to joining Brady Corporation, he was an independent operations, strategy, diligence and restructuring consultant providing both project support and interim executive services to a variety of corporate clients from August 2012 to December 2014 and also from September 2007 to October 2009. He served as Senior Vice President and General Manager, Food Systems of Tate & Lyle from May 2010 to July 2012 and as Senior Vice President, Policy, Planning & Analysis of Swift & Company from July 2005 to July 2007. Earlier in his career, Mr. Vuchetich was a consultant with Bain & Company, Inc. for approximately six years.

Item 1A. <u>Risk Factors</u>

The risks and uncertainties described below are those that we have identified as material but are not the only risks and uncertainties facing the Company. If any of the events contemplated by the following risks occurs, our business, financial condition, or results of operations could be materially adversely affected. Additional risks and uncertainties not currently known to us, or that we currently believe are immaterial, also may adversely impact our business, including our ability to execute our strategic growth and profitability objectives.

Risks Related to Economic Conditions

Supply chain issues, including shortages of adequate component supply, that increase our costs or cause delays in our ability to fulfill orders, and our or a failure by us to estimate customer demand properly, may result or could have an adverse impact on our business and operating results and our relationships with customers.

We are reliant on our supply chain for components and raw materials to manufacture our products and provide services to our customers, and this reliance could have an adverse impact on our business and operating results. A We may experience a reduction or interruption in supply including disruptions due to the COVID-19 pandemic, factors beyond our control, including as a geopolitical conflicts such as the invasion of Ukraine by Russia and the imposition of international sanctions in response thereto, a significant natural disaster, pandemics, or shortages in global freight capacity, capacity. Our vendors may be unable to meet our demand for raw materials or components, or significantly increase lead times for deliveries, which may be unable to offset through alternate sources of supply, or impose significant increases in the price of critical components and raw materials that we may be unable to pass along to our customers. In addition, a failure by us to appropriately forecast or adjust our requirements for components or raw materials based on our business needs or and volatility in demand for our products may impact our ability to timely procure raw materials and components necessary to maintain desired productivity in our operations. These supply chain issues could materially adversely affect our business, operating results, and financial condition and could materially damage customer relationships. Our vendors also may be unable to meet our demand, significantly increase lead times for deliveries, or impose significant price increases that we may be unable to offset through alternate sources of supply, price increases to our customers or increased productivity in our operations.

We procure certain components for our products from single or limited suppliers. In the event of supply disruptions from these suppliers, we may not be able to diversify our supply base for such components in a timely manner or may experience quality issues with alternate sources. Further, we procure a significant portion of our components from suppliers located in China, and we are therefore exposed to potential disruptions in deliveries from these suppliers due to political tensions with China, geopolitical risks, government-mandated facility closures in China due to public health matters (such as the COVID-19 outbreaks, outbreaks), energy shortages or other causes. Our growth and ability to meet customer demand depend in large part on our ability to obtain timely deliveries of components and raw materials from our suppliers, and significant disruptions in their supply could materially adversely affect our business, operating results, and financial condition and could materially damage customer relationships.

We currently are experiencing have in the recent past experienced supply shortages and inflationary pressures for certain components and raw materials that are were important to our manufacturing process. ess due to a number of the factors described above. Growth in the global economy may exacerbate these pressures on us and our suppliers, and we expect these supply chain challenges and cost impacts may continue to continue for impact us in the foreseeable future. Although we have generally secured additional supply from existing or alternate suppliers or taken other mitigating actions when such disruptions have occurred in past periods, there is no guarantee we can continue to do so in the future, and our business, results of operations, and financial condition could be adversely affected. When facing component supply-related challenges, we may also increase our inventories and purchase commitments to shorten lead times and ensure adequate inventories to meet customer expectations. If the demand for our products is less than our expectations or if we otherwise fail to anticipate customer demand properly, an oversupply of components could result in inventory levels that could also lead to significant excess and obsolete inventory charges and affect our operating and financial results.

Deterioration of, or instability in, the domestic and international economy and challenging end-market conditions could impact our ability to grow the business and adversely impact our ability to execute our strategy, financial condition, results of operations and cash flows.

Our businesses and operating results have been, and will continue to be, affected by domestic and international economic conditions. The level of demand for our products is affected by general economic and business conditions in our served end markets. A substantial portion of our revenues is derived from customers in cyclical industries (such as the industrial and oil & gas sectors) that typically are adversely affected in periods of economic contraction or volatility. In such periods, our customers may experience deterioration of their businesses, which may reduce or delay our sales. We have experienced contraction and challenging demand conditions in many of our served markets historically, and it is reasonably possible that we could experience such conditions in the future which may adversely affect the our ability to execute our strategy, financial condition, results of our operations and financial condition. cash flows.

Disruptions in global oil markets have adversely affected our business and results of operations and similar events in the future may adversely affect our business and results.

A portion of our revenues is derived from customers in the midstream and downstream oil & gas industry. Changes Disruptions in the global oil & gas markets (such as those due to the COVID-19 pandemic and the Ukraine/Russia conflict and the resulting international sanctions) and other changes in demand for oil due to the disruption caused by the COVID-19 pandemic, the Russia-Ukraine conflict and related sanctions, or other factors can negatively affect oil prices and negatively affect cash flows for many of those customers. This has resulted in, and in the future could result in, lower capital expenditures and project modifications, delays or cancellations in by those customers, reducing the demand for certain of our products serving that end market, that may which could adversely affect the our results of our operations and financial condition.

Uncertainty over global tariffs, or the financial impact of tariffs, may negatively affect our results.

Changes in U.S. domestic and global tariff frameworks have increased our costs of producing goods and resulted in additional risks to our supply chain. We have developed and implemented strategies to mitigate previously implemented and, in some cases, proposed tariff increases, but there is no assurance we will be able to continue to mitigate prolonged tariffs. Further, uncertainties about future tariff changes could result in mitigation actions that prove to be ineffective or detrimental to our business.

Risks Related to Our Business and Operations

We may not be able to fully realize expected cost savings from our ASCEND transformation program and from restructuring actions.

On March 23, 2022, we announced the launch of ASCEND, a new transformation program focused on driving accelerated earnings growth and efficiency across the business with the goal of delivering improved annual operating profit once fully implemented. The ASCEND program focuses has focused on the following key initiatives: (i) accelerating organic growth go-to-market strategies, (ii) improving operational excellence and production efficiency by utilizing a lean approach and (iii) driving greater efficiency and productivity in selling, general and administrative expenses. In addition, from time to time, we implement other plans that incur restructuring costs to (i) eliminate redundancies in our corporate or regional structures (ii) eliminate excess capacity in our facilities as a result of integration of acquisitions or divestitures of product lines, or (iii) eliminate product or service lines that do not meet targeted profitability metrics. Although we expect that the improved operating profit, cost savings and realization of efficiencies will offset the related costs of these initiatives and provide additional annual benefit, we may not fully achieve the expected benefits of these efforts (see Note 4, "Restructuring Charges," Note 3. "ASCEND"ASCEND Transformation Program" in the notes to the consolidated financial statements and "Business Update" within Item 7 for further discussion of the ASCEND program and other current restructuring activities).

Logistics challenges, including global freight capacity shortages, or significant increases in freight costs, could continue to increase our freight costs or cause delays in our ability to fulfill orders and could have an adverse impact on our business and operating results.

The Company's ability to import products in a timely and cost-effective manner has been, and may continue to be, adversely affected by the current global shortage shortages of freight capacity, delays at ports, port strikes, and other issues that otherwise affect transportation and warehousing providers. These issues could delay importation of products or require the Company to locate alternative ports or warehousing providers to avoid disruption to customers. These alternatives may not be available on short notice or could result in higher freight and logistics costs, which could have an adverse impact on the Company's business and financial condition.

Collection risk for receivables in foreign jurisdictions.

We sell products and services through distributors and agents. In certain jurisdictions, those third parties represent a significant portion of our sales in their respective country. Collection times for receivables in many foreign jurisdictions may often be substantially longer than those in the United States (though less than one year). Further, for certain of our services business agency relationships, we utilize an intermediary agent agents and are dependent on our agents to collect payment on our behalf. The indirect sales channels expose us to the credit risk of both our channel partners and end customers and increase the risk of delayed payments or uncollectible balances. A liquidity event or dispute involving one of these channel partners may adversely affect our results of operations and financial condition.

If we fail to retain the agents and distributors upon whom we rely to market our products and services, we may be unable to effectively market our products and services and our revenue and profitability may decline.

The marketing success of many of our businesses in the U.S. and abroad depends largely upon our independent agents' and distributors' sales and service expertise and relationships with customers in our end markets. Many of these agents have developed strong ties to existing and potential customers because of their detailed knowledge of our products. A loss of a significant number of these agents or distributors, or of a particular agent or distributor in a key market or with key customer relationships, could significantly inhibit our ability to effectively market our products, which could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Cybersecurity vulnerabilities, threats and more sophisticated and targeted computer crime could pose a risk to our systems, networks, operations, products, solutions, services and data.

Increased global cybersecurity threats, computer viruses and more sophisticated and targeted cyber-related attacks, as well as cybersecurity failures resulting from human error, vulnerabilities and technological errors pose a risk to our systems, including third-party vendor operated systems, operations and products and potentially those of our business partners. An attack also could result in losses due to ransomware payments, security breaches, theft, lost or corrupted data, misappropriation of sensitive, confidential or personal data or information, loss of trade secrets and commercially valuable information, production downtimes and operational disruptions. We attempt to mitigate these risks by employing measures including employee training, network monitoring and testing, maintenance of protective systems, contingency planning, and the engagement of third-party experts but we remain potentially vulnerable to additional known or unknown threats. There is no assurance the financial or operational impact from such threats will not be material.

A material disruption at a significant manufacturing facility could adversely affect our ability to generate sales and result in increased costs that we cannot recover.

Our financial performance could be adversely affected due to our inability to meet customer demand for our products or services in the event of a material disruption at one of our significant manufacturing or services facilities. Equipment failures, natural disasters, health issues (including pandemics like COVID-19), power outages, fires, explosions, terrorism, adverse weather conditions, labor disputes or other influences could create a material disruption. Interruptions to production could increase our cost of sales, harm our reputation and adversely affect our ability to attract or retain our customers. Our business continuity plans may not be sufficient to address disruptions attributable to such risks. Any interruption in production capability could require us to make substantial capital expenditures to remedy the situation, which could adversely affect our financial condition and results of operations.

Our business operates in highly competitive markets, so we may be forced to cut prices or incur additional costs.

Our business generally faces substantial competition, domestically and internationally, in our end markets. We may lose market share in certain businesses or be forced to reduce prices or incur increased costs to maintain existing business. We compete globally on the basis of product design, quality, availability, performance and customer service. Present or future competitors in our markets may have new technologies or more attractive products and services or greater financial, technical or other resources which could put us at a competitive disadvantage. In addition, some of our competitors may be willing to reduce prices and accept lower margins to compete with us.

Our international operations pose political, currency and other risks.

We expect sales from and into foreign markets to continue to represent a significant portion of our revenue. In addition, many of our manufacturing operations and suppliers are located outside the United States, including China, the United Kingdom and the Netherlands. Our international operations present significant sales and varied operating activities outside of the U.S. are, and will continue to be, subject to a number of risks, such as from political tensions among China and the United States, potential temporary closures of our manufacturing and sourcing operations including:

- unfavorable fluctuations in China, foreign currency exchange rate fluctuations, exposure to local economic rates;
- adverse changes in foreign tax, legal and political conditions, regulatory requirements;
- export and import restrictions and controls on repatriation of cash. Foreign currency exchange rates result cash;
- political and economic instability;
- difficulty in volatility protecting intellectual property;
- government embargoes, tariffs and trade protection measures, such as “anti-dumping” duties applicable to classes of products, and import or export licensing requirements, as well as the imposition of trade sanctions against a class of products imported from or sold and exported to, or the loss of “normal trade relations” status with, countries in which we conduct business, that could significantly increase our financial results, as over one-third cost of products or otherwise reduce our sales are generated and harm our business;
- cultural norms and expectations that may sometimes be inconsistent with our Code of Conduct and our requirements about the manner in which our employees, agents and distributors conduct business;
- differing labor regulations; and
- acts of hostility, terror or war.

Our operations outside of the United States require us to comply with a number of United States and international regulations. For example, we are subject to the Foreign Corrupt Practices Act (the “FCPA”), which prohibits United States companies or their agents and employees from providing anything of value to a foreign official for the purposes of influencing any act or decision of these individuals in currencies their official capacity to help obtain or retain business, direct business to any person or corporate entity, or obtain any unfair advantage. Our activities in countries outside the United States create the risk of unauthorized payments or offers of payments by one of our employees or agents that could be in violation of the FCPA, even though these parties are not always subject to our control. We have internal control policies and procedures and have implemented training and compliance programs with respect to the FCPA. However, we cannot assure that our policies, procedures and programs always will protect us from reckless or criminal acts committed by our employees or agents. In the event that we believe or have reason to believe that our employees or agents have or may have violated applicable anti-corruption laws, including the FCPA, we may be required to investigate or have outside counsel investigate the relevant facts and circumstances. In addition, we are subject to and must comply with all applicable export controls and economic sanctions laws and embargoes imposed by the United States and other than various governments. Changes in export control or trade sanctions laws may restrict our business practices, including cessation of business activities in sanctioned countries or with sanctioned entities, and may result in modifications to compliance programs and increase compliance costs, and violations of these laws or regulations may subject us to fines, penalties and other sanctions, such as loss of authorizations needed to conduct aspects of our international business or debarments from export privileges. Violations of the U.S. dollar. FCPA or export controls or sanctions laws and regulations may result in severe criminal or civil sanctions, and we may be subject to other liabilities, which could negatively affect our business, financial condition, results of operations, and cash flows.

We intend to continue to pursue international growth opportunities, which could increase our exposure to risks associated with international sales and operations. As we expand our international operations, we may also encounter new risks that could adversely affect our revenues and profitability. Failure to properly manage these risks could adversely affect our business, financial condition, results of operations and cash flows. In addition, United States tax reform has significantly changed how foreign operations are taxed in the United States. Therefore, we continue to review our organizational structure, and changes to where income is generated, may have a material adverse effect on our liquidity and results of operations. To the extent that we expand our international presence, these risks may increase.

Our customers and other business partners often require terms and conditions that expose us to significant risks and liabilities.

We operate in end markets and industries in which our customers and business partners seek to contractually shift significant risks associated with their operations or projects to us. We structure our commercial and contracting practices to assess and manage the risks we are assuming, but we cannot assure that material liabilities will not arise from our contracts with our business partners. Also, our contracting standards may be more stringent than those of certain competitors, and as a result, we may experience market share losses or the reduction in growth opportunities.

Imposition of climate-related laws and regulations that disadvantage the oil & gas industry compared to other industries or consumer behavior that reduces demand for petroleum products may have an adverse impact on our results of operations.

A significant portion of our revenues are derived from the sale of products and services to end users in the oil & gas industry. Accordingly, our results of operations may be adversely affected by the imposition of climate-related laws and regulations that disadvantage the oil & gas industry compared to other industries and have the effect of reducing the production of petroleum products. In addition, a reduction in the production of petroleum products as a result of consumer behavior that embraces alternative sources of energy over oil & gas could similarly adversely affect our results of operations by reducing the demand for our products and services.

Risks Related to COVID-19

We have been and continue to be negatively impacted by the COVID-19 pandemic and its related impacts to our employees, operations, customers and suppliers.

The COVID-19 pandemic first had a significant impact on our global operations in the third quarter of fiscal 2020, continues to adversely impact our business and may continue to affect our business in the future. Such impacts include, and could continue to include, reductions in demand for certain of our products and services, the inability of our global teams and suppliers to meet our customers' demand, other disruptions of supply chain, restrictions on our employees' ability to visit customers, our service technicians' ability to travel to job sites, or labor constraints resulting from employee turnover or departures due to resistance to vaccine mandates. Other adverse effects could result from government-imposed mandatory closures of job sites, manufacturing facilities or other important business locations, work-from-home orders, or other such restrictions. Should such conditions occur, persist or increase in severity, they could materially affect our ability to adequately staff and maintain our operations and impact our financial results.

The duration and ultimate impact of the COVID-19 pandemic on our business, results of operations and financial condition, including liquidity, capital and financing resources, will depend on numerous evolving factors and future developments. Such factors and developments may include the geographic spread, severity and duration of the COVID-19 pandemic, including whether there are periods of increased COVID-19 cases, disruption to our operations resulting from employee illnesses, the long-term efficacy of vaccines or their effectiveness against variants such as the Omicron variant, governmental responses to outbreaks including health and safety measures, such as mandatory facility closures of non-essential businesses, stay-at-home orders or similar restrictions, social distancing mandates and travel bans, and import and export restrictions, which could disrupt our relationship with customers. If we are unable to respond to and manage the impact of these events, our business and results of operations may be adversely affected.

Although our current accounting estimates contemplate current and expected future conditions, as applicable, it is reasonably possible that actual conditions could differ from our expectations, which could materially affect our results of operations and financial position. In particular, a number of estimates have been and will continue to be affected by the ongoing COVID-19 pandemic. The severity, magnitude and duration of the pandemic, as well as its economic consequences, are uncertain, result in significant volatility for our business and are difficult to predict. As a result, our accounting estimates and assumptions may change over time in response to COVID-19. Such changes could result in future impairments of goodwill, intangible assets, long-lived assets, incremental credit losses on accounts receivable, the valuation of our inventory, or a decrease in the carrying amount of our deferred tax assets. Any of these events could amplify the other risks and uncertainties described herein and could have an adverse effect on our business and financial results.

Risks Related to the Execution of Our Strategy

If we fail to develop new products, or customers do not accept our new products, our business could be adversely affected.

Our ability to develop innovative new products can affect our competitive position and often requires the investment of significant resources. Difficulties or delays in research, development, production or commercialization of new products, or failure to gain market acceptance of new products and technologies, may reduce future sales and adversely affect our competitive position. There can be no assurance that we will have sufficient resources to make such investments, that we will be able to make the technological advances necessary to maintain competitive advantages or that we can recover major research and development expenses. If we fail to make innovations, launch products with quality problems, experience development cost overruns, or the market does not accept our new products, then our financial condition, results of operations, cash flows and liquidity could be adversely affected.

Our growth strategy includes strategic acquisitions, which we may not be able to consummate or successfully integrate.

We plan to make acquisitions to grow our business, enhance our global market position and broaden our industrial tools product offerings. Our ability to successfully execute acquisitions will be impacted by factors including the availability of financing on terms acceptable to us, the potential reduction of our ability or willingness to incur debt to fund acquisitions, the reluctance of target companies to sell in current markets, our ability to identify acquisition candidates that meet our valuation parameters and increased competition for acquisitions. The process of integrating acquired businesses into our existing operations also may result in unforeseen operating difficulties and may require additional financial resources and attention from management that would otherwise be available for the ongoing development or expansion of our existing operations. Although we expect to successfully integrate any acquired businesses, we may not achieve the desired net benefit in the timeframe planned. Failure to effectively execute our acquisition strategy or successfully integrate the acquired businesses could have an adverse effect on our competitive position, reputation, financial condition, results of operations, cash flows and liquidity.

We may not be able to realize planned benefits from acquired companies.

We may not be able to realize planned benefits from acquired companies. Achieving those benefits depends on the timely, efficient and successful execution of a number of post-acquisition events, including integrating the acquired business into the Company. Factors that could affect our ability to achieve these benefits include:

- difficulties in integrating and managing personnel, financial reporting and other systems used by the acquired businesses;
- the failure of acquired businesses to perform in accordance with our expectations;
- failure to achieve anticipated synergies between our business units and the business units of acquired businesses;
- the loss of customers of acquired businesses;
- the loss of key managers and employees of acquired businesses; or
- other material adverse events in the acquired businesses.

If acquired businesses do not operate as we anticipate, it could materially impact our business, financial condition and results of operations.

The indemnification provisions of acquisition agreements may result in unexpected liabilities.

Certain acquisition agreements from past acquisitions require the former owners to indemnify us against certain liabilities related to the operation of each of their companies. In most of these agreements, the liability of the former owners is limited to specific warranties given in the agreement as well as in amount and duration. Certain former owners also may not be able to meet their indemnification responsibilities. We may be subject to the same risk with respect to future acquisitions as well. As a result of those limitations, we may face unexpected liabilities that adversely affect our profitability and financial position.

Divestitures and discontinued operations could negatively impact our business, and retained liabilities from businesses that we have sold could adversely affect our financial results.

In connection with the execution of our strategy to become a pure-play industrial tools and services company, we have completed several divestitures, including the divestiture of our former EC&S segment. These divestitures pose risks and challenges that could negatively impact our business, including retained liabilities related to divested businesses, obligations to indemnify buyers against contingent liabilities and potential disputes with buyers.

If we do not realize the expected benefits of these divestitures or our post-completion liabilities and continuing obligations are substantial and exceed our expectations, our financial position, results of operations and cash flows could be negatively impacted. Any divestiture may result in a dilutive impact to our future earnings if we are unable to offset the dilutive impact from the loss of revenue and profits associated with the divestiture, as well as significant write-offs, including those related to goodwill and other intangible assets, which could have a material adverse effect on our results of operations and financial condition.

Our goodwill and other intangible assets represent a substantial amount of our total assets.

Our total assets reflect substantial intangible assets, primarily goodwill. As of August 31, 2022 August 31, 2023, goodwill and other intangible assets totaled $299 million $304 million, or 40% of our total assets. The goodwill results from acquisitions, representing the excess of the purchase price over the fair value of the net tangible and other identifiable intangible assets we have acquired. We assess annually, and more frequently if a triggering event occurs, whether there has been impairment in the value of our goodwill or indefinite-lived intangible assets. If future operating performance at one or more of our reporting units were to fall below current levels, we could be required to recognize a non-cash charge to operating earnings to impair the related goodwill or other intangible assets. We recognized $1 million and $6 million in impairment charges in fiscal 2022 and 2021, respectively, related to the goodwill in our Cortland Industrial operating segment (Other Segment) (see Note 7, 6, "Goodwill, Intangible Assets and Long-Lived Assets" in the notes to the consolidated financial statements and "Critical Accounting Estimates" for further discussion on goodwill, intangible asset and long-lived asset impairments). Any future goodwill or intangible asset impairments could negatively affect our financial condition and results of operations.

Risks Related to Legal, Compliance and Regulatory Matters

We are subject to many laws and regulations that may change in ways that are detrimental to our competitiveness or results.

Our businesses are subject to regulation under a broad range of U.S. and foreign laws and regulations. Some of those laws and regulations may change in ways that will require us to modify our business practices and objectives in ways that adversely impact our financial condition or results of operations, including by restricting existing activities and products, subjecting our operations to escalating costs or prohibiting us from operating in certain jurisdictions. Examples of laws or regulations that may have an adverse effect on our operations, financial condition and growth strategies include tax law, export and import controls, anti-corruption law, competition law, data privacy regulations, currency controls and economic or political sanctions. In addition, changes in laws or regulations, for example, the proposed regulations of the Securities and Exchange Commission with respect to climate-related disclosures, may significantly increase our costs, adversely affecting our results of operations.

Legal compliance risks could result in significant costs to our business or cause us to restrict current activities or curtail growth plans.

We directly or indirectly operate in industries, markets and jurisdictions in which we are exposed to compliance risks and that are subject to significant scrutiny by regulators, governmental authorities and other persons. We structure and strengthen our risk management and compliance programs to mitigate such risks and foster compliance with all applicable laws, but our practices may not be sufficient to eliminate these risks. The global and diverse nature of our operations, the complex and high-risk nature of some of our markets, our reliance on third-party agents and representatives to support sales and other business activities, and increasingly stringent laws and enforcement activities could result in violations of law, enforcement actions or private litigation resulting in significant defense and investigation costs, fines and penalties, and a broad range of remedial actions, including potential restrictions on our operations and other adverse changes to our business plans. See Note 17, 16, "Commitments and Contingencies" in the notes to the consolidated financial statements for additional information about compliance risks.

Health, safety and environmental laws and regulations may result in additional costs.

We are subject to federal, state, local and foreign laws and regulations governing public and worker health and safety. Violations of these laws could result in significant harm and financial liabilities that could adversely affect our operating results and reputation. Pursuant to such laws, governmental authorities have required us to contribute to the cost of investigating or remediating certain matters at current or previously owned and operated sites. In addition, we have provided environmental indemnities for previously owned operations in connection with the sale of certain businesses and product lines. Liability as an owner or operator, or as an arranger for the treatment or disposal of hazardous substances, can be joint and several and can be imposed without regard to fault. There is a risk that costs relating to these matters could be greater than what we currently expect or exceed our insurance coverage, or that additional remediation and compliance obligations could arise which require us to make material expenditures. More stringent environmental laws, unanticipated remediation requirements or the discovery of previously unknown conditions could materially harm our financial condition and operating results. We are also required to comply with environmental laws and regulations to maintain operating permits and licenses, some of which are subject to discretionary renewal from time to time, for many of our businesses, and our business operations could be restricted if we are unable to renew existing permits or to obtain any additional permits that we may require.

Unfavorable tax law changes may adversely affect results.

We are subject to income taxes in the United States and in various foreign jurisdictions. Domestic and international tax liabilities are subject to the allocation of income among various tax jurisdictions. Our effective tax rate could be adversely affected by changes in tax law (including a potential increase in the U.S. federal income tax rate), the mix of earnings among countries with differing statutory tax rates, or changes in the valuation allowance of deferred tax assets.

Costs and liabilities arising from legal proceedings could be material and adversely impact our financial results.

We are subject to legal and regulatory proceedings, including litigation asserting product liability and warranty claims. We maintain insurance and have established reserves for these matters as appropriate and in accordance with applicable accounting standards and practices. Insurance coverage, to the extent it is available, may not cover all losses arising from such contingencies. Also, estimating legal reserves or possible losses involves significant judgment and may not reflect the full range of uncertainties and unpredictable outcomes inherent in litigation and investigations, and the actual losses arising from particular matters may exceed our current estimates and adversely affect our results of operations. We also expect that additional legal proceedings and other contingencies will arise from time to time, and we cannot predict the occurrence, magnitude and outcome of such additional matters. Moreover, we operate in jurisdictions where claims involving us may be adjudicated within legal systems that are less developed and less reliable than those of the U.S. or other more developed markets, and this can create additional uncertainty about the outcome of proceedings before courts or other governmental bodies in such markets.

Risks Related to Our Capital Structure

Our indebtedness could harm our operating flexibility and competitive position.

We have incurred, and may in the future incur, significant indebtedness in connection with acquisitions or other strategic growth initiatives. While at current debt levels we have significant flexibility on our financial debt covenants, should we incur additional indebtedness to fund acquisitions or other strategic growth initiatives, our level of debt and the limitations imposed on us by our debt agreements could adversely affect our operating flexibility and put us at a competitive disadvantage.

Our ability to make scheduled principal and interest payments, refinance our indebtedness and satisfy our other debt and lease obligations will depend upon our future operating performance and credit market conditions, which could be adversely affected by factors beyond our control. In addition, there can be no assurance that future borrowings or equity financings will be available to us on favorable terms, or at all, for the payment or refinancing of our indebtedness. If we are unable to service our indebtedness, our business, financial condition and results of operations will be adversely affected.

The financial and other covenants in our debt agreements may adversely affect us.

Our senior credit facility contains financial and other restrictive covenants. These covenants could limit our financial and operating flexibility as well as our ability to plan for and react to market conditions, meet our capital needs and support our strategic priorities and initiatives should we take on additional indebtedness for acquisition or other strategic objectives. Our failure to comply with these covenants also could result in events of default which, if not cured or waived, could require us to repay indebtedness before its due date, and we may not have the financial resources or otherwise be able to arrange alternative financing to do so. Our compliance with the covenants of our senior credit facility may be adversely affected by severe market contractions or disruptions to the extent they reduce our earnings for a prolonged period and we are not able to reduce our debt levels or cost structure accordingly. Borrowings under our senior credit facility are secured by most domestic personal property assets and are guaranteed by most of our domestic subsidiaries and by a pledge of the stock of most of our domestic and certain foreign subsidiaries. If borrowings under our senior credit facility were declared or became due and payable immediately as the result of an event of default and we were unable to repay or refinance those borrowings, our lenders could foreclose on the pledged assets and stock. Any event that requires us to repay any of our debt before it is due could require us to borrow additional amounts at unfavorable borrowing terms, cause a significant reduction in our liquidity and impair our ability to pay amounts due on our indebtedness. Moreover, if we are required to repay any of our debt before it becomes due, we may be unable to borrow additional amounts or otherwise obtain the cash necessary to repay that debt, when due, which could have a material adverse effect on our business, financial condition and liquidity.

We may incur increased interest expense as a result of our variable rate debt.

Borrowings under our revolving line of credit and our $200 million term loan incur interest which is variable based on fluctuations in the referenced SOFR ("Secured Overnight Financing Rate"). Increases in the referenced SOFR will increase our borrowing costs and negatively impact financial results and cash flows.

Risks Related to Ownership of Our Common Stock

The market price of our common stock may be volatile.

A relatively small number of shares are normally traded in any one day and higher volumes could have a significant effect on the market price of our common stock. The market price of our common stock could fluctuate significantly for many reasons, including in response to the risks described in this section and elsewhere in this report or for reasons unrelated to our operations, such as reports by industry analysts, investor perceptions or negative announcements by our customers, competitors or suppliers regarding their own performance, as well as industry conditions and general financial, economic and political instability.

Because our quarterly revenues and operating results may vary significantly in future periods, our stock price may fluctuate.

Our revenue and operating results may vary significantly from quarter to quarter. A high proportion of our costs are fixed, due in part to significant selling and manufacturing costs. Small declines in revenues could disproportionately affect operating results in a quarter and the price of our common stock may fall. Other factors that could significantly affect quarterly operating results include, but are not limited to:

- demand for our products and services;
- the timing of sales of our products and services;
- changes in foreign currency exchange rates;
- changes in applicable tax rates;
- an impairment of goodwill or other intangible assets;
- the occurrence of restructuring charges;
- unanticipated delays or problems in introducing new products;
- announcements by competitors of new products, services or technological innovations;
- changes in our pricing policies or the pricing policies of our competitors;
- increased expenses, whether related to sales and marketing, raw materials or supplies, labor matters, product development or administration;
- major changes in the level of economic activity in major regions of the world in which we do business;
- costs related to possible future acquisitions or divestitures of technologies or businesses;
- an increase in the number or magnitude of product liability or environmental claims; and

- our ability to expand our operations and the amount and timing of expenditures related to expansion of our operations, particularly outside the U.S.

Various provisions and laws could delay or prevent a change of control.

The anti-takeover provisions of our articles of incorporation and bylaws and provisions of Wisconsin corporation law could delay or prevent a change of control or may impede the ability of the holders of our common stock to change our management. In particular, our articles of incorporation and bylaws, among other things:

- require a supermajority shareholder vote to approve a merger of the Company with another entity;
- regulate how shareholders may present proposals or nominate directors for election at shareholders' meetings; and
- authorize our board of directors to issue preferred stock in one or more series, without shareholder approval.

General Risk Factors

Geopolitical unrest and terrorist activities may cause the economic conditions in the U.S. or abroad to deteriorate, which could harm our business.

Terrorist attacks against targets in the U.S. or abroad, rumors or threats of war, other geopolitical activity or trade disruptions, such as those caused by the Russia-Ukraine conflict, the armed conflict involving Hamas and Israel, or any conflict or threatened conflict between China and Taiwan, may cause general economic conditions in the U.S. or abroad to deteriorate. The occurrence of any of these events could result in a prolonged economic slowdown or recession in the U.S. or in other areas and could have a significant impact on our business, financial condition or results of operations.

Our inability to attract, develop and retain qualified employees could have a material adverse impact on our operations.

Our ability to deliver financial results and drive growth and pursue competitive advantages in our business substantially depends on our ability to retain key employees and continually attract new talent to the business. If we experience losses of key employees, such as our executives, or experience significant delays or difficulty in replacing them, our operations, competitive position and financial results may be adversely affected. Competition for highly qualified personnel is intense, and our competitors and other employers may attempt to hire our skilled and key employees. Additionally, we need qualified managers and skilled employees with technical and manufacturing industry experience to operate our businesses successfully. From time to time there may be shortages of skilled labor which may make it more difficult and expensive for us to attract and retain qualified employees or lead to increased labor costs.

Our intellectual property portfolio may not prevent competitors from developing products and services similar to or duplicative to ours, and the value of our intellectual property may be negatively impacted by external dependencies.

Our patents, trademarks and other intellectual property may not prevent competitors from independently developing or selling products and services functionally equivalent or superior to our own or adequately deter misappropriation or improper use of our innovations and technology. In addition, further steps we take to protect our intellectual property, including non-disclosure agreements, may not prevent the misappropriation of our business critical secrets and information. In such circumstances, our competitive position and the value of our brand may be negatively impacted.

Our competitors or other persons could assert that we have infringed their intellectual property rights.

We may be the target of enforcement of patents or other intellectual property rights by third parties. We have implemented legal reviews and other controls in our new product development and marketing processes system to mitigate the risk of infringing third-party rights, but those controls may not prove adequate or deter all claims. Responding to infringement claims, regardless of their merits, can be expensive and time consuming. If we are found to infringe any third-party rights, we could be required to pay substantial damages or we could be enjoined from offering some of our current products and services.

Item 1B. Unresolved Staff Comments

None.

Item 2. Properties

As of August 31, 2022August 31, 2023, we owned or leased the following facilities (square footage in thousands):

		Number of Locations			Square Footage				Number of Locations			Square Footage		
		Manufacturing	Distribution / Sales / Admin	Total	Owned	Leased	Total		Manufacturing	Distribution / Sales / Admin	Total	Owned	Leased	Total
Industrial Tools & Services	Industrial Tools & Services	9	32	41	132	962	1,094	Industrial Tools & Services	9	36	**45**	132	1,053	**1,185**
Corporate and Other	Corporate and Other	4	1	5	26	235	261	Corporate and Other	2	1	**3**	26	117	**143**
		13	33	46	158	1,197	1,355		11	37	**48**	158	1,170	**1,328**

We consider our facilities suitable and adequate for the purposes for which they are used and do not anticipate difficulty in renewing existing leases as they expire or in finding alternative facilities. Our largest facilities are located in the United States, the United Kingdom, the Netherlands, China and Spain. We also maintain a presence in Algeria, Australia, Brazil, France, Germany, Kazakhstan, India, Italy, Japan, Norway, Poland, Saudi Arabia, Singapore, South Africa, South Korea and the United Arab Emirates. See Note 11, 10, "Leases" in the notes to the consolidated financial statements for information regarding our lease commitments.

Item 3. Legal Proceedings

We are a party to various legal proceedings that have arisen in the normal course of business. These legal proceedings typically include product liability, breaches of contract, employment, personal injury and other disputes.

We have recorded reserves for estimated losses based on the specific circumstances of each case. Such reserves are recorded when it is probable that a loss has been incurred as of the balance sheet date and the amount of the loss can be reasonably estimated. In our opinion, the resolution of these contingencies is not likely to have a material adverse effect on our financial condition, results of operations or cash flows. Information with respect to contingencies arising from legal proceedings, including governmental investigations, set forth in Note 17, 16, "Commitments and Contingencies" in the notes to the consolidated financial statements is incorporated by reference.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Shareholder Matters and Issuer Purchases of Equity Securities

The Company's Class A common stock is traded on the New York Stock Exchange under the symbol EPAC. As of September 30, 2022 September 30, 2023, there were 934 shareh 873 shareholdeolders rs of record of the Company's Class A common stock.

Dividends

In fiscal 2023, the Company declared a dividend of $0.04 per share of Class A common stock payable on October 18, 2023 to shareholders of record on October 6, 2023. In fiscal 2022, the Company declared a dividend of $0.04 per share of Class A common stock payable on October 17, 2022 to shareholders of record on October 7, 2022. In fiscal 2021, the Company declared a dividend of $0.04 per share of Class A common stock payable on October 18, 2021 to shareholders of record on October 1, 2021.

Share Repurchases

The Company's Board of Directors has authorized the repurchase of shares of the Company's common stock under publicly announced share repurchase programs. Since the inception of the initial share repurchase program in fiscal 2012, the Company has repurchased 26,558,965 28,772,715 shares of common stock for $743 million $801 million. In March 2022, the Company's Board of Directors rescinded its prior share repurchase authorization and approved a new share repurchase program authorizing the repurchase of a total of 10,000,000 shares of the Company's outstanding common stock. As of August 31, 2022 August 31, 2023, the maximum number of shares that may yet be purchased under this authorization is 6,240,265 4,026,515 shares. The following table summarizes share repurchases during the fourth quarter of fiscal 2022, 2023, all of which were purchased under publicly announced share repurchase programs.

Period	Shares Repurchased	Average Price Paid per Share	Maximum Number of Shares That May Yet Be Purchased Under the Program
June 1 to June 30, 2022	689,768	$ 19.94	7,555,157
July 1 to July 31, 2022	1,314,892	19.01	6,240,265
August 1 to August 31, 2022	—	—	6,240,265
	2,004,660	$ 19.36	

Period	Shares Repurchased	Average Price Paid per Share	Maximum Number of Shares That May Yet Be Purchased Under the Program
June 1 to June 30, 2023	419,018	$ 26.65	4,977,558
July 1 to July 31, 2023	366,787	26.93	4,610,771
August 1 to August 31, 2023	584,256	26.32	4,026,515
	1,370,061	$ 26.62	

Performance Graph: Graph

The graph and table below compare the cumulative 5-year total return of the Company's common stock with the cumulative total returns of the Russell 2000 Index and the S&P 600 Industrial Index. They assume that the value of the investment in our common stock for the last trading day of each fiscal year, in each index, and in the peer group (in each case, including reinvestment of dividends) was $100 on August 31, 2017 August 31, 2018 and tracks it through August 31, 2022 August 31, 2023.

1875

*$100 Invested on 8/31/17 18 in stock or index, including reinvestment of dividends.
Fiscal year ending August 31.

		8/17	8/18	8/19	8/20	8/21	8/22		8/18	8/19	8/20	8/21	8/22	8/23
Enerpac Tool Group Corp.	Enerpac Tool Group Corp.	$ 100.00	$ 122.64	$ 92.63	$ 86.90	$ 105.35	$ 81.39	Enerpac Tool Group Corp.	$ 100.00	$ 75.52	$ 70.86	$ 85.90	$ 66.36	$ 89.80
Russell 2000 Index	Russell 2000 Index	100.00	125.45	109.27	115.85	170.40	139.92	Russell 2000 Index	100.00	87.11	92.35	135.83	111.54	116.73
S&P 600 Industrial Index	S&P 600 Industrial Index	100.00	137.90	118.75	123.44	178.72	165.78	S&P 600 Industrial Index	100.00	86.12	89.51	129.60	120.21	145.45

The stock price performance included in this graph is not necessarily indicative of future stock price performance.

Item 6. [Reserved Reserved]

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following Management's Discussion and Analysis is intended to assist the reader in understanding our results of operations and financial condition. Management's Discussion and Analysis is provided as a supplement to, and should be read in conjunction with, our audited consolidated financial statements that are included in Item 8. "Financial Statements and Supplementary Data".

Background

The Company has one reportable segment, Industrial Tools & Service ("IT&S"). This , and an Other operating segment, which does not meet the criteria to be considered a reportable segment. The IT&S segment is primarily engaged in the design, manufacture and distribution of branded hydraulic and mechanical tools, as well as providing services and tool rental to the industrial, maintenance, infrastructure, oil & gas, alternative energy and other markets. Financial information related to the Company's reportable segment is included in Note 16, 15, "Business Segment, Geographic and Customer Information" in the notes to the consolidated financial statements.

Business Update

Our businesses provide an array of products and services across multiple markets and geographies which results in significant diversification. The IT&S segment and the Company are well-positioned to drive shareholder value through a sustainable business strategy built on well-established brands, broad global distribution and end markets, clear focus on the core tools and services business and disciplined capital deployment.

Our Business Model

Our long-term goal is to create shareholder value and best sustainable returns for our shareholders through above-market growth in class returns through growth of our core businesses, driving efficiency and profitability, business, expanding our margins, generating strong cash flow and being disciplined in the deployment of our capital. We intend to leverage grow through execution of our strong brand, market positions, and dealer and distribution networks to generate organic core sales growth that exceeds end-market growth rates. our plan is to accomplish organic growth through a combination of market-share capture and product innovation, as well as market expansion into new strategy, focused on key vertical markets that benefit from long-term macro trends, driving customer driven innovation, expansion of our digital ecosystem to acquire and engage customers, and expansion in emerging industries and new geographic regions. markets such as Asia Pacific. In addition to organic growth, we also focus on profit margin expansion by utilizing through operational efficiency techniques, including lean, continuous improvement techniques and 80/20, to drive productivity and lower costs, as well as optimizing our selling, general and by enacting routine administrative expenses through consolidation and shared service implementation. We also apply these techniques and pricing initiatives actions to generate price realization and offset cost increases, such as commodity and tariff increases and general inflation. inflationary pricing. Finally, cash flow generation is critical to achieving our financial and long-term strategic objectives. We expect to achieve strong believe driving profitable growth and margin expansion will result in cash flow generation, by maximizing returns on assets and which we seek to supplement through minimizing primary working capital needs. The capital. We intend to allocate the cash flow that results from efficient asset management the execution of our strategy in a disciplined way toward investment in our businesses, maintaining our strong balance sheet, disciplined M&A and improved profitability is used opportunistically returning capital to fund internal shareholders. We anticipate the compounding effect of reinvesting in our business will fuel further growth opportunities, pay down of debt, opportunistic returns for shareholders, and strategic acquisitions. profitable returns.

General Business Update

In March 2022, the Company announced the start of its ASCEND transformation program ("ASCEND"). ASCEND's key initiatives include accelerating organic growth go-to-market strategies, improving operational excellence and production efficiency by utilizing a Lean approach, and driving greater efficiency and productivity in selling, general and administrative expense by better leveraging resources to create a more efficient and agile organization. The program is expected to be executed over roughly 24 to 36 months. The Company expects that it will deliver an incremental $40-$50 million In support of annual operating profit from the execution of ASCEND with the full run rate of operating profit expected to be reflected in its results as it exits fiscal 2024 and fully incorporated into its fiscal 2025 projections. Enerpac anticipates initiatives, we anticipate investing approximately $60- $70-$65 75 million over the life of the program, to support the ASCEND initiatives. Such investment which is expected to include consulting costs to aid be fully implemented by the end of the fourth quarter of fiscal 2024, with the expected annual operating profit improvement from the program in the development and execution range of $50-$60 million. Through the end of fiscal 2023, we invested approximately $60 million as part of the program, capital expenditures and restructuring costs. with operating profit improving by approximately $54 million in fiscal 2023 compared to the prior fiscal year.

In June 2022, the Company approved a restructuring plan in connection with the initiatives identified as part of the ASCEND transformation program (see Note 3, "ASCEND Transformation Program" in the notes to the consolidated financial statements) to drive greater efficiency and productivity in global selling, general and administrative resources. The total costs of this plan were then estimated at $6 to $10 million, constituting predominately severance and other employee-related costs to be incurred as cash expenditures and impacting both IT&S and Corporate. On September 23, 2022, the Company approved an updated restructuring plan. The costs of this updated plan (which includes the amounts for the plan approved in June) June 2022) are estimated at $10 to $15 million. These costs are expected to be incurred over the expected duration of the transformation program, ending in the fourth quarter of fiscal year 2024. For fiscal 2024, we expect to incur $10 to $15 million of ASCEND transformation program costs, this range is inclusive of $3 to $5 million of restructuring costs.

Commencing in February 2022, in response to the armed conflict in Ukraine, many countries, including the member countries of NATO initiated a variety of sanctions and export controls targeting Russia and associated entities. Approximately 1% of our historical annual sales are to customers and distributors associated with Russia and we had approximately $0.5

million $0.5 million of receivables associated with those customers and distributors as of February 28, 2022. The sanctions currently in place limit our ability to provide goods to those customers and distributors and banking sanctions effectively negate our ability to collect those receivables; as such, we recorded a full allowance for doubtful accounts against those receivables as of February 28, 2022 and indefinitely suspended doing business in Russia. We will continue to monitor the situation with Russia to assess when and if we are able to resume business with those customers and distributors, including collection of the outstanding receivables. We also continue to monitor and manage the ancillary impact of the Russia crisis on our business, which is primarily related to supply chain, increased commodity and energy costs, foreign exchange rate volatility and dealer confidence particularly in Europe.

During the year ended August 31, 2022, the Company recorded through bad debt expense (included in "Selling, general and administrative expenses" in the Condensed Consolidated Statements of Earnings) a reserve of $13.2 million$13 million to fully reserve for the outstanding accounts receivable balance for an agent in our Middle East/North Africa/Caspian ("MENAC") region. The allowance for doubtful accounts for this particular agent as of August 31, 2022 remains unchanged during fiscal 2023 and represents management's best estimate of the probable amount of collection and considers various factors with respect to this matter, including, but not limited to, (i) the lack of payment by the agent since the fiscal quarter ended February 28, 2021, (ii) our due diligence on balances due to the agent from its end customers related to sales of our services and products and the known markup on those sales from the agent to end customers, (iii) the status of ongoing negotiations with the agent to secure payments and (iv) legal recourse available to us to secure payment. Actual collections from the agent may differ from the Company's estimate. We have completely ceased our relationship with this agent and have transitioned to serving our regional customers through recently created direct operations within the region.

During largely the second half of fiscal 2020 and through the first three quarters of fiscal 2021, our business, like many others around the world, experienced significant negative financial impacts from the COVID-19 pandemic. Beginning in the third quarter of fiscal 2021, we returned to year-over-year core growth in all regions. Throughout fiscal 2022, we experienced strong growth in most regions that we operate, however, there were still regions that were impacted by the lingering effects of the pandemic, most notably on our European service business and Chinese operations in the second quarter and third quarter of fiscal 2022, respectively. Our key manufacturing facilities continue to operate with additional precautions in place to ensure the safety of our employees and prevent production disruptions. Increased demand due to global economies returning to more normalized levels and pandemic-related factors significantly stressed the global supply chain and created challenges in freight lines and the overall logistics environment. This led to increased raw material, components and logistics costs, as well as longer lead times on orders. We continue to closely monitor our supply chain in order to ensure we can maintain competitive lead times and deliver products to customers timely. region.

On October 31, 2019, the Company Company completed the previously announced sale of its former EC&S segment to wholly owned subsidiaries of BRWS Parent LLC, a Delaware limited liability company and affiliate of One Rock Capital Partners II, LP, for a purchase price of approximately $216 million (inclusive of final working capital adjustments), with approximately $3 million which was due in four equal quarterly installments, the last of which was received in the first quarter of fiscal 2021. The EC&S segment is treated as discontinued operations in our financial statements for all periods.

Despite pandemic-related demand challenges, On July 11, 2023, the supply chain and logistics challenges we are currently experiencing, and Company completed the impact sale of the Ukraine conflict Cortland Industrial business, for net proceeds of $20.1 million. The Company recorded a net gain of $6.2 million, see additional discussion in Note 5, "Discontinued Operations and the associated sanctions on Russia, our balance sheet remains strong and the Company continues to focus on the execution of our strategic growth initiatives Other Divestiture Activities" in the markets we serve. We remain focused on new product development, driving organic growth and pursuing disciplined acquisition opportunities. notes to the consolidated financial statements.

Historical Financial Data

The following table and corresponding year-over-year analysis sets forth our results of continuing operations (dollars in millions) millions, except per share amounts):

	Year Ended August 31,			Year Ended August 31,		
	2022	2021	2020	2023	2022	2021

Statements of Earnings Data: (1)	**Statements of Earnings Data:** (1)							**Statements of Earnings Data:** (1)						
Net sales	Net sales	$ 571	100 %	$ 529	100 %	$ 493	100 %	Net sales	$ 598	100 %	$ 571	100 %	$ 529	100 %
Cost of products sold	Cost of products sold	306	54 %	286	54 %	276	56 %	Cost of products sold	303	51 %	306	54 %	286	54 %
Gross profit	Gross profit	265	46 %	243	46 %	217	44 %	Gross profit	295	49 %	265	46 %	243	46 %
Selling, general and administrative expenses	Selling, general and administrative expenses	217	38 %	175	33 %	181	37 %	Selling, general and administrative expenses	205	34 %	217	38 %	175	33 %
Amortization of intangible assets	Amortization of intangible assets	7	1 %	8	2 %	8	2 %	Amortization of intangible assets	5	1 %	7	1 %	8	2 %
Restructuring charges	Restructuring charges	8	1 %	3	1 %	7	1 %	Restructuring charges	7	1 %	8	1 %	3	1 %
Impairment & divestiture charges (benefit)		2	0 %	6	1 %	(3)	(1) %							
Impairment & divestiture (benefit) charges								Impairment & divestiture (benefit) charges	(6)	(1) %	2	— %	6	1 %
Operating profit	Operating profit	31	5 %	51	10 %	24	5 %	Operating profit	84	14 %	31	5 %	51	10 %
Financing costs, net	Financing costs, net	4	1 %	5	1 %	19	4 %	Financing costs, net	12	2 %	4	1 %	5	1 %
Other expense (income), net		2	0 %	2	0 %	(3)	(1) %							
Other expense, net								Other expense, net	3	1 %	2	— %	2	— %
Earnings before income tax expense	Earnings before income tax expense	24	4 %	44	8 %	8	2 %	Earnings before income tax expense	69	12 %	24	4 %	44	8 %
Income tax expense	Income tax expense	4	1 %	4	1 %	2	0 %	Income tax expense	15	3 %	4	1 %	4	1 %
Net earnings	Net earnings	$ 20	3 %	$ 40	8 %	$ 6	1 %	Net earnings	$ 54	9 %	$ 20	3 %	$ 40	8 %
Other Financial Data: (1)	**Other Financial Data:** (1)							**Other Financial Data:** (1)						
Depreciation	Depreciation	$ 12		$ 13		$ 12		Depreciation	$ 11		$ 12		$ 13	
Capital expenditures	Capital expenditures	8		12		12		Capital expenditures	9		8		12	

(1) Results are from continuing operations and exclude the financial results of previously divested businesses reported as discontinued operations. Except Except per share amounts, the summation of the individual components may not equal the total due to rounding.

Fiscal 2023 compared to Fiscal 2022

Consolidated net sales for fiscal 2023were$598 million, 5% higher than the prior-year sales of $571 million. The impact of foreign currency rates unfavorably impacted fiscal 2023 sales by approximately $11 million or 2% and the divestiture of the Cortland Industrial business during the fourth quarter of fiscal 2023 unfavorably impacted sales by approximately $6 million or 1%, management refers to sales adjusted for these items as "core sales". Product sales growth was 8% with foreign currency and the divestiture of the Cortland Industrial business both unfavorably impacting sales by $9 million or 3% and $6 million or 1%, respectively. The product sales growth was primarily due to pricing actions, with some volume contribution. Service sales declined 8%, unfavorably impacted by $2 million or 1% of foreign currency and our reduced activity in the MENAC region following implementation of an 80/20 analysis that drove a more selective process for quoting projects, with a focus on more differentiated solutions.

Gross profit as a percentage of sales was approximately 49% in fiscal 2023, 3% higher than fiscal 2022. The increased gross profit is primarily attributed to the pricing actions, with some volume contribution noted above and production efficiencies implemented as part of the ASCEND transformation program partially offset by additional costs associated with the ASCEND transformation program.

Operating profit for fiscal 2023 was $84 million, approximately $53 million higher than the prior fiscal year of $31 million. Operating profit was impacted by the increased gross profit noted above, as well as a reduction of Selling, general & administrative ("SG&A") expense of $12 million compared to the prior year. The SG&A decrease was primarily due to personnel savings from the actions taken in the ASCEND transformation program, as well as prior-year charges including MENAC agent specific reserve ($13 million) and leadership transition charges ($7 million), reduction of business review charges related to external support for the deep dive holistic business review ($3 million). These reductions were partially offset by increased incentive compensation expense and expense from the ASCEND transformation program ($21 million) compared to the prior year. Restructuring charges in fiscal 2023 decreased by $1 million to $7 million compared to fiscal 2022. Impairment and divestitures charges (benefit) improved by $9 million due to the gain on sale recorded from the Cortland Industrial divestiture in the fourth quarter of fiscal 2023.

Fiscal 2022 compared to Fiscal 2021

Consolidated net sales from continuing operations in fiscal 2022 were $571 million, 8% higher than the prior-year sales of $529 million with the . The impact from foreign currency rates unfavorably impacting impacted sales by roughly $15 million or 3%. "Core sales," which excludes the impact of foreign currency changes and the impact Sales growth was from recent acquisitions and divestitures to net sales, increased $57 million or 11%. The product pricing actions that the Company took beginning in late fiscal 2021 and during fiscal 2022 in response to significant inflationary pressures on commodities, freight and energy costs coupled with year-over-year product volume growth largely in the first half of fiscal 2022, as prior year fiscal 2021 first first half sales were still impacted by the COVID-19 pandemic, were the primary drivers of the increase in net sales.

Gross profit as a percentage of net sales in fiscal 2022 of 46% remained relatively flat with fiscal 2021, with improved gross profit margins on product sales primarily due to the aforementioned pricing actions outweighing the impact of inflation and improved productivity in our manufacturing facilities being offset by lower service gross profit margins due to lower service utilization as a result of the Russia-Ukraine conflict and the mix of service work performed year over year. year-over-year.

Operating profit was $20 million lower in fiscal 2022 as compared to fiscal 2021 predominantly due to $42 million of incremental selling, general and administrative ("SG&A") &A expenses offset by a $22 million increase in gross profit, as described above. The increase in SG&A is was due to ASCEND transformation program charges of $14 million related primarily to the use of external services for the support in the design, development and execution of the program; discrete bad debt charges of approximately $14 million associated with the significant delinquency in payments from a MENAC region agent and for Russian customers and distributors; incremental leadership transition & board search charges of $8 million; charges of $3 million related to external support for the deep-dive holistic business review prior to the launch of the ASCEND program; and roughly $3 million of higher travel and entertainment costs tied to more commercial and leadership travel as we exited the COVID-19 pandemic. Restructuring charges increased $6 million as compared to the prior period as a result of charges to streamline and flatten the organizational structure ($3 million), as well as ASCEND-related restructuring expenses ($3 million).

Fiscal 2021 compared to Fiscal 2020

Consolidated net sales from continuing operations in fiscal 2021 were $529 million, 7% higher than the prior-year sales of $493 million. Core sales increased $27 million (5%) and divested product lines and the strategic exits of certain service offerings, net of sales from acquisitions, decreased net sales $2 million (1%), while the impact from foreign currency rates favorably impacted sales by 2%. The COVID-19 pandemic had a detrimental impact on our core sales in the third and fourth quarter of fiscal 2020. Sales in the first and second quarter of fiscal 2021 still were COVID-19 impacted, however, not to the same extent as we saw in the third and fourth quarters of fiscal 2020. The third and fourth quarter of fiscal 2021 saw more of a return to normalcy in our core product sales, driving the overall increase in core sales from fiscal 2020 to fiscal 2021. Gross profit margins increased 2% year over year as a result of the increase in volumes, leading to greater absorption of overhead, and a strong mix of product and service sales. Operating profit was $27 million higher in fiscal 2021 as compared to fiscal 2020 predominantly as a result of the $26 million increase in gross profit. SG&A also decreased approximately $6 million, leading to the increase in operating profit, as a result of the recognition of a gain on the sale of a manufacturing facility in China. Restructuring savings realized in fiscal 2021 were able to offset the short-term cost reduction actions taken in the third and fourth quarter of fiscal 2020 in response to the COVID-19 pandemic (i.e., termination of our fiscal 2020 bonus program and furloughs and other temporary wage reduction programs.) The savings in SG&A were nearly offset by an increase in impairment and divestiture charges recorded in fiscal 2021, specifically the $6 million goodwill impairment charge associated with the Cortland Industrial reporting unit (Other Segment). Financing costs also decreased in fiscal 2021 due to continued benefit from the cash pay off of our outstanding term loan in fiscal 2020, the rate benefit from the retirement of our senior notes in the fourth quarter of fiscal 2020 through drawing on our revolving credit facility, and the paydown of $56 million of principal on our outstanding credit facility in fiscal 2021 through utilization of cash from operations.

Segment Results

IT&S Segment

The IT&S segment is a global supplier of branded hydraulic and mechanical tools and services to a broad array of end markets, including infrastructure, industrial maintenance, repair, and operations, oil & gas, mining, alternative and renewable energy, and civil construction markets. Its primary products include branded tools, cylinders, pumps, hydraulic torque wrenches, highly engineered heavy lifting technology solutions and other tools (Product product line). On the service and rental side, the The segment provides maintenance and manpower services to meet customer-specific needs and rental capabilities for certain of our products (Service & Rental product line). The following table sets forth the results of operations for the IT&S segment (dollars in millions):

		Year Ended August 31,				Year Ended August 31,		
		2022	2021	2020		2023	2022	2021
Net Sales	Net Sales	$ 527	$ 493	$ 455	Net Sales	$ 555	$ 527	$ 493
Operating Profit	Operating Profit	79	82	66	Operating Profit	136	79	82

Operating Profit %	Operating Profit %	14.9	%	16.6	%	14.4	%	Operating Profit %	24.5	%	14.9	%	16.6	%

Fiscal 2023 compared to Fiscal 2022

Fiscal 2023 net sales were $555 million, an increase of 5% or $28 million from fiscal 2022 sales of $527 million, with foreign currency rates unfavorably impacting sales by approximately $11 million or 3%. The increase in sales was predominately driven by growth in the product business primarily due to pricing actions, with some volume contribution, which were partially offset by the decline in the service business due to the implementation of 80/20 analysis and a more selective process for quoting projects in the MENAC region, with a focus on more differentiated solutions in the MENAC region.

Fiscal 2023 operating profit increased $57 million to $136 million. This increase was driven by the aforementioned pricing actions, with some volume contribution and a reduction in SG&A expenses. The reduction of SG&A expense was a result of $13 million of discrete bad debt charges in fiscal 2022 from our MENAC agent and personnel savings from ASCEND actions, which were partially offset by increased incentive compensation expense and higher costs for the ASCEND transformation program in fiscal 2023.

Fiscal 2022 compared to Fiscal 2021

Fiscal 2022 IT&S segment net sales increased by $34 million$34 million (7%) from fiscal 2021 to $527 million$527 million, which included a $15 million$15 million or 3% unfavorable impact on sales due to changes in foreign currency exchange rates. Core sales increased $49 million (10%) year-over-year. The increase in core sales was predominantly attributable to the continued global market recovery from the COVID-19 pandemic resulting in incremental product volume growth largely in the first half of the fiscal year 2022 coupled with the impact from pricing actions taken in late fiscal 2021 and during fiscal 2022 due to the significant inflation affecting commodity, freight and energy costs.

Fiscal 2022 operating profit decreased $3 million$3 million (4%) from the prior year. The operating profit decrease was a result of a $14 million increase in SG&A expense primarily due to discrete bad debt charges of approximately $14 million associated with the significant delinquency in payments from a MENAC region agent and for Russian customers and distributors offset by a $15 million increase in gross profit due to pricing actions outweighing the impact of inflation and improved productivity in our manufacturing facilities being offset by lower service gross profit margins due to lower service utilization as a result of the Russia-Ukraine conflict and the mix of service work performed year over year.

Fiscal 2021 compared to Fiscal 2020

Fiscal 2021 IT&S segment net sales increased by $38 million (8%) from fiscal 2020 to $493 million. Core sales increased $29 million (7%) year-over-year. The net sales increase included a $2 million (1%) decrease from strategic exits and divestitures of non-core product lines, acquisitions in fiscal 2021, and a 2% favorable impact on sales due to changes in foreign currency exchange rates. The 10% increase in core sales was predominantly a result of broad-based market recovery, as our largest regions of the world returned to more normalized levels of activity in the second half of fiscal 2021.

Fiscal 2021 operating profit increased $16 million (25%) from the prior year. The operating profit increase was a result of a $24 million increase in gross profit as a result of the increased sales volumes, offset by the $8 million increase in SG&A expenses. The increase in SG&A expenses resulted from increased sales commissions, the cost of our fiscal 2021 bonus plan (the fiscal 2020 bonus plan was eliminated in response to the COVID-19 pandemic) and other discretionary spending cuts and government subsidy programs that provided a benefit in fiscal 2020, partially offset by the benefit of the restructuring plan first announced in March 2019 and expanded in fiscal 2020.

Corporate

Corporate consists of selling, general and administrative costs and expenses, including executive, legal, finance, human resources, and information technology, that are not allocated to the segments based on their nature. Corporate expenses were $63 million in fiscal 2023 which is $14 million higher than the fiscal 2022 expenses of $49 million. This increase was primarily from ASCEND transformation program expenses ($15 million) and incentive compensation expense. Additional expense was offset by a decrease in leadership transition charges ($7 million) and external support for the deep dive-holistic business review ($3 million).

Corporate expenses were $49 million in fiscal 2022 compared to $20 million in fiscal 2021. The increase of $29 million is a result of the ASCEND transformation program charges ($13 million), business review charges related to external support for the deep dive-holistic business review prior to the launch of ASCEND ($3 million), leadership transition & board search charges ($8 million) and an increase in restructuring charges to streamline and flatten the corporate structure ($1 million), as well as ASCEND-related restructuring expenses ($1 million).

Corporate expenses were $20 million in fiscal 2021 as compared to $38 million in fiscal 2020. The decrease of $18 million is a result of the realization of savings from restructuring actions, the elimination of costs retained after the EC&S divestiture that were required to support the transition services agreement entered into as part of that sale, the reduction in business development costs and the gain, net of transaction costs and value-added taxes, resulting from the sale of our facility in China.

Net financing costs were $4 million $12 million, $5 million $4 million and $19 million $5 million in fiscal years 2023, 2022 and 2021, respectively. The increase in net financing costs in fiscal 2023 as compared to fiscal 2022 was due to the year-over-year increase in interest rates and 2020, respectively. debt mix during the year. The decrease in net financing costs in fiscal 2022 as compared to fiscal 2021 was due to the year-over-year increase in interest income due to greater short-term investment of excess cash in fiscal 2022. Fiscal 2021 net financing costs decreased as a result of the cash pay off of our outstanding term loan in November 2019, the retirement of the 5.625% senior notes in June 2020 through drawing on our revolving line of credit, resulting in a lower interest rate on our outstanding long-term debt, and the reduction of the principal on our outstanding credit facility by $56 million in fiscal 2021 through utilization of cash from operations.

Income Tax Expense

The Company's income tax expense is impacted by a number of factors, including, among others, the amount of taxable earnings generated in foreign jurisdictions with tax rates that are different than the U.S. federal statutory rate, permanent items, state tax rates, changes in tax laws, acquisitions and divestitures and the ability to utilize various tax credits and net operating loss carryforwards. Income tax expense also includes the impact of provision to tax return adjustments, changes in valuation allowances and reserve requirements for unrecognized tax benefits. Pre-tax earnings, income tax expense and effective income tax rate from continuing operations for the past three fiscal years were as follows (dollars in thousands):

		Year Ended August 31,				Year Ended August 31,		
		2022	2021	2020		2023	2022	2021
Earnings before income tax expense	Earnings before income tax expense	$ 23,992	$ 43,975	$ 7,849	Earnings before income tax expense	$ 68,898	$ 23,992	$ 43,975
Income tax expense	Income tax expense	4,401	3,763	2,292	Income tax expense	15,249	4,401	3,763
Effective income tax rate	Effective income tax rate	18.3 %	8.6 %	29.2 %	rate	22.1 %	18.3 %	8.6 %

The comparability of pre-tax earnings, income tax expense and the related effective income tax rates are impacted by impairment and other divestiture charges and benefits as well as the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”), which was enacted on March 27, 2020. Fiscal 2023 results included a $6 million impairment and divestiture benefit, whereas fiscal 2022 and fiscal 2021 results included $2 million and $6 million of impairment and divestiture charges, respectively, and a $3 million impairment and divestiture benefit in fiscal 2020. respectively. A substantial portion of these charges (benefits) do not result in a tax expense or benefit. The fiscal 2023 tax provision included a tax benefit of $2 million related to global tax planning initiatives. The fiscal 2022 tax provision included a tax benefit of $3 million$3 million related to global tax planning initiatives resulting from certain prior-year business losses for which no benefits were previously recognized. The recognized as compared to a $3 million and $4 million benefit in fiscal 2021 tax provision included a tax benefit of $8 million related to the lapse of statute of limitations on uncertain tax positions and a $4 million tax benefit related to the net operating loss carryback provision of the CARES Act, as compared to a $3 million tax benefit in fiscal 2020 driven by legislative changes. respectively.

Both the fiscal 2022 2023 and prior-year income tax provisions were impacted by the mix of earnings in foreign jurisdictions with income tax rates different than the U.S. federal income tax rate and income tax benefits from global tax planning initiatives. The fiscal 2022 2023 effective tax rate was 18.3% 22.1%, which is significantly higher than the fiscal 2021 effective tax rate of 8.6%. The fiscal 2022 effective tax rate of 18.3% primarily due to one-time benefits in fiscal 2022. The fiscal 2023 effective tax rate was lower slightly higher than the statutory 21% primarily as a result of state income taxes and taxes in foreign jurisdictions with rates higher than the U.S. which were partially offset by one-time tax benefits related to global tax planning initiatives that will not repeat in future periods due to certain tax attributes that are no longer available.

Items Impacting Comparability

On January 7, 2020, the Company acquired the stock of HTL Group ("HTL"), a provider of controlled bolting products, calibration and repair services, and tool rental services, which contributed net sales of $11 million, $14 million and $6 million in fiscal 2022, 2021 and 2020, respectively. During fiscal 2020, the Company completed the sale of the UNI-LIFT and Connectors product lines, as well as the Milwaukee Cylinder business, which contributed combined net sales of $3 million for the year ended August 31, 2020.

Liquidity and Capital Resources

At August 31, 2022 August 31, 2023, cash and cash equivalents were $121 million $154 million, comprised of $119 million $148 million of cash held by foreign subsidiaries and $2 million $6 million held domestically. The following table summarizes the cash flow attributable to operating, investing and financing activities (in millions):

	Year Ended August 31,		
	2022	2021	2020
Net cash provided by (used in) operating activities	$ 52	$ 54	$ (3)
Net cash (used in) provided by investing activities	(7)	13	176
Net cash used in financing activities	(52)	(82)	(239)
Effect of exchange rate changes on cash	(12)	2	7
Net decrease in cash and cash equivalents	$ (20)	$ (12)	$ (59)

	Year Ended August 31,		
	2023	2022	2021
Cash provided by operating activities	$ 78	$ 52	$ 54
Cash provided by (used in) investing activities	11	(7)	13
Cash used in financing activities	(53)	(52)	(82)
Effect of exchange rate changes on cash	(2)	(12)	2
Net increase (decrease) from cash and cash equivalents	$ 34	$ (20)	$ (12)

Cash flow provided by operations was $78 million for fiscal 2023 and $52 million for fiscal 2022. The $26 million increase in cash flow from operations was primarily the result of $34 million of higher earnings from continuing operations offset by increases in incentive compensation of $10 million. We had approximately $11 million of cash provided by investing activities from continuing operations due to the proceeds from the sale of the Cortland Industrial business in the fourth quarter of fiscal 2023 (see Note 5, "Discontinued Operations and Other Divestiture Activities" in the notes to the consolidated financial statements for further detail on the divestiture), as year-over-year cash used for investing in capital expenditures was nearly flat. Cash used in financing activities was $53 million, nearly flat to prior year use of $52 million; however the mix of usage in each fiscal year was different. In fiscal 2023 we entered into a new debt agreement (see Note 7, "Debt" in the notes to the consolidated financial statements for further details of the senior credit facility) resulting in a change of debt mix with the repayment of our outstanding revolver and proceeds received from the issuance of a term loan. In fiscal 2023 we had lower treasury share purchases than the prior year. During fiscal 2023 we paid $1 million on our term loan.

Cash flow provided by operations was $52 million and $54 million in fiscal 2022 and 2021, respectively. The decrease of $2 million $2 million in cash flow provided by operations was the result of $19 million lower net earnings from continuing operations offset by approximately $14 million of incremental receivable reserves to reconcile net earnings from continuing operations to net cash provided by operating activities. We used $7 million of cash in investing activities in the current year fiscal 2022 as compared to $13 million $13 million cash provided by investing activities in the prior-year period. fiscal 2021. The cash used in fiscal 2022 was primarily used for capital expenditures. The cash provided by investing activities in fiscal 2021 was largely generated due to the receipt of proceeds from the sale of our manufacturing facility in China ($22 million) and the death benefit for life insurance on legacy officers of the Company ($3 million), offset by approximately $12 million of capital expenditures. In fiscal 2022, our cash used in financing activities was primarily from the purchase of treasury shares of $75 million and the paydown of principal on our revolving credit facility of $60 million partially offset by the borrowing on the revolving credit facility of $85 million. The cash used in financing activities in fiscal 2021 was primarily for the paydown of $90 million of principal on our outstanding credit facility with cash provided by operating activites activities and excess cash on hand.

Cash flow provided by operations was $54 million inDuring fiscal 2021, an increase of $57 million from the prior year due to a $20 million increase in cash flows from discontinued operations driven by the timing of the divestiture of the EC&S segment in fiscal 2020 and an increase in net earnings from continuing operations of $35 million year over year. We generated $13 million of cash from investing activities in the current year as compared to $176 million in the prior-year period. The cash provided in fiscal 2020 was primarily generated from the sale of our EC&S segment as well as our Connectors and UNI-LIFT product lines, slightly offset by cash used for capital expenditures. In fiscal 2021, we sold our manufacturing facility in China for approximately $22 million and received approximately $3 million in proceeds associated with the death benefit for life insurance on legacy officers of 2023, the Company which was offset by approximately $12 million of capital expenditures in the fiscal year. In fiscal 2021, our cash used in financing activities was primarily from the paydown of $80 million of principal on our outstanding refinanced its credit facility with cash from operations resulting in an updated senior credit facility (the "Senior Credit Facility") of $600 million, comprised of a $400 million revolving line of credit and excess cash on hand.

The a $200 million term loan, which will mature in September 2027. Prior to this, the Company's senior credit facility is was comprised of a $400 million revolving line of credit and a $200 million term loan which were scheduled to mature in March 2024 (see 2024. The Senior Credit Facility contains restrictive covenants and financial covenants see Note 8, 7, "Debt" in the notes to the consolidated financial statements for further details of the senior credit facility). Senior Credit Facility. The Company paid off was in compliance with all covenants, including the outstanding principal balance on the term loan in November 2019. In June 2020, the Company borrowed $295 million financial covenants, under the senior credit Senior Credit facility revolving line of credit to fund the redemption of all of its then outstanding Senior Notes at par, plus the remaining accrued and unpaid interest, to reduce interest costs. Outstanding borrowings under the senior credit facility revolving line of credit were $200 million as of August 31, 2022 August 31, 2023. The unused credit line and amount available for borrowing under the revolving line of credit of the Senior Credit Facility was $191 million $382 million at August 31, 2022 August 31, 2023.
On September 9, 2022, the Company refinanced its credit facility resulting in a new $600 million senior credit facility, comprised of a $400 million revolving line of credit and a $200 million term loan, which will mature in September 2027. See Note 18, "Subsequent Event" in the notes to the consolidated financial statements for further details.

We believe that the revolver, revolving credit facility under the Senior Credit Facility, combined with our existing cash on hand and anticipated operating cash flows, will be adequate to meet operating, debt service, acquisition and capital expenditure funding requirements for the foreseeable future.

Primary Working Capital Management

We use primary working capital as a percentage of sales as a key metric for working capital efficiency. We define this metric as the sum of net accounts receivable and net inventory less accounts payable, divided by the past three months' sales annualized. The following table shows the components of our primary working capital (dollars in millions):

		August 31, 2022		August 31, 2021			August 31, 2023		August 31, 2022	
		$	PWC %	$	PWC %		$	PWC %	$	PWC %
Accounts receivable, net	Accounts receivable, net	$ 107	18 %	$ 103	18 %	Accounts receivable, net	$ 98	15 %	$ 107	18 %
Inventory, net	Inventory, net	84	14 %	75	13 %	Inventory, net	75	12 %	84	13 %
Accounts payable	Accounts payable	(73)	(12) %	(62)	(11) %	Accounts payable	(51)	(8) %	(73)	(11) %
Net primary working capital	Net primary working capital	$ 118	20 %	$ 116	20 %	Net primary working capital	$ 122	19 %	$ 118	20 %

Total primary working capital was $118 million $122 million at August 31, 2022 August 31, 2023, which increased from $116 million $118 million at August 31, 2021 August 31, 2022. The primary working capital increase related to increased decreased accounts receivable as a result of higher sales in the fourth quarter of from increased collections during fiscal 2022 compared to the fourth quarter of fiscal 2021 2023 and due to $9 million of higher lower inventory as we continue to work through supply chain issues. Higher inventory levels, specifically the purchase of inventory, SKU rationalization. This decrease as well as payments related to our ASCEND transformation program was the driver of the $11 million of incremental $22 million decrease in accounts payable as of August 31, 2022 August 31, 2023 compared to August 31, 2021 August 31, 2022.

Capital Expenditures

The majority of our manufacturing activities consist of assembly operations. We believe that our capital expenditure requirements are not as extensive as other industrial companies given the nature of our operations. Capital expenditures associated with continuing operations were $9 million, $8 million for 2022 and $12 million in both fiscal 2021 2023, 2022 and 2020. 2021, respectively.

Commitments and Contingencies

Given our desire to allocate cash flow and revolver availability to fund growth initiatives, we have historically leased most of our facilities and some operating equipment. We lease certain facilities, computers, equipment and vehicles under various operating lease agreements, generally over periods ranging from one to twenty years. Under most arrangements, we pay the property taxes, insurance, maintenance and expenses related to the leased property. Many of our leases include provisions that enable us to renew the leases at contractually agreed rates or, less commonly, based upon market rental rates on the date of expiration of the initial leases.

We are contingently liable for certain lease payments under leases within businesses we previously divested or spun-off. If any of these businesses do not fulfill their future lease payment obligations under a lease, we could be liable for such obligations, however, the Company does not believe it is probable that it will be required to satisfy these obligations. Future minimum lease payments for these leases at August 31, 2022 were $4 million with monthly payments extending to fiscal 2025.

We had outstanding letters of credit totaling $9 million and $11 million at August 31, 2023 and $12 million at August 31, 2022 and 2021, 2022, respectively, the majority of which relate to commercial contracts and self-insured workers' compensation programs.

Additional detail regarding contingencies is included in Note 17, "Commitments 16, "Commitments and Contingencies" Contingencies" in the notes to the consolidated financial statements, which is incorporated by reference.

Contractual Obligations

Our predominant sources of contractual obligations include the payment of interest and principal on our outstanding line of credit, our operating lease portfolio, certain employee-related benefit plans and agreements with certain suppliers related to the procurement of inventory.

The timing of principal payments associated with our revolving line of credit are disclosed in Note 8, "Debt" 7, "Debt" in the notes to the consolidated financial statements. We pay interest monthly based on prevailing interest rates at the time and the balance outstanding on our revolving line of credit.

Our lease contracts are primarily for real estate leases, vehicle leases, IT and manufacturing leases, information technology services and telecommunications services. See Note 11, 10, "Leases" in the notes to the consolidated financial statements for future minimum lease payments associated with our lease portfolio.

We have long-term obligations related to our deferred compensation, pension and postretirement plans that are summarized in Note 12, 11, "Employee Benefit Plans" in the notes to the consolidated financial statements.

As part of our global sourcing strategy, we have entered into agreements with certain suppliers that require the supplier to maintain minimum levels of inventory to support certain products for which we require a short lead time to fulfill customer orders. We have the ability to notify the supplier that they no longer need to maintain the minimum level of inventory should

we discontinue manufacturing a product during the contract period, period; however, we must purchase the remaining minimum

inventory levels the supplier was required to maintain within a defined period of time. These contracts allow for us to terminate with appropriate notice so long as we utilize the remaining inventory on hand at the supplier and there are no overall minimum volumes in these contracts other than what the supplier is required to maintain on hand at any given point in time.

Critical Accounting Estimates

We prepare our consolidated financial statements in conformity with US GAAP. This requires management to make estimates and assumptions that affect reported amounts and related disclosures. Actual results could differ from those estimates. The following estimates are considered by management to be the most critical in understanding judgments involved in the preparation of our consolidated financial statements and uncertainties that could impact our results of operations, financial position and cash flow.

Accounts receivable, net: Accounts receivable, net is recorded based on the contractual value of our accounts receivable, net of an estimated allowance for doubtful accounts representing management's best estimate of the amount of receivables that are not probable of collection. Accounts receivable, net was $107 million $98 million as of August 31, 2022 2023, which is net of a $18 million$17 million allowance for doubtful accounts. Our customer base generally consists of financially reputable distributors, agents, OEMs, and other customers with whom we have long standing relationships, and historically we have not experienced significant write off of accounts receivables as a percentage of our annual net sales (accounts receivable written off as a percentage of net sales was 0.1%less than 0.5% for each the years ended August 31, August 31, 2023, 2022, and 2021, respectivel2022, 2021, and 2020, respectively)y). As of August 31, 2022 August 31, 2023, the Company was exposed to a concentration of credit risk with an agent as a result of its continued payment delinquency. During the year ended August 31, 2022, the Company recorded through bad debt expense (included in SG&A expenses in the Condensed Consolidated Statements of Earnings) a reserve of $13 million for this agent based on the consideration of the factors listed below, which fully reserves for this agent's outstanding account receivable balance. The allowance for doubtful accounts for this particular agent remained unchanged as of August 31, 2022 represents August 31, 2023 and continues to represent management's best estimate of the amount probable of collection and considers various factors with respect to this matter, including, but not limited to, (i) the lack of payment by the agent since the fiscal quarter ended February 28, 2021, (ii) our due diligence on balances due to the agent from its end customers related to sales of our services and products and the known markup on those sales from the agent to end customer, (iii) the status of ongoing negotiations with the agent to secure payments and (iv) legal recourse available to secure payment. Actual collections from the agent may differ from the Company's estimate.

Inventories: Inventory cost is determined using the last-in, first-out ("LIFO") method for a portion of U.S. owned inventory (approximately 52% 48% and 48% 52% of total inventories at August 31, 2022 August 31, 2023 and 2021, 2022, respectively). If the LIFO method were not used, inventory balances would be higher than amounts presented in the Consolidated Balance Sheet by $18 million and $19 million at August 31, 2023 and $16 million at August 31, 2022 and 2021, 2022, respectively. We perform an analysis on historical sales usage of individual inventory items on hand and record a reserve to adjust inventory cost to net realizable value. value, if necessary. The inventory valuation assumptions used are based on historical experience. We believe that such estimates are made based on consistent and appropriate methods; however, actual results may differ from these estimates under different assumptions or conditions.

Goodwill Goodwill and Long-lived Assets: Indefinite-lived intangibles:

Goodwill Impairment Review and Estimates: A considerable amount of management judgment is required in performing the impairment tests, principally in determining the fair value of each reporting unit and the indefinite-lived intangible assets. While we believe our judgments and assumptions assumptions are reasonable, different assumptions could change the estimated fair values and, therefore, impairment charges could be required. Significant negative industry or economic trends, disruptions to the Company's business, loss of significant customers, inability to effectively integrate acquired businesses, unexpected significant changes or planned changes in use of the assets or in entity structure and divestitures may adversely impact the assumptions used in the valuations and ultimately result in future impairment charges.

In estimating the fair value of a reporting unit, we generally use a discounted cash flow model, which calculates fair value as the sum of the projected discounted cash flows over a discrete seven-year six-year period plus an estimated terminal value. Significant assumptions include forecasted revenues, operating profit margins, and discount rates applied to the future cash flows based on the respective reporting unit's estimated weighted average cost of capital. In certain circumstances, we also may review a market approach in which a trading multiple is applied to either forecasted EBITDA (earnings before interest, income taxes, depreciation and amortization) or anticipated proceeds of the reporting unit to arrive at the estimated fair value. If the fair value of a reporting unit is less than its carrying value, an impairment loss is recorded. The estimated fair value represents the amount we believe a reporting unit could be bought or sold for in a current transaction between willing parties on an arms-length basis.

Fiscal 2023 Impairment Charges: The fiscal 2023 annual review of reporting units performed in the fourth quarter did not result in an impairment. All reporting units exceeded the carrying value by more than 65%.

Fiscal 2022 Impairment Charges: Charges: In the fourth quarter of fiscal 2022, in conjunction with our annual goodwill impairment assessment, we recorded a $1 million goodwill impairment charge associated with the Cortland Industrial reporting unit. See Note 7, "Goodwill, Intangible Assets, and Long-Lived Assets" in the notes to the consolidated financial statements for further discussion. In addition, the annual goodwill impairment assessment resulted in two All other reporting units having an estimated fair

value that exceeded the carrying value by less more than 110% 60%. The combined goodwill for these reporting units as of August 31, 2022, was approximately $140 million.
Fiscal 2021 Impairment Charges: In the fourth quarter of fiscal 2021, the Cortland Industrial business lagged behind our IT&S segment with respect to recovery in demand from the COVID-19 pandemic. Further, though volumes did increase from previous quarters, it became clear that we were not on track to realize the annual savings from our footprint optimization actions at the pace initially projected. Therefore, in conjunction with our annual goodwill impairment assessment, we recorded a $6 million goodwill impairment charge associated with the Cortland Industrial reporting unit. See Note 7, "Goodwill, Intangible Assets, and Long-Lived Assets" in the notes to the consolidated financial statements for further discussion. The fiscal 2021 annual review of other reporting units performed in the fourth quarter did not result in any reporting units having an estimated fair value that exceeded the carrying value (expressed as a percentage of the carrying value) by less than 100%.

Indefinite-lived intangibles (tradenames): Indefinite-lived intangible assets are also subject to annual impairment testing. On an annual basis or more frequently if a triggering event occurs, the fair value of indefinite-lived intangible assets, based on a relief of royalty valuation approach, are evaluated to determine if an impairment charge is required.

No material impairments were impairment was recorded in fiscal 2022 or 2023 and no material impairment was recorded in fiscal 2021 2022 as a result of triggering events or the annual impairment review of indefinite-lived intangible assets.

A considerable amount of management judgment is required in performing impairment tests, principally in determining the fair value of each reporting unit and the indefinite-lived intangible assets. While we believe our judgments and assumptions are reasonable, different assumptions, could change the estimated fair values and, therefore, future additional impairment charges could be required. Prolonged weakening industry or economic trends, disruptions to our business, loss of significant customers, inability to effectively integrate acquired businesses, unexpected significant changes or planned changes in the use of the assets or in entity structure and divestitures may adversely impact the assumptions used in the valuations and ultimately result in future impairment charges.

Long-lived assets (fixed assets and amortizable intangible assets): We also review long-lived assets for impairment when events or changes in business circumstances indicate that the carrying amount of the assets may not be fully recoverable. If such indicators are present, we perform undiscounted operating cash flow analyses to determine if impairment exists. If impairment is determined to exist, any related impairment loss is calculated based on fair value.

No long-lived asset impairment charges were recorded in fiscal 2022 or fiscal 2021. In both fiscal 2022 and 2021, the fact that the fair value of the Cortland Industrial reporting unit was less than its net book value was considered a triggering event, however, no impairments were recorded on the long-lived assets based on the results of the undiscounted cash flow analyses performed.

Significant management judgment is required in performing impairment tests, principally in determining the fair value of long-lived assets. While we believe our judgments and assumptions are reasonable, different assumptions, could change the estimated fair values and, therefore, future additional impairment charges could be required. Prolonged weakening industry or economic trends, disruptions to our business, loss of significant customers, inability to effectively integrate acquired businesses, unexpected significant changes or planned changes in the use of the assets or in entity structure and divestitures may adversely impact the assumptions used in the valuations and ultimately result in future impairment charges.

Business Combinations and Purchase Accounting: Business combinations are accounted for using the acquisition method of accounting, and accordingly, the assets and liabilities of the acquired business are recorded at their respective fair values. The excess of the purchase price over the estimated fair value is recorded as goodwill. Assigning fair market values to the assets acquired and liabilities assumed at the date of an acquisition requires knowledge of current market values and the values of assets in use, and often requires the application of judgment regarding estimates and assumptions. While the ultimate responsibility resides with management, for certain acquisitions we retain the services of certified valuation specialists to assist with assigning estimated values to certain acquired assets and assumed liabilities, including intangible assets and tangible long-lived assets. Acquired intangible assets, excluding goodwill, are valued using discounted cash flow methodology based on future cash flows specific to the type of intangible asset purchased. This methodology incorporates various estimates and assumptions, the most significant being projected revenue growth rates, profit margins and forecasted cash flows based on discount rates and terminal growth rates.

Employee Defined Benefit Plans: We provide a variety of benefits to employees and former employees including, in some cases, pensions and postretirement health care. Plan assets and obligations are recorded based on an August 31 measurement date utilizing various actuarial assumptions such as discount rates, assumed rates of return on plan assets and health care cost trend rates. We determine the discount rate assumptions by referencing high-quality, long-term bond rates that are matched to the duration of our benefit obligations, with appropriate consideration of local market factors, participant demographics and benefit payment forecasts. At August 31, 2022 August 31, 2023 and 2021, 2022, the discount rates on domestic benefit plans were 4.8% 5.4% and 2.6% 4.8%, respectively. In estimating the expected return on plan assets, we consider historical returns, forward-looking considerations,

inflation assumptions and the asset-allocation strategy in investing such assets. Domestic benefit plan assets consist primarily of participating units in mutual funds with equity based strategies, mutual funds with fixed income based strategies, and U.S treasury securities. The expected return on domestic benefit plan assets was 5.5% 5.7% and 4.2% 5.45% for the fiscal years ended August 31, 2022 August 31, 2023 and 2021, 2022, respectively. A 25 basis point change in the assumptions for the discount rate or expected return on plan assets would not have materially changed the fiscal 2022 2023 domestic benefit plan expense.

We review actuarial assumptions on an annual basis and make modifications based on current rates and trends, when appropriate. As required by US GAAP, the effects of any modifications are recorded currently or amortized over future periods. Based on information provided by independent actuaries and other relevant sources, we believe that the assumptions used are reasonable; however, changes in these assumptions could impact our financial position, results of operations or cash flow. See Note 12, 11, "Employee Benefit Plans" in the notes to the consolidated financial statements for further discussion.

Income Taxes: Judgment Judgment is required to determine the annual effective income tax rate, deferred tax assets and liabilities, reserves for unrecognized tax benefits and any valuation allowances recorded against net deferred tax assets. Our effective income tax rate is based on annual income, statutory tax rates, tax planning opportunities available in the various jurisdictions in which we operate and other adjustments. Our annual effective income tax rate includes the impact of discrete income tax matters including adjustments to reserves for uncertain tax positions and the benefits of various income tax planning activities. Tax regulations require items to be included in our tax returns at different times than these same items are reflected in our consolidated financial statements. As a result, the effective income tax rate in our consolidated financial statements differs from that reported in our tax returns. Some of these differences are permanent, such as expenses that are not tax deductible, while others are temporary differences, such as amortization and depreciation expenses.

Temporary differences create deferred tax assets and liabilities, which are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. We establish valuation allowances for our deferred tax assets when the amount of expected future taxable income is not large enough to utilize the entire deduction or credit. Relevant factors in determining the realizability of deferred tax assets include future taxable income, the expected timing of the reversal of temporary differences, tax planning strategies and the expiration dates of the various tax attributes.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

We are exposed The diverse nature of our business activities necessitates the management of various financial and market risks, including those related to market risk from changes in interest rates, foreign currency exchange rates and commodity costs.

Interest Rate Risk—As of August 31, 2023, long term debt consisted of $16 million of borrowings under the revolving line of credit (variable rate debt) and $200 million of term loan debt bearing interest rates and, on SOFR (variable rate). An interest-rate swap effectively converts the SOFR-based rate of $60 million of term borrowings under our credit facility to a lesser extent, commodities. To reduce such risks, we selectively use financial instruments and other proactive management techniques. All hedging transactions are authorized and executed pursuant to clearly defined policies and procedures, which strictly prohibit fixed rate. A ten percent increase in the use of financial instruments for trading or speculative purposes. A discussion average costs of our accounting policies variable rate debt would have resulted in a $1 million increase in financing costs for derivative financial instruments is included within the fiscal year ended Note 10, "Derivatives" August 31, 2023 in the notes to the consolidated financial statements. .

Foreign Currency Risk—We maintain operations in the U.S. and various foreign countries. Our more significant non-U.S. operations the largest of which are located in Australia, the Netherlands, (and other countries whose functional currency is the Euro), the United Kingdom, Australia, the United Arab Emirates and China, and we have foreign currency risk relating to receipts from customers, payments to suppliers and intercompany transactions denominated in foreign currencies. Under certain conditions, we enter into hedging transactions primarily forward (primarily foreign currency swaps, exchange contracts) that enable us to mitigate the potential adverse impact of foreign currency exchange rate risk (see(see Note 10, 9, "Derivatives" in the notes to the consolidated financial statements for further information). We do not engage in trading or other speculative activities with these transactions, as established policies require that these hedging transactions relate to specific currency exposures.

The strengthening of the U.S. dollar can have an unfavorable impact on our results of operations and financial position as foreign denominated operating results are translated into U.S. dollars. To illustrate the potential impact of changes in foreign currency exchange rates on the translation of our results of operations, annual sales and operating profit were remeasured assuming a ten percent reduction in foreign exchange rates compared to the U.S. dollar. Under this assumption, annual sales would have been $24 million $26 million lower and operating profit would have been relatively flat $2 million lower for the twelve months fiscal year ended August 31, 2022 August 31, 2023. This sensitivity analysis assumes that each exchange rate would change in the same direction relative to the U.S. dollar and excludes the potential effects that changes in foreign currency exchange rates may have on actual sales or price levels. Similarly, a ten percent decline in foreign currency exchange rates relative to the U.S. dollar on our August 31, 2022 August 31, 2023 financial position would result in a $40 million $38 million reduction to equity (accumulated other comprehensive loss), as a result of non-U.S. dollar denominated assets and liabilities being translated into U.S. dollars, our reporting currency.

Interest Rate Risk—As of August 31, 2022, long term debt consisted of $200 million of borrowings under the revolving line of credit (variable rate debt). A ten percent increase in the average costs of our variable rate debt would have resulted in less than $0.1 million increase in financing costs for the year ended August 31, 2022.

Commodity Risk—We source a wide variety of materials and components from a network of global suppliers. While such materials are typically available from numerous suppliers, commodity raw materials, such as steel aluminum, and plastic resin brass, steel wire and rubber are subject to price fluctuations which could have a negative impact on our results. We strive to timely pass along such commodity price increases to customers to avoid profit margin erosion.

Item 8. Financial Statements and Supplementary Data

All other schedules are omitted because they are not applicable, not required or because the required information is included in the consolidated financial statements or notes thereto.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Enerpac Tool Group Corp.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Enerpac Tool Group and Subsidiaries (the Company) as of August 31, 2022 August 31, 2023 and August 31, 2021 August 31, 2022, the related consolidated statements of earnings, comprehensive comprehensive statement of income (loss), shareholders'' equity and cash flows for each of the three years in the period ended August 31, 2022 August 31, 2023, and August 31, 2021 and the related notes and financial statement schedule listed in the Index index at Item 15(a)(2) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at August 31, 2022 August 31, 2023 and August 31, 2021 August 31, 2022, and the results of its operations and its cash flows for each of the three years in the period ended August 31, 2022, and August 31, 2021 August 31, 2023, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of August 31, 2022 August 31, 2023, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated October 25, 2022 October 20, 2023 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the account or disclosure to which it relates.

	Valuation of Goodwill within the IT&S Segment
Description of the Matter	At August 31, 2022 August 31, 2023, the Company’s consolidated goodwill balance was $257.9 million $266.5 million. Goodwill associated with the IT&S segment was $246.7 million $255.3 million. As disclosed in Note 1 to the financial statements, Management tests goodwill for impairment annually during the fourth quarter, or more frequently if events or changes in circumstances indicate that goodwill might be impaired. In estimating fair value, management utilizes a discounted cash flow model, which is dependent on a number of assumptions, most significantly forecasted revenues and operating profit margins, and the weighted average cost of capital. Auditing management’s goodwill impairment test within the IT&S segment was complex and highly judgmental due to the significant estimation required to determine the fair value of certain reporting units. In particular, the fair value estimate was sensitive to significant assumptions over forecasted revenues, operating profit margins, and the weighted average cost of capital.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company’s goodwill impairment review process, including controls over management's review of the significant assumptions used to develop the fair value estimates and controls over the completeness and accuracy of the underlying data used in the valuation. To test the estimated fair value of the Company’s reporting units within the IT&S segment, we performed audit procedures that included, among others, assessing methodologies and testing the significant assumptions discussed above and the completeness and accuracy of the underlying data used by the Company in its analysis. We also involved our valuation specialists to review certain significant assumptions. We compared the significant assumptions used by management to current industry and economic trends. We assessed the historical accuracy of management’s estimates and performed sensitivity analyses of significant assumptions to evaluate the changes in the fair value of the reporting units that would result from changes in the assumptions. We reconciled the fair value of the reporting units in the IT&S segment to their carrying value and tested the Company’s determination of the assets and liabilities used within the reporting units that are the basis for the carrying value. In addition, we tested management’s reconciliation of the fair value of all the reporting units to the market capitalization of the Company and assessed the adequacy of the Company’s goodwill valuation disclosures.

/s/ Ernst & Young LLP

We have served as the Company’s auditor since 2020.

Milwaukee, Wisconsin
October 25, 2022 20, 2023

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Enerpac Tool Group Corp.

Opinion on Internal Control over Financial Reporting

We have audited Enerpac Tool Group Corp. and Subsidiaries' internal control over financial reporting as of August 31, 2022 August 31, 2023, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Enerpac Tool Group Corp. and Subsidiaries' Subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of August 31, 2022 August 31, 2023, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of August 31, 2022 August 31, 2023 and August 31, 2021 August 31, 2022, and the related consolidated consolidated statements of earnings, comprehensive comprehensive income (loss), stockholders' shareholders' equity and cash flows for each of the three years in the period ended August 31, 2022, and August 31, 2021 August 31, 2023, and the related notes and financial statement schedule listed in the accompanying index at Item 15(a)(2) and our report dated October 25, 2022 October 20, 2023 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Milwaukee, Wisconsin
October 25, 2022 20, 2023

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Enerpac Tool Group Corp.

Opinion on the Financial Statements

We have audited the consolidated statements of earnings, of comprehensive (loss) income, of shareholders' equity and of cash flows of Enerpac Tool Group Corp. and its subsidiaries (the "Company") for the year ended August 31, 2020, including the related notes and schedule of valuation and qualifying accounts for the year ended August 31, 2020 listed in the accompanying index (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the results of operations and cash flows of the Company for the year ended August 31, 2020 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.

Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP
Milwaukee, Wisconsin
October 26, 2020

We served as the Company's auditor from 1997 to 2020.

ENERPAC TOOL GROUP CORP.
CONSOLIDATED STATEMENTS OF EARNINGS
(in thousands, except per share amounts)

		Year Ended August 31,				Year Ended August 31,		
		2022	**2021**	**2020**		**2023**	**2022**	**2021**
Net sales	Net sales				Net sales			
Product	Product	$ 454,126	$ 411,888	$ 379,899	Product	$ 490,629	$ 454,126	$ 411,888
Service & rental	Service & rental	117,097	116,772	113,393	Service & rental	107,575	117,097	116,772
Total net sales	Total net sales	571,223	528,660	493,292	Total net sales	598,204	571,223	528,660
Cost of products sold	Cost of products sold				Cost of products sold			
Product	Product	232,497	216,442	204,524	Product	235,403	232,497	216,442
Service & rental	Service & rental	73,338	69,062	71,575	Service & rental	67,762	73,338	69,062
Total cost of products sold	Total cost of products sold	305,835	285,504	276,099	Total cost of products sold	303,165	305,835	285,504
Gross profit	Gross profit	265,388	243,156	217,193	Gross profit	295,039	265,388	243,156
Selling, general and administrative expenses	Selling, general and administrative expenses	216,874	175,277	180,513	Selling, general and administrative expenses	205,064	216,874	175,277
Amortization of intangible assets	Amortization of intangible assets	7,306	8,176	8,323	Amortization of intangible assets	5,112	7,306	8,176
Restructuring charges	Restructuring charges	8,135	2,392	7,335	Restructuring charges	7,096	8,135	2,392
Impairment & divestiture charges (benefit)		2,413	6,198	(3,159)				
Impairment & divestiture (benefit) charges					Impairment & divestiture (benefit) charges	(6,155)	2,413	6,198
Operating profit	Operating profit	30,660	51,113	24,181	Operating profit	83,922	30,660	51,113
Financing costs, net	Financing costs, net	4,386	5,266	19,218	Financing costs, net	12,389	4,386	5,266

Other expense (income), net		2,282	1,872	(2,886)				
Other expense, net					Other expense, net	2,635	2,282	1,872
Earnings before income tax expense	Earnings before income tax expense	23,992	43,975	7,849	Earnings before income tax expense	68,898	23,992	43,975
Income tax expense	Income tax expense	4,401	3,763	2,292	Income tax expense	15,249	4,401	3,763
Net earnings from continuing operations	Net earnings from continuing operations	19,591	40,212	5,557	Net earnings from continuing operations	53,649	19,591	40,212
Loss from discontinued operations, net of income taxes	Loss from discontinued operations, net of income taxes	(3,905)	(2,135)	(4,834)	Loss from discontinued operations, net of income taxes	(7,088)	(3,905)	(2,135)
Net earnings	Net earnings	$ 15,686	$ 38,077	$ 723	Net earnings	$ 46,561	$ 15,686	$ 38,077
Earnings per share from continuing operations	Earnings per share from continuing operations				Earnings per share from continuing operations			
Basic	Basic	$ 0.33	$ 0.67	$ 0.09	Basic	$ 0.95	$ 0.33	$ 0.67
Diluted	Diluted	$ 0.33	$ 0.67	$ 0.09	Diluted	$ 0.94	$ 0.33	$ 0.67
Loss per share from discontinued operations	Loss per share from discontinued operations				Loss per share from discontinued operations			
Basic	Basic	$ (0.07)	$ (0.04)	$ (0.08)	Basic	$ (0.13)	$ (0.07)	$ (0.04)
Diluted	Diluted	$ (0.07)	$ (0.04)	$ (0.08)	Diluted	$ (0.12)	$ (0.07)	$ (0.04)
Earnings per share	Earnings per share				Earnings per share			
Basic	Basic	$ 0.26	$ 0.63	$ 0.01	Basic	$ 0.82	$ 0.26	$ 0.63
Diluted	Diluted	$ 0.26	$ 0.63	$ 0.01	Diluted	$ 0.82	$ 0.26	$ 0.63
Weighted average common shares outstanding	Weighted average common shares outstanding				Weighted average common shares outstanding			
Basic	Basic	59,538	60,024	59,952	Basic	56,680	59,538	60,024
Diluted	Diluted	59,909	60,403	60,269	Diluted	57,117	59,909	60,403

The accompanying notes are an integral part of these consolidated financial statements.

ENERPAC TOOL GROUP CORP.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS) INCOME
(in thousands)

	Year Ended August 31,		
	2022	**2021**	**2020**
Net income	$ 15,686	$ 38,077	$ 723
Other comprehensive (loss) income, net of tax			
Foreign currency translation adjustments	(46,092)	5,910	23,224
Recognition of foreign currency translation losses from divested businesses	—	—	51,994
Pension, other postretirement benefit plans, and cash flow hedges	4,115	1,830	(603)

Total other comprehensive (loss) income, net of tax	(41,977)	7,740	74,615
Comprehensive (loss) income	$ (26,291)	$ 45,817	$ 75,338

	Year Ended August 31,		
	2023	2022	2021
Net income	$ 46,561	$ 15,686	$ 38,077
Other comprehensive income (loss), net of tax			
Foreign currency translation adjustments	12,887	(46,092)	5,910
Cash flow hedges	(375)	—	—
Pension and other postretirement benefit plans	1,239	4,115	1,830
Total other comprehensive income (loss), net of tax	13,751	(41,977)	7,740
Comprehensive income (loss)	$ 60,312	$ (26,291)	$ 45,817

The accompanying notes are an integral part of these consolidated financial statements.

ENERPAC TOOL GROUP CORP.
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share amounts)

		August 31,			August 31,	
		2022	2021		2023	2022
ASSETS	**ASSETS**			**ASSETS**		
Current assets	Current assets			Current assets		
Cash and cash equivalents	Cash and cash equivalents	$120,699	$140,352	Cash and cash equivalents	$ 154,415	$120,699
Accounts receivable, net	Accounts receivable, net	106,747	103,233	Accounts receivable, net	97,649	106,747
Inventories, net	Inventories, net	83,672	75,347	Inventories, net	74,765	83,672
Other current assets	Other current assets	31,262	38,503	Other current assets	28,811	31,262
Total current assets	Total current assets	342,380	357,435	Total current assets	355,640	342,380
Property, plant and equipment, net	Property, plant and equipment, net	41,372	48,590	Property, plant and equipment, net	38,968	41,372
Goodwill	Goodwill	257,949	277,593	Goodwill	266,494	257,949
Other intangible assets, net	Other intangible assets, net	41,507	54,545	Other intangible assets, net	37,338	41,507
Other long-term assets	Other long-term assets	74,104	82,084	Other long-term assets	64,157	74,104
Total assets	Total assets	$757,312	$820,247	Total assets	$ 762,597	$757,312
LIABILITIES AND SHAREHOLDERS’ EQUITY	**LIABILITIES AND SHAREHOLDERS’ EQUITY**			**LIABILITIES AND SHAREHOLDERS’ EQUITY**		
Current Liabilities	Current Liabilities			Current Liabilities		
Trade accounts payable	Trade accounts payable	$ 72,524	$ 61,958	Trade accounts payable	$ 50,483	$ 72,524
Accrued compensation and benefits	Accrued compensation and benefits	21,390	21,597	Accrued compensation and benefits	33,194	21,390

Current maturities of long-term debt				Current maturities of long-term debt	3,750	—
Short-term debt	Short-term debt	4,000	—	Short-term debt	—	4,000
Income taxes payable	Income taxes payable	4,594	5,674	Income taxes payable	3,771	4,594
Other current liabilities	Other current liabilities	50,680	45,535	Other current liabilities	56,922	50,680
Total current liabilities	Total current liabilities	153,188	134,764	Total current liabilities	148,120	153,188
Long-term debt, net	Long-term debt, net	200,000	175,000	Long-term debt, net	210,337	200,000
Deferred income taxes	Deferred income taxes	7,355	4,397	Deferred income taxes	5,667	7,355
Pension and postretirement benefit liabilities	Pension and postretirement benefit liabilities	11,941	17,783	Pension and postretirement benefit liabilities	10,247	11,941
Other long-term liabilities	Other long-term liabilities	66,217	76,105	Other long-term liabilities	61,606	66,217
Total liabilities	Total liabilities	438,701	408,049	Total liabilities	435,977	438,701
Commitments and contingencies (Note 17)						
Commitments and contingencies (Note 16)				Commitments and contingencies (Note 16)		
Shareholders' equity	Shareholders' equity			Shareholders' equity		
Class A common stock, $0.20 par value per share, authorized 168,000,000 shares, issued 83,397,458 and 83,021,654 shares, respectively		16,679	16,604			
Class A common stock, $0.20 par value per share, authorized 168,000,000 shares, issued 83,760,798 and 83,397,458 shares, respectively				Class A common stock, $0.20 par value per share, authorized 168,000,000 shares, issued 83,760,798 and 83,397,458 shares, respectively	16,752	16,679
Additional paid-in capital	Additional paid-in capital	212,986	202,971	Additional paid-in capital	220,472	212,986
Treasury stock, at cost, 26,558,965 and 22,799,230 shares, respectively		(742,844)	(667,732)			
Treasury stock, at cost, 28,772,715 and 26,558,965 shares, respectively				Treasury stock, at cost, 28,772,715 and 26,558,965 shares, respectively	(800,506)	(742,844)
Retained earnings	Retained earnings	966,751	953,339	Retained earnings	1,011,112	966,751
Accumulated other comprehensive loss	Accumulated other comprehensive loss	(134,961)	(92,984)	Accumulated other comprehensive loss	(121,210)	(134,961)
Stock held in trust	Stock held in trust	(3,209)	(3,067)	Stock held in trust	(3,484)	(3,209)

Deferred compensation liability	Deferred compensation liability	3,209	3,067	Deferred compensation liability	3,484	3,209
Total shareholders' equity	Total shareholders' equity	318,611	412,198	Total shareholders' equity	326,620	318,611
Total liabilities and shareholders' equity	Total liabilities and shareholders' equity	$757,312	$820,247	Total liabilities and shareholders' equity	$ 762,597	$757,312

The accompanying notes are an integral part of these consolidated financial statements.

ENERPAC TOOL GROUP CORP.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

		Year Ended August 31,				Year Ended August 31,		
		2022	**2021**	**2020**		**2023**	**2022**	**2021**
Operating Activities	**Operating Activities**				**Operating Activities**			
Net earnings	Net earnings	$ 15,686	$ 38,077	$ 723	Net earnings	$ 46,561	$ 15,686	$ 38,077
Less: Net loss from discontinued operations	Less: Net loss from discontinued operations	(3,905)	(2,135)	(4,834)	Less: Net loss from discontinued operations	(7,088)	(3,905)	(2,135)
Net earnings from continuing operations	Net earnings from continuing operations	19,591	40,212	5,557	Net earnings from continuing operations	53,649	19,591	40,212
Adjustments to reconcile net earnings from continuing operations to net cash provided by operating activities - continuing operations:	Adjustments to reconcile net earnings from continuing operations to net cash provided by operating activities - continuing operations:				Adjustments to reconcile net earnings from continuing operations to net cash provided by operating activities - continuing operations:			
Impairment & divestiture charges (benefit), net of tax effect		2,413	5,586	(2,506)				
Impairment & divestiture (benefit) charges, net of tax effect					Impairment & divestiture (benefit) charges, net of tax effect	(6,155)	2,413	5,586
Depreciation and amortization	Depreciation and amortization	19,600	21,611	20,720	Depreciation and amortization	16,313	19,600	21,611
Stock-based compensation expense	Stock-based compensation expense	13,619	9,215	9,624	Stock-based compensation expense	8,574	13,619	9,215
(Benefit) provision for deferred income taxes		(5,291)	9,639	(7,819)				
Provision (benefit) for deferred income taxes					Provision (benefit) for deferred income taxes	460	(5,291)	9,639

Amortization of debt issuance costs	Amortization of debt issuance costs	480	480	2,549	Amortization of debt issuance costs	902	480	480
Provision for bad debts	Provision for bad debts	13,856	—	—	Provision for bad debts	803	13,856	—
Other non-cash (benefits) charges		(344)	(9,172)	1,204				
Other non-cash charges (benefits)					Other non-cash charges (benefits)	1,569	(344)	(9,172)
Changes in components of working capital and other, excluding acquisitions and divestitures:	Changes in components of working capital and other, excluding acquisitions and divestitures:				Changes in components of working capital and other, excluding acquisitions and divestitures:			
Accounts receivable	Accounts receivable	(23,753)	(19,113)	44,749	Accounts receivable	5,169	(23,753)	(19,113)
Inventories	Inventories	(16,036)	(5,857)	8,960	Inventories	4,539	(16,036)	(5,857)
Trade accounts payable	Trade accounts payable	9,658	16,695	(32,081)	Trade accounts payable	(21,867)	9,658	16,695
Prepaid expenses and other assets	Prepaid expenses and other assets	12,545	(18,812)	7,828	Prepaid expenses and other assets	(3,764)	12,545	(18,812)
Income tax accounts	Income tax accounts	4,022	(4,293)	(7,306)	Income tax accounts	9,933	4,022	(4,293)
Accrued compensation and benefits	Accrued compensation and benefits	1,267	3,631	(9,845)	Accrued compensation and benefits	11,288	1,267	3,631
Other accrued liabilities	Other accrued liabilities	619	5,038	(23,635)	Other accrued liabilities	(2,840)	619	5,038
Cash provided by operating activities - continuing operations	Cash provided by operating activities - continuing operations	52,246	54,860	17,999	Cash provided by operating activities - continuing operations	78,573	52,246	54,860
Cash used in operating activities - discontinued operations	Cash used in operating activities - discontinued operations	(510)	(677)	(21,158)	Cash used in operating activities - discontinued operations	(970)	(510)	(677)
Cash provided by (used in) operating activities		51,736	54,183	(3,159)				
Cash provided by operating activities					Cash provided by operating activities	77,603	51,736	54,183
Investing Activities	**Investing Activities**				**Investing Activities**			
Capital expenditures	Capital expenditures	(8,417)	(12,019)	(12,053)	Capital expenditures	(9,400)	(8,417)	(12,019)
Proceeds from sale of property, plant and equipment	Proceeds from sale of property, plant and equipment	1,176	22,409	708	Proceeds from sale of property, plant and equipment	685	1,176	22,409
Proceeds from company owned life insurance policies	Proceeds from company owned life insurance policies	—	2,911	—	Proceeds from company owned life insurance policies	—	—	2,911
Cash paid for business acquisitions, net of cash acquired		—	—	(33,298)				

Proceeds from sale of business, net of transaction costs	Proceeds from sale of business, net of transaction costs	—	—	10,226	Proceeds from sale of business, net of transaction costs	20,057	—	—
Other investing activities		—	—	(710)				
Cash (used in) provided by investing activities - continuing operations		(7,241)	13,301	(35,127)				
Cash provided by investing activities - discontinued operations		—	—	211,200				
Cash (used in) provided by investing activities		(7,241)	13,301	176,073				
Cash provided by (used in) investing activities - continuing operations					Cash provided by (used in) investing activities - continuing operations	11,342	(7,241)	13,301
Cash provided by (used in) investing activities					Cash provided by (used in) investing activities	11,342	(7,241)	13,301
Financing Activities	**Financing Activities**				**Financing Activities**			
Borrowings on revolving credit facility	Borrowings on revolving credit facility	85,000	10,000	395,000	Borrowings on revolving credit facility	69,000	85,000	10,000
Principal repayments on revolving credit facility	Principal repayments on revolving credit facility	(60,000)	(90,000)	(140,000)	Principal repayments on revolving credit facility	(53,000)	(60,000)	(90,000)
Swingline borrowings/repayments, net		4,000	—	—				
Swingline (repayments) borrowings, net					Swingline (repayments) borrowings, net	(4,000)	4,000	—
Principal repayments on term loan	Principal repayments on term loan	—	—	(175,000)	Principal repayments on term loan	(1,250)	—	—
Redemption of 5.625% Senior Notes		—	—	(287,559)				
Proceeds from issuance of term loan					Proceeds from issuance of term loan	200,000	—	—
Payment for redemption of revolver					Payment for redemption of revolver	(200,000)	—	—
Payment of debt issuance costs					Payment of debt issuance costs	(2,486)	—	—
Purchase of treasury shares	Purchase of treasury shares	(75,112)	—	(27,520)	Purchase of treasury shares	(57,662)	(75,112)	—
Stock options, taxes paid related to the net share settlement of equity awards & other	Stock options, taxes paid related to the net share settlement of equity awards & other	(3,681)	128	(1,428)	Stock options, taxes paid related to the net share settlement of equity awards & other	(1,458)	(3,681)	128
Payment of cash dividend	Payment of cash dividend	(2,409)	(2,394)	(2,419)	Payment of cash dividend	(2,274)	(2,409)	(2,394)
Cash used in financing activities - continuing operations	Cash used in financing activities - continuing operations	(52,202)	(82,266)	(238,926)	Cash used in financing activities - continuing operations	(53,130)	(52,202)	(82,266)

Cash provided by financing activities - discontinued operations	Cash provided by financing activities - discontinued operations	—	750	—	Cash provided by financing activities - discontinued operations	—	—	750
Cash used in financing activities	Cash used in financing activities	(52,202)	(81,516)	(238,926)	Cash used in financing activities	(53,130)	(52,202)	(81,516)
Effect of exchange rate changes on cash	**Effect of exchange rate changes on cash**	(11,946)	2,214	7,031	**Effect of exchange rate changes on cash**	(2,099)	(11,946)	2,214
Net decrease in cash and cash equivalents		(19,653)	(11,818)	(58,981)				
Net increase (decrease) from cash and cash equivalents					**Net increase (decrease) from cash and cash equivalents**	33,716	(19,653)	(11,818)
Cash and cash equivalents - beginning of period	**Cash and cash equivalents - beginning of period**	140,352	152,170	211,151	**Cash and cash equivalents - beginning of period**	120,699	140,352	152,170
Cash and cash equivalents - end of period	**Cash and cash equivalents - end of period**	$ 120,699	$ 140,352	$ 152,170	**Cash and cash equivalents - end of period**	$ 154,415	$ 120,699	$ 140,352

The accompanying notes are an integral part of these consolidated financial statements.

ENERPAC TOOL GROUP CORP.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(in thousands)

		Common Stock		Additional Paid-in Capital	Treasury Stock	Retained Earnings	Accumulated Other Comprehensive Loss	Stock Held In Trust	Deferred Compensation Liability	Total Shareholders' Equity		Common Stock	
		Issued Shares	**Amount**									**Issued Shares**	**Amoun**
Balance at August 31, 2019		81,919	$16,384	$ 181,213	$(640,212)	$915,466	$ (171,672)	$(3,070)	$ 3,070	$ 301,179			
Net earnings		—	—	—	—	723	—	—	—	723			
Other comprehensive income, net of tax		—	—	—	—	—	74,615	—	—	74,615			
Stock contribution to employee benefit plans and other		23	5	456	—	—	—	—	—	461			
Vesting of equity awards		484	96	(96)	—	—	—	—	—	—			
Cash dividend ($0.04 per share)		—	—	—	—	(2,391)	—	—	—	(2,391)			
Treasury stock repurchases		—	—	—	(27,520)	—	—	—	—	(27,520)			
Stock based compensation expense		—	—	13,309	—	—	—	—	—	13,309			
Stock option exercises		145	29	2,602	—	—	—	—	—	2,631			
Tax effect related to net share settlement of equity awards		—	—	(4,286)	—	—	—	—	—	(4,286)			
Stock issued to, acquired for and distributed from rabbi trust		23	5	294	—	—	—	508	(508)	299			
Adoption of accounting standards		—	—	—	—	3,873	(3,667)	—	—	206			
Balance at August 31, 2020	Balance at August 31, 2020	82,594	16,519	193,492	(667,732)	917,671	(100,724)	(2,562)	2,562	359,226	Balance at August 31, 2020	82,594	$16,519
Net earnings	Net earnings	—	—	—	—	38,077	—	—	—	38,077	Net earnings	—	—
Other comprehensive income, net of tax	Other comprehensive income, net of tax	—	—	—	—	—	7,740	—	—	7,740	Other comprehensive income, net of tax	—	—

Stock contribution to employee benefit plans and other	Stock contribution to employee benefit plans and other	17	4	359	—	—	—	—	—	363	Stock contribution to employee benefit plans and other	17	4
Vesting of equity awards	Vesting of equity awards	282	56	(56)	—	—	—	—	—	—	Vesting of equity awards	282	56
Cash dividend ($0.04 per share)	Cash dividend ($0.04 per share)	—	—	—	—	(2,409)	—	—	—	(2,409)	Cash dividend ($0.04 per share)	—	—
Stock based compensation expense	Stock based compensation expense	—	—	9,215	—	—	—	—	—	9,215	Stock based compensation expense	—	—
Stock option exercises	Stock option exercises	104	20	2,188	—	—	—	—	—	2,208	Stock option exercises	104	20
Tax effect related to net share settlement of equity awards	Tax effect related to net share settlement of equity awards	—	—	(2,445)	—	—	—	—	—	(2,445)	Tax effect related to net share settlement of equity awards	—	—
Stock issued to, acquired for and distributed from rabbi trust	Stock issued to, acquired for and distributed from rabbi trust	25	5	218	—	—	—	(505)	505	223	Stock issued to, acquired for and distributed from rabbi trust	25	5
Balance at August 31, 2021	Balance at August 31, 2021	83,022	16,604	202,971	(667,732)	953,339	(92,984)	(3,067)	3,067	412,198	Balance at August 31, 2021	83,022	16,604
Net earnings	Net earnings	—	—	—	—	15,686	—	—	—	15,686	Net earnings	—	—
Other comprehensive loss, net of tax	Other comprehensive loss, net of tax	—	—	—	—	—	(41,977)	—	—	(41,977)	Other comprehensive loss, net of tax	—	—
Stock contribution to employee benefit plans and other	Stock contribution to employee benefit plans and other	15	3	266	—	—	—	—	—	269	Stock contribution to employee benefit plans and other	15	3
Vesting of equity awards	Vesting of equity awards	350	70	(70)	—	—	—	—	—	—	Vesting of equity awards	350	70
Cash dividend ($0.04 per share)	Cash dividend ($0.04 per share)	—	—	—	—	(2,274)	—	—	—	(2,274)	Cash dividend ($0.04 per share)	—	—
Treasury stock repurchases	Treasury stock repurchases	—	—	—	(75,112)	—	—	—	—	(75,112)	Treasury stock repurchases	—	—
Stock based compensation expense	Stock based compensation expense	—	—	13,619	—	—	—	—	—	13,619	Stock based compensation expense	—	—
Tax effect related to net share settlement of equity awards	Tax effect related to net share settlement of equity awards	—	—	(3,950)	—	—	—	—	—	(3,950)	Tax effect related to net share settlement of equity awards	—	—
Stock issued to, acquired for and distributed from rabbi trust	Stock issued to, acquired for and distributed from rabbi trust	10	2	150	—	—	—	(142)	142	152	Stock issued to, acquired for and distributed from rabbi trust	10	2
Balance at August 31, 2022	Balance at August 31, 2022	83,397	$16,679	$ 212,986	$(742,844)	$966,751	$ (134,961)	$(3,209)	$ 3,209	$ 318,611	Balance at August 31, 2022	83,397	16,679

Net earnings	Net earnings	—	—
Other comprehensive income, net of tax	Other comprehensive income, net of tax	—	—
Stock contribution to employee benefit plans and other	Stock contribution to employee benefit plans and other	9	2
Vesting of equity awards	Vesting of equity awards	273	54
Cash dividend ($0.04 per share)	Cash dividend ($0.04 per share)	—	—
Treasury stock repurchases	Treasury stock repurchases	—	—
Stock based compensation expense	Stock based compensation expense	—	—
Stock option exercises	Stock option exercises	43	8
Tax effect related to net share settlement of equity awards	Tax effect related to net share settlement of equity awards	—	—
Stock issued to, acquired for and distributed from rabbi trust	Stock issued to, acquired for and distributed from rabbi trust	39	9
Balance at August 31, 2023	Balance at August 31, 2023	83,761	$16,752

The accompanying notes are an integral part of these consolidated financial statements.

ENERPAC TOOL GROUP CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1. Summary of Significant Accounting Policies

Nature of Operations: Enerpac Tool Group Corp. (the “Company”), is a global manufacturer of premier industrial tools, services, technology and solutions company serving a broad range and diverse set of industrial products and solutions, organized into six operating segments. In accordance with generally accepted accounting principle customers in the United States ("US GAAP"), four of these operating segments have been aggregated into the Company's only more than 100 countries. The Company has one reportable segment, the Industrial Tools & Services segment ("IT&S"). , and an Other operating segment, which does not meet the criteria to be considered a reportable segment. The IT&S segment is primarily engaged in the design, manufacture and distribution of branded hydraulic and mechanical tools and in providing services and tool rental to the infrastructure, industrial maintenance, repair and operations, oil & gas, mining, alternative and renewable energy, energy, civil construction and civil construction other markets.

Consolidation and Presentation: The consolidated financial statements include the accounts of the Company and its subsidiaries, all of which are wholly owned. The results of companies acquired or disposed of during the year are included in the consolidated financial statements from the effective date of acquisition or until the date of divestiture. All intercompany balances, transactions and profits have been eliminated in consolidation. The terms the "Company," "we," and "our" refer to Enerpac Tool Group Corp. and its subsidiaries, unless the context requires that such terms refer only to Enerpac Tool Group Corp. Reference to fiscal years, such as "fiscal 2023," are to the fiscal year ending on August 31 of the specified year.

At August 31, 2019 On October 31, 2019, as part of our overall strategy to become a pure-play industrial tools and services company, the Company's Company completed the sale of the businesses comprising its former Engineered Components & Systems ("EC&S") segment was considered held for sale and was subsequently divested on October 31, 2019. As the segment.This divestiture represented a strategic shift in our operations,and accordingly the results of the former EC&S segment through the date of divestiture and subsequent impacts to the financial results from retained liabilities are recorded in "Loss from discontinued operations, net of income taxes" within the Consolidated Statements of Earnings.

On July 11, 2023, the Company completed the sale of the Cortland Industrial business, which had been included in the Other operating segment.

Cash Equivalents: The Company considers all highly liquid investments with original original maturities of 90 days or less to be cash equivalents.

Inventories: Inventories are comprised of material, direct labor and manufacturing overhead. A majority portion of inventory is recorded on the first-in, first-out or average cost method and is stated at the lower of cost or net realizable value. A portion of U.S. owned inventory is determined using the last-in, first-out ("LIFO") method (51.7% (48.1% and 48.4% 51.7% of total inventories as of August 31, 2022 August 31, 2023 and 2021, 2022, respectively). If the LIFO method were not used, inventory balances would be higher than reported amounts in the consolidated balance sheets by $17.6 million and $19.0 million at August 31, 2023 and $15.9 million at August 31, 2022 and 2021, 2022, respectively.

The nature of the Company's products is such that they generally have a very short production cycle. Consequently, the amount of work-in-process at any point in time is minimal. In addition, many parts or components are ultimately either sold individually or assembled with other parts making a distinction between raw materials and finished goods impractical to determine. Certain locations maintain and manage their inventories using a job cost system where the distinction of categories of inventory by state of completion is also not available. As a result of these factors, it is neither practical nor cost effective to segregate the amounts of raw materials, work-in-process or finished goods inventories at the respective balance sheet dates, as segregation would only be possible as the result of physical inventories which are taken at dates different from the balance sheet dates.

Property, Plant and Equipment: Property, plant and equipment are stated at cost. Plant and equipment are depreciated on a straight-line basis over the estimated useful lives of the assets, ranging from ten to forty years for buildings and improvements and two to fifteen years for machinery and equipment. Equipment includes assets which are rented to customers of our the IT&S segment. Leasehold improvements are amortized over the shorter of the life of the related asset or the term of the lease. Depreciation expense was $12.3 million $11.2 million, $13.4 million $12.3 million and $12.4 million $13.4 million for the years ended August 31, 2022 August 31, 2023, 2021 2022 and 2020, 2021, respectively. The following is a summary of the Company's components of property, plant and equipment (in thousands):

		August 31, 2022	August 31, 2021		August 31, 2023	August 31, 2022
Land, buildings and improvements	Land, buildings and improvements	$ 14,121	$ 16,617	Land, buildings and improvements	$ 14,070	$ 14,121
Machinery and equipment	Machinery and equipment	141,571	145,541	Machinery and equipment	136,566	141,571
Gross property, plant and equipment	Gross property, plant and equipment	155,692	162,158	Gross property, plant and equipment	150,636	155,692
Less: Accumulated depreciation	Less: Accumulated depreciation	(114,320)	(113,568)	Less: Accumulated depreciation	(111,668)	(114,320)
Property, plant and equipment, net	Property, plant and equipment, net	$ 41,372	$ 48,590	Property, plant and equipment, net	$ 38,968	$ 41,372

Leases: We determine if an arrangement contains a lease in whole or in part at the inception of the contract and identify classification of the lease as financing or operating. We account for the underlying operating lease asset at the individual lease level. Operating leases are recorded as operating lease right-of-use ("ROU") assets in "Other long-term assets" and operating lease liabilities in "Other current liabilities" and "Other long-term liabilities" on the Consolidated Balance Sheets.

All leases greater than 12 months result in recognition of a ROU asset and a liability at the lease commencement date and are recorded at the present value of the future minimum lease payments over the lease term. The lease term is equal to the initial term at commencement plus any renewal or extension options that the Company is reasonably certain will be exercised. ROU assets at the date of commencement are equal to the amount of the initial lease liability, the initial direct costs incurred by the

ENERPAC TOOL GROUP CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

Company and any prepaid lease payments less any incentives received. Lease expense for operating leases is recognized on a straight-line basis over the lease term or remaining useful life. As most of our leases do not provide the information required to determine the implicit rate, we utilize a consolidated group incremental borrowing rate for all leases as the Company has centralized treasury operations. The incremental borrowing rate is derived through a combination of inputs such as the Company's credit rating, impact of collaborated borrowing capabilities and lease term.

Leases with the duration of less than one-year are not recognized on the balance sheet and are expensed on a straight-line basis over the lease term. In addition, we do not separate lease components from non-lease components for all asset classes.

Goodwill and Other Intangible Assets: Goodwill and other intangible assets with indefinite lives are not subject to amortization, but are subject to annual impairment testing. Other intangible assets with definite lives, consisting primarily of purchased customer relationships, patents, trademarks and tradenames, are amortized over periods from one to twenty-five years.

The Company's goodwill is tested for impairment annually, during the fourth quarter, or more frequently if events or changes in circumstances indicate that goodwill might be impaired. The Company performs impairment reviews for its reporting units using a fair value method based on management's judgments and assumptions. In estimating the fair value, the Company utilizes a discounted cash flow model, which is dependent on a number of assumptions, most significantly forecasted revenues and operating profit margins, and the weighted average cost of capital, or a market value approach if appropriate information is available as of the goodwill impairment assessment date. The estimated fair value of the reporting unit is compared to the carrying amount of the reporting unit, including goodwill. If the carrying value of the reporting unit exceeds its fair value, an impairment loss is recorded and should not exceed the total amount of the goodwill allocated to the reporting unit. Indefinite-lived intangible assets are also subject to an annual impairment test. On an annual basis, or more frequently if events or changes in circumstances indicate that the asset might be impaired, the fair value of the indefinite-lived intangible assets are evaluated by the Company to determine if an impairment charge is required. A considerable amount of management judgment is required in performing impairment tests, principally in determining the fair value of each reporting unit and the indefinite-lived intangible assets.

Product Warranty Costs: The Company generally offers its customers an assurance warranty on products sold, although warranty periods may vary by product type and application. The reserve for future warranty claims, which is recorded within the "Other current liabilities" line on the Consolidated Balance Sheets, is based on historical claim rates and current warranty cost experience. The following is a rollforward roll-forward of the changes in product warranty reserves for fiscal years 2023 and 2022 and 2021 (in thousands):

		2022	2021		2023	2022
Beginning balance	Beginning balance	$ 1,300	$ 892	Beginning balance	$ 1,140	$ 1,300
Provision for warranties	Provision for warranties	887	1,580	Provision for warranties	418	887
Warranty payments and costs incurred	Warranty payments and costs incurred	(911)	(1,171)	Warranty payments and costs incurred	(723)	(911)
Warranty activity for divested businesses				Warranty activity for divested businesses	(10)	—
Impact of changes in foreign currency rates	Impact of changes in foreign currency rates	(136)	(1)	Impact of changes in foreign currency rates	31	(136)
Ending balance	Ending balance	$ 1,140	$ 1,300	Ending balance	$ 856	$ 1,140

Revenue from Contracts with Customers: The Company recognizes revenue when it satisfies a performance obligation in a contract by transferring control of a distinct good or service to a customer. A contract's transaction price is allocated to each distinct performance obligation and revenue is measured based on the consideration that the Company expects to be entitled to in exchange for the goods or services transferred. When contracts include multiple products or services to be delivered to the customer, the consideration for each element is generally allocated on the standalone transaction prices of the separate performance obligations, using the adjusted market assessment approach.

Under normal circumstances, the Company invoices the customer once transfer of control has occurred and has a right to payment. The typical payment terms vary based on the customer and the types of goods and services in the contract. The period of time between invoicing and when payment is due is not significant, as our standard payment terms are less than one year. Amounts billed and due from customers are classified as receivables on the Consolidated Balance Sheets.

Customer sales are recorded net of allowances for returns and discounts, which are recognized as a deduction from sales at the time of sale. The Company commits to one-time or on-going trade discounts and promotions with customers that require the Company to estimate and accrue the ultimate costs of such programs. The Company generally does not require collateral or other security for receivables and provides for an allowance for doubtful accounts based on historical experience and a review

of its existing receivables. Accounts receivable are stated net of an allowance for doubtful accounts of $16.8 million and $17.5 million at August 31, 2023 and $4.2 million at August 31, 2022 and 2021, 2022, respectively.

Taxes Collected: Taxes collected by the Company from a customer concurrent with revenue-producing activities are excluded from "Net sales" within the Consolidated Statements of Earnings.

ENERPAC TOOL GROUP CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

Shipping and Handling Costs: The Company records costs associated with shipping its products after control over a product has transferred to a customer and are accounted for as fulfillment costs. These costs are reported in the Consolidated Statements of Earnings in "Cost of products sold."

Research and Development Costs: Research and development costs consist primarily of engineering and development resources and are expensed as incurred. Such costs incurred in the development of new products or significant improvements to existing products were $7.3 million $9.0 million, $7.4 million $7.3 million and $7.3 million $7.4 million in fiscal 2023, 2022 2021 and 2020, 2021, respectively. The Company also incurs significant costs in connection with fulfilling custom orders and developing solutions for unique customer needs which are not included in these research and development expense totals.

Other Income/Expense: Other income and expense primarily consists of net foreign currency exchange transaction losses of $1.5 million $2.1 million, $1.8 million $1.5 million and $2.6 million $1.8 million in fiscal 2023, 2022 and 2021, and 2020, respectively. In addition, as a result of the EC&S divestiture and the transition services agreement entered into with the buyer, the Company recorded $4.9 million of other income from providing the agreed upon services in fiscal 2020.

Financing Costs: Financing costs represent interest expense, financing fees and amortization of debt issuance costs, net of interest income. Interest income was $1.3 million $2.6 million, $0.7 million $1.3 million and $0.8 million $0.7 million for fiscal 2023, 2022 2021 and 2020, 2021, respectively.

Income Taxes: The provision for income taxes includes federal, state, local and non-U.S. taxes on income. Tax credits, primarily for non-U.S. earnings, are recognized as a reduction of the provision for income taxes in the year in which they are available for U.S. tax purposes. Deferred taxes are provided on temporary differences between assets and liabilities for financial and tax reporting purposes as measured by enacted tax rates expected to apply when temporary differences are settled or realized. Future tax benefits are recognized to the extent that realization of those benefits is considered to be more likely than not. A valuation allowance is established for deferred tax assets for which realization is not more likely than not of being realized. The Company has not provided for any residual U.S. income taxes on unremitted earnings of non-U.S. subsidiaries, as such earnings are intended to be indefinitely reinvested to the extent the remittance does not result in an incremental U.S. tax liability. The Company recognizes interest and penalties related to unrecognized tax benefits in income tax expense and treats any taxes due on future U.S. inclusions in taxable income under the Global Intangible Low-Taxed Income ("GILTI") provision as a current period tax expense.

Foreign Currency Translation: The financial statements of the Company's foreign operations are translated into U.S. dollars using the exchange rate at each balance sheet date for assets and liabilities and an appropriate weighted average exchange rate for each applicable period within the Consolidated Statements of Earnings. Translation adjustments are reflected in the Consolidated Balance Sheets and Consolidated Statements of Shareholders' Equity caption "Accumulated other comprehensive loss."

Accumulated Other Comprehensive Loss: The following is a summary of the components included within accumulated other comprehensive loss (in thousands):

		August 31,					August 31,			
			2022		2021			2023		2022
Foreign currency translation adjustments	Foreign currency translation adjustments	$	116,078	$	69,986	Foreign currency translation adjustments	$	102,268	$	116,078
Pension and other postretirement benefit plans	Pension and other postretirement benefit plans		18,883		22,998	Pension and other postretirement benefit plans		18,394		18,883
Cash flow hedges						Cash flow hedges		548		—
Accumulated other comprehensive loss	Accumulated other comprehensive loss	$	134,961	$	92,984	Accumulated other comprehensive loss	$	121,210	$	134,961

Use of Estimates: The preparation of financial statements in conformity with generally accepted accounting principles in the United States ("US GAAP GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. The Company regularly evaluates the estimates and assumptions related to the allowance for doubtful accounts, inventory valuation, warranty reserves, goodwill, intangible and long-lived asset valuations, employee benefit plan liabilities, over-time revenue recognition, income tax liabilities, deferred tax assets and related valuation allowances, uncertain tax positions, restructuring reserves, and litigation and other loss contingencies.

The Company manages the profitability of its product and service & rental categories on a combined basis given the complexity of the business model. This model includes providing integrated product and service solutions resulting in facilities that generate revenues from both product and service & rental categories, which also have indirect and facility overhead costs included in cost of sales. As such, judgment and estimates are required to disaggregate product and service & rental cost of

sales including allocating indirect and facility overhead costs between cost of product sales and the cost of service & rental sales. Changes in these judgments and estimates could materially change the allocation of the indirect and facility overhead costs to the different sales categories and the resulting ratio of cost of sales to net sales by category. Because the sales mix heavily favors the product category, a change in the mix of cost of sales between the sales categories would have a more significant impact on the ratio of cost of sales to net sales for the service & rental category.

ENERPAC TOOL GROUP CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

Recently Adopted Accounting Pronouncements

In December 2019, the Financial Accounting Standards Board ("FASB") issued ASU 2019-12, Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes. The amendments in this update simplify the accounting for income taxes by removing certain exceptions and amending and clarifying existing guidance. The Company adopted this guidance on September 1, 2021. The adoption did not have a material effect on our consolidated financial statements.

Recently Issued Accounting Pronouncements

In October 2021, the FASB issued ASU 2021-08, Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers, which amends ASC 805 to require an acquirer to, at the date of acquisition, recognize and measure contract assets and contract liabilities acquired in accordance with ASU 2014-9, Revenue from Contracts with Customers (Topic 606) as if the entity had originated the contracts. The guidance is effective for fiscal years beginning after December 15, 2022. The Company will adopt this guidance in the event of a business combination subsequent to the effective date of the guidance.

In March 2020, the FASB issued ASU 2020-4, Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting, which provides optional expedients and exceptions for a limited time to ease the potential burden of accounting for reference rate reform on financial reporting. This guidance applies to contracts, hedging relationships and other transactions affected by the discontinuation of the London Interbank Offered Rate ("LIBOR") and other interbank offered rates. The guidance is effective beginning on March 12, 2020 through December 31, 2022. In January 2021, the FASB issued ASU 2021-01 allowing entities to apply certain aspects of ASC 848 (previously ASU 2020-4) to all derivative instruments that undergo a modification of the interest rate used for discounting, margining or contract price alignment as a result of the reference reform. The guidance is also effective through December 31, 2022. The Company has not utilized any of the optional expedients or exceptions available under this guidance. The Company will continue to assess whether this guidance is applicable throughout the effective period.

Note 2. Revenue from Contracts with Customers

Nature of Goods and Services

The Company generates its revenue under two principal activities, which are discussed below:

Product Sales: Sales of tools, heavy-lifting solutions, and rope solutions are recorded when control is transferred to the customer (i.e., performance obligation has been satisfied). For the majority of the Company's product sales, revenue is recognized at a point in time when control of the product is transferred to the customer, which generally occurs when the product is shipped from the Company to the customer. For certain other products that are highly customized and have a limited alternative use, and for which the Company has an enforceable right of reimbursement for performance completed to date, revenue is recognized over time. We consider the input measure (efforts-expended or cost-to-cost) or output measure as a fair measure of progress for the recognition of over-time revenue associated with these custom products. For a majority of the Company's custom these customized products, machine hours and labor hours (efforts-expended measurement) are used as a measure of progress.

Service & Rental Sales: Service contracts consist of providing highly trained technicians to perform bolting, technical services, machining and joint-integrity work for our customers. These revenues are recognized over time as our customers simultaneously receive and consume the benefits provided by the Company. We consider the input measure (efforts-expended or cost-to-cost) or output measure as a fair measure of progress for the recognition of over-time revenue associated with service contracts. For a majority of the Company's service contracts, labor hours (efforts-expended measurement) is used as the measure of progress when it is determined to be a better depiction of the transfer of control to the customer due to the timing and pattern of labor hours incurred. Revenue from rental contracts (less than a one year and non-customized products) is generally recognized ratably over the contract term, depicting the customer's consumption of the benefit related to the rental equipment.

Disaggregated Revenue and Performance Obligations

The Company disaggregates revenue from contracts with customers by reportable segment and product line and by the timing of when goods and services are transferred. See Note 16, 15, "Business Segment, Geographic and Customer Information" for information regarding our revenue disaggregation by reportable segment and product line.

The following table presents information regarding revenues disaggregated by the timing of when goods and services are transferred (in thousands):

		Year Ended August 31,			Year Ended August 31,		
		2022	2021		2023	2022	2021
Revenues recognized at point in time	Revenues recognized at point in time	$ 442,832	$ 396,457	Revenues recognized at point in time	$ 482,506	$ 442,832	$ 396,457
Revenues recognized over time	Revenues recognized over time	128,391	132,203	Revenues recognized over time	115,698	128,391	132,203
Total	Total	$ 571,223	$ 528,660	Total	$ 598,204	$ 571,223	$ 528,660

Contract Balances

The Company's contract assets and liabilities are as follows (in thousands):

		August 31,			August 31,	
		2022	2021		2023	2022
Receivables, which are included in accounts receivable, net	Receivables, which are included in accounts receivable, net	$ 106,747	$ 103,233	Receivables, which are included in accounts receivable, net	$ 97,649	$ 106,747
Contract assets, which are included in other current assets	Contract assets, which are included in other current assets	2,397	8,551	Contract assets, which are included in other current assets	3,989	2,397
Contract liabilities, which are included in other current liabilities	Contract liabilities, which are included in other current liabilities	2,804	3,410	Contract liabilities, which are included in other current liabilities	2,927	2,804

Receivables: The Company performs its obligations under a contract with a customer by transferring goods or services in exchange for consideration from the customer. The Company typically invoices its customers as soon as control of an asset is transferred and a receivable for the Company is established. Accounts receivable, net is recorded at face amount of customer receivables receivables less an allowance for doubtful accounts. The Company maintains an allowance for doubtful accounts for expected losses as a result of customers' inability to make required payments. Management evaluates the aging of customer receivable balances, the financial condition of its customers, historical trends and the time outstanding of specific balances to estimate the

amount of receivables that will not be collected in the future and records the appropriate provision. The allowance for doubtful accounts was $16.8 million and $17.5 million at August 31, 2023and $4.2 million at August 31, 2022 and 2021, 2022, respectively.

As indicated in the "Concentration of Credit Risk" section below, as of August 31, 2022, August 31, 2023 and 2022, the Company was exposed to a concentration of credit risk with an agent as a result of its continued payment delinquency. During the year ended August 31, 2022, the Company recorded through bad debt expense (included in "Selling, general and administrative expenses" ("SG&A expenses") in the Condensed Consolidated Statements of Earnings) a reserve of $13.2 million based on the consideration of the factors listed below, which fully reserves for the outstanding account receivable balance for this agent. The allowance for doubtful accounts for this particular agent as of August 31, 2022 August 31, 2023 represents management's best estimate of the amount probable of collection and considers various factors with respect to this matter, including, but not limited to, (i) the lack of payment by the agent since the fiscal quarter ended February 28, 2021, (ii) our due diligence on balances due to the agent from its end customers related to sales of our services and products and the known markup on those sales from the agent to end customer, (iii) the status of ongoing negotiations with the agent to secure payments and (iv) legal recourse available to secure payment. Actual collections from the agent may differ from the Company's estimate.

Concentration of Credit Risk: The Company sells products and services through distributors and agents. In certain jurisdictions, those third parties represent a significant portion of our sales in their respective country which can pose a concentration of credit risk if these larger distributors or agents are not timely in their payments. As of August 31, 2022 August 31, 2023 the Company was exposed to a concentration of credit risk as a result of the payment delinquency of one of our agents whose accounts receivable represent 10.6%11.3% of the Company's outstanding accounts receivable. As of August 31, 2023, the Company has fully reserved for the amounts due from this agent.

Contract Assets: Contract assets relate to the Company's rights to consideration for work completed but not billed as of the reporting date on contracts with customers. The contract assets are transferred to receivables when the rights become unconditional. The Company has contract assets on contracts that are generally long-term and have revenues that are recognized over time.

Contract Liabilities: As of August 31, 2022 August 31, 2023, the Company had certain contracts where there were unsatisfied performance obligations and the Company had received cash consideration from customers before the performance obligations were satisfied. The majority of these contracts relate to long-term customer contracts (project durations of greater than three months) and are recognized over time. The Company estimates that the $2.8 million $2.9 million will be recognized in net sales from satisfying those performance obligations within the next twelve months with an immaterial amount recognized in periods thereafter. months.

ENERPAC TOOL GROUP CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

Timing of Performance Obligations Satisfied at a Point in Time: The Company evaluates when the customer obtains control of the product based on shipping terms, as control will transfer, depending upon such terms, at different points between the Company's manufacturing facility or warehouse and the customer's location. The Company considers control to have transferred upon shipment or delivery because (i) the Company has a present right to payment at that time; (ii) the legal title has been transferred to the customer; (iii) the Company has transferred physical possession of the product to the customer; and (iv) the customer has significant risks and rewards of ownership of the product.

Variable Consideration: The Company estimates whether it will be subject to variable consideration under the terms of the contract and includes its estimate of variable consideration in the transaction price based on the expected value method when it is deemed probable of being realized based on historical experience and trends. Types of variable consideration may include rebates, incentives and discounts, among others, which are recorded as a reduction to net sales at the time when control of a performance obligation is transferred to the customer.

Practical Expedients & Exemptions: The Company elected to expense the incremental cost to obtaining a contract when the amortization period for such contracts would be one year or less. The Company does not disclose the value of unperformed obligations for (i) contracts with an original expected length of one year or less and (ii) contracts for which it recognizes revenue at the amount to which it has the right to invoice for services performed.

ENERPAC TOOL GROUP CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

Note 3. ASCEND Transformation Program

In March 2022, the Company announced the launch of ASCEND, a new transformation program focused on driving accelerated earnings growth and efficiency across the business with the goal of delivering an estimated incremental $40$40 to $50 million$50 million of annual operating profit once fully implemented. In March 2023, the Company announced this estimate had been revised to an incremental $50 to $60 million of annual operating profit as a result of additional ASCEND initiatives and high success rate. As part of ASCEND, the Company is focusing on the following key initiatives: (i) accelerating organic growth go-to-market strategies, (ii) improving operational excellence and production efficiency by utilizing a lean approach and (iii) driving greater efficiency and productivity in SG&A expenses by better leveraging resources to create a more efficient and agile organization.

The Company is implementing the program and anticipates originally anticipated investing approximately $60 to $65 million and in March 2023 anticipated that this investment would increase to $70 to $75 million (as disclosed in Note 4,, "Restructuring "Restructuring Charges,," approximately $10 to $15 million of these investments will be in the form of restructuring charges) over the life of the program, which is expected to be finalized as we exit fiscal 2024. Elements of these investments could include such cash costs as capital expenditures, restructuring costs, third-party support, and incentive costs. costs (which incentives are not available for the senior management team). Total program expenses were approximately $17 million $43.1 million and $16.7 million for the year ended August 31, 2022 August 31, 2023 and 2022. Of the total ASCEND program expenses for the year ended August 31, 2023, of which $14 million $34.5 million were recorded within SG&A expenses and were largely comprised $0.9 million recorded within cost of third party support costs goods sold and $3 million $7.7 million were recorded within restructuring expenses (see Note 4, "Restructuring Charges," below). Of the total ASCEND program expenses for the year ended August 31, 2022, $13.6 million were recorded within SG&A expenses and $3.1 million were recorded within restructuring expenses (see Note 4, "Restructuring Charges," below). For fiscal 2024, we expect to incur $10 to $15 million of ASCEND transformation program costs, this range is inclusive of $3 to $5 million of restructuring costs.

Note 4. Restructuring Charges

The Company has undertaken or committed to various restructuring initiatives, including workforce reductions, leadership changes, plant consolidations to reduce manufacturing overhead, satellite office closures, the continued movement of production and product sourcing to low-cost alternatives and the centralization and standardization of certain administrative functions. Liabilities for severance are generally to be paid within twelve months, while future lease payments related to facilities vacated as a result of restructuring are to be paid over the underlying remaining lease terms.

During fiscal 2019, the Company announced a restructuring plan focused on (i) the integration of the Enerpac and Hydratight businesses (IT&S segment), (ii) the strategic exit of certain commodity-type services in our North America Services operations (IT&S segment) and (iii) driving efficiencies within the overall corporate structure. In the third quarter of fiscal 2020, the Company announced the expansion and revision of this plan, which further simplified and flattened the corporate structure through elimination of redundancies between the segment and corporate functions, while enhancing our commercial and marketing processes to become even closer to our customers. Upon assessment of the Company's operating structure by the Company's new President & Chief Executive Officer (hired effective October 2021), the Company recorded a benefit of less than $0.1 million and $5.2 million of charges for the year ended August 31, 2022 August 31, 2023, and 2022, respectively, in order to further simplify and streamline the organizational structure. Restructuring charges associated with the fiscal 2019 plan were $2.1 million and $6.6 million for the year ended August 31, 2021 and 2020, respectively. . The total cumulative charges for the 2019 plan, which ended in the third quarter of fiscal year 2022, were $18.0 million.

On June 27, 2022, the Company approved a new restructuring plan in connection with the initiatives identified as part of the ASCEND transformation program (see Note 3, "ASCEND Transformation Program") to drive greater efficiency and productivity in global selling, general and administrative resources. The total costs of this plan were then estimated at $6 to $10 million, $10.0 million, constituting predominately severance and other employee-related costs to be incurred as cash expenditures impacting both IT&S and Corporate. On September 23, 2022, the Company approved an updated restructuring plan. The costs of this updated plan (which includes the amounts for the plan approved in June) are estimated at $10 to $15 million. These costs are expected to be incurred over the expected duration of the transformation program, ending in the fourth quarter of fiscal 2024. For the year ended August 31, 2023 and 2022, the Company recorded $7.7 million and $3.1 million of restructuring charges associated with the ASCEND transformation program.

2024. For the year ended August 31, 2022, the Company recorded $3.0 million of restructuring charges associated with the ASCEND transformation program.

The following summarizes restructuring reserve activity for the IT&S segment and Corporate (which for the year ended August 31, 2023 excludes $0.6 million of charges associated with ASCEND transformation plan for Corporate, and for the year ended August 31, 2022 excludes $0.8 million and $0.5 million of charges associated with the 2019 Plan for IT&S and Corporate, respectively, associated with the accelerated vesting of equity awards which has no impact on the restructuring reserve) for the IT&S segment and Corporate (in thousands):

	Year Ended August 31, 2023			
	2019 Plan		ASCEND Plan	
	IT&S	Corporate	IT&S	Corporate
Balance as of August 31, 2022	$ 212	$ 6	$ 2,008	$ 797
Restructuring charges	(32)	(6)	6,035	1,054
Cash payments	(99)	—	(5,453)	(1,779)
Other non-cash uses of reserve	(84)	—	(498)	—
Impact of changes in foreign currency rates	3	—	146	2
Balance as of August 31, 2023	$ —	$ —	$ 2,238	$ 74

	Year Ended August 31, 2022			
	2019 Plan		ASCEND Plan	
	IT&S	Corporate	IT&S	Corporate
Balance as of August 31, 2021	$ 1,737	$ 26	$ —	$ —
Restructuring charges	2,812	1,052	2,228	824
Cash payments	(4,212)	(1,072)	(220)	(27)
Impact of changes in foreign currency rates	(125)	—	—	—
Balance as of August 31, 2022	$ 212	$ 6	$ 2,008	$ 797

	Year Ended August 31, 2021

	2019 Plan	
	IT&S	Corporate
Balance as of August 31, 2020	$ 1,443	$ 267
Restructuring charges	2,096	9
Cash payments	(1,791)	(250)
Impact of changes in foreign currency rates	(11)	—
Balance as of August 31, 2021	$ 1,737	$ 26

Total restructuring charges (inclusive of the Other operating segment) for the year ended August 31, 2023 were $7.7 million which included approximately $0.6 million of charges being reported in the Consolidated Statements of Operations in "Cost of products sold," with the balance of the charges reported on "Restructuring charges." Total restructuring charges (inclusive of the Other operating segment) being reported in "Restructuring charges" were $8.1 million and $2.4 million for the years year ended August 31, 2022August 31, 2022 and 2021, respectively.

There was a restructuring benefit of less than $0.1 million related to the Other Segment in the year ended August 31, 2022 and restructuring charges of $0.3 million in the year ended August 31, 2021 respectively. Restructuring reserves for the Other Segment were negligible for both the years ended August 31, 2022 and 2021.

Note 5. Acquisitions

On January 7, 2020, the Company acquired 100% of the stock of HTL Group ("HTL"), a provider of controlled bolting products, calibration and repair services, and tool rental services. The acquisition of HTL provided the Company with a complete line of bolting products and enhanced our European rental capabilities. The Company acquired all of the assets and assumed certain liabilities of HTL for a final purchase price of $33.3 million. The final purchase price allocation resulted in $11.3 million of goodwill (which is not deductible for tax purposes), $16.1 million of intangible assets, and $6.7 million of property, plant and equipment. The intangible assets were comprised of $3.3 million of indefinite-lived tradenames, $12.1 million of amortizable customer relationships and $0.7 million of amortizable patents. The impact on the remaining balance sheet line items was not material.

This acquisition generated net sales of $11.0 million, $13.6 million and $6.3 million for the year ended August 31, 2022, 2021 and 2020, respectively, which are reported within the IT&S reportable segment. This acquisition does not meet the significance tests to require pro forma financial information otherwise required for acquisitions.

Note 6. Discontinued Operations and Other Divestiture Activities

Discontinued Operations

On October 31, 2019, as part of our overall strategy to become a pure-play industrial tools and services company, the Company completed the sale of the businesses comprising its former EC&S segment segment. This divestiture was considered part of our strategic shift to wholly owned subsidiaries of BRWS Parent LLC, become a Delaware limited liability pure-play industrial tools and services company, and affiliate therefore, the results of One Rock Capital Partners II, LP, for operations are recorded as a sales price component of approximately $215.8 million, inclusive "Loss from discontinued operations, net of $1.3 million of purchase price from the customary finalization of working capital negotiations. Approximately $3.0 million of the purchase price was to be paid in four equal quarterly installments after closing, of which $0.7 million was received income taxes" in the year ended August 31, 2021 (this final payment was received greater than one year Condensed Consolidated Statements of Earnings for all periods presented. All discontinued operations activity included within the Condensed Consolidated Statements of Earnings and the Condensed Consolidated Statements of Cash Flows for the periods presented relate to impacts from the divestiture date and, as such, is reflected in "Cash provided by financing activities - discontinued operations" within certain retained liabilities.

the Consolidated Statements of Cash Flows). In connection with the completion of the sale and after consideration of working capital adjustments, the Company recorded, in fiscal 2020, a net loss of $4.7 million comprised of a loss of $23.0 million representing the excess of the net assets (exclusive of deferred tax assets and liabilities associated with subsidiaries of the Company whose stock was sold as part of the transaction) as compared to the purchase price less costs to sell and the recognition in earnings of the cumulative effect of foreign currency exchange gains and losses during the year largely offset by an income tax benefit of $18.3 million associated with the write off of the net deferred tax liability on subsidiaries of the EC&S segment for which the stock was divested. The Company also recognized in conjunction with the completion of the sale an additional $3.3 million of impairment & divestiture costs associated with the accelerated vesting of restricted stock awards associated with employees terminated as part of the transaction and $2.7 million of additional divestiture charges which were necessary to complete the transaction. The Company maintains financial exposure associated with this divestiture due to certain retained liabilities of which said activity is recorded in "loss from discontinued operations, net of income taxes" within the Consolidated Statements of Earnings for the periods subsequent to the divestiture.

The following represents the detail of "Loss from discontinued operations, net of income taxes" within the Consolidated Statements of Earnings (in thousands):

	Year Ended August 31,		
	2022	2021	2020 *
Net sales	$ —	$ —	$ 67,010
Cost of products sold	—	—	49,749
Gross profit	—	—	17,261
Selling, general and administrative expenses	4,842	1,456	11,561
Restructuring benefit	—	—	(11)
Impairment & divestiture charges	—	—	28,972

Operating loss	(4,842)	(1,456)	(23,261)
Financing costs, net	—	—	14
Other income, net	—	—	(104)
Loss before income tax (benefit) expense	(4,842)	(1,456)	(23,171)
Income tax (benefit) expense	(937)	679	(18,337)
Net loss from discontinued operations	$ (3,905)	$ (2,135)	$ (4,834)

* "Loss from discontinued operations, net of income taxes" for the year ended August 31, 2020 presented in the table above includes the results of the EC&S segment for the two months ended October 31, 2019 (the divestiture date) as well as the ancillary impacts from certain retained liabilities subsequent to the divestiture. As a result of the classification of the segment as assets and liabilities held for sale for the two months ended October 31, 2019, the Company did not record amortization or depreciation expense in the results of operations in accordance with US GAAP. Furthermore, the Company excluded EC&S segment employees from the fiscal 2020 bonus compensation plan, accordingly there are no expenses associated with the plan for that period.

	Year Ended August 31,		
	2023	2022	2021
Selling, general and administrative expenses	10,069	4,842	1,456
Impairment & divestiture benefit	(1,530)	—	—
Operating loss	(8,539)	(4,842)	(1,456)
Other income, net	372	—	—
Loss before income tax benefit	(8,911)	(4,842)	(1,456)
Income tax (benefit) loss	(1,823)	(937)	679
Loss from discontinued operations, net of income taxes	$ (7,088)	$ (3,905)	$ (2,135)

Other Divestiture Activities

On September 20, 2019July 11, 2023, the Company completed the sale of the UNI-LIFT product line, a component of our Milwaukee Cylinder Cortland Industrial business, (IT&S segment), which had been included in the Other operating segment, for net cash proceeds of $7.5 million (inclusive $20.1 million. In connection with the completion of the settlement of working capital adjustments and the buyer achieving certain criteria which met the requirement for payment of $1.5 million of contingent proceeds). The transaction resulted in an impairment & divestiture benefit of $6.3 million for the year ended August 31, 2020 recorded as an "Impairment & divestiture benefit" within the Consolidated Statements of Earnings.

After the sale, of the UNI-LIFT product line, the Company determined that the remaining Milwaukee Cylinder business was recorded a non-core asset, did not align with the strategic objectives net gain of the Company and, as a result, the Company committed to a plan to sell this business. The Company completed the divestiture of the Milwaukee Cylinder business on December 2,
2019 for a negligible amount. The Company recorded impairment & divestiture charges of $4.5 million for the year ended August 31, 2020 comprised of impairment charges of $2.5 million representing the excess of net assets held for sale compared to the anticipated proceeds less costs to sell, $1.7 million associated with our withdrawal from the multi-employer pension plan associated with that business and $0.3 million of other divestiture related charges and true-ups of retained liabilities.

The historical results of the Milwaukee Cylinder business, inclusive of the UNI-LIFT product line, (which had net sales of $2.9 million in the year ended August 31, 2020) are not material to the consolidated financial results.

On October 22, 2019, the Company completed the sale of the Connectors product line (IT&S segment) for net cash proceeds of $2.7 million, which resulted in an impairment & divestiture benefit of $1.0 million in the year ended August 31, 2020 $6.2 million. The historical results of the Connectors product line Cortland Industrial business (which had net sales of $0.2 million $22.7 million, $26.2 million, and $23.7 million for the year ended August 31, 2020) August 31, 2023, 2022 and 2021, respectively) are not material to the consolidated financial results.

Note 7. 6. Goodwill, Intangible Assets and Long-Lived Assets

Changes in the gross carrying value of goodwill and intangible assets result from changes in foreign currency exchange rates, business acquisitions, divestitures and impairment charges. The changes in the carrying amount of goodwill for the years ended August 31, 2022 August 31, 2023 and 2021 2022 by operating segment are as follows (in thousands):

		IT&S	Other	Total		IT&S	Other	Total
Balance as of August 31, 2020		$ 263,537	$ 17,617	$ 281,154				
Impairment charge		—	(5,656)	(5,656)				
Impact of changes in foreign currency rates		1,550	545	2,095				
Balance as of August 31, 2021	Balance as of August 31, 2021	265,087	12,506	277,593	Balance as of August 31, 2021	$ 265,087	$ 12,506	$ 277,593

Impairment charge	Impairment charge	—	(1,297)	(1,297)	Impairment charge	—	(1,297)	(1,297)
Impact of changes in foreign currency rates	Impact of changes in foreign currency rates	(18,347)	—	(18,347)	Impact of changes in foreign currency rates	(18,347)	—	(18,347)
Balance as of August 31, 2022	Balance as of August 31, 2022	$ 246,740	$ 11,209	$ 257,949	Balance as of August 31, 2022	246,740	11,209	257,949
Impact of changes in foreign currency rates					Impact of changes in foreign currency rates	8,546	—	8,546
Balance as of August 31, 2023					Balance as of August 31, 2023	$ 255,285	$ 11,209	$ 266,494

The gross carrying value and accumulated amortization of the Company's intangible assets are as follows (in thousands):

			August 31, 2022			August 31, 2021					August 31, 2023			
		Weighted Average Amortization Period (Year)	Gross	Accumulated Amortization	Net Book Value	Gross	Accumulated Amortization	Net Book Value		Weighted Average Amortization Period (Year)	Gross	Accumulated Amortization	Net Book Value	Gross
Amortizable intangible assets:	Amortizable intangible assets:								Amortizable intangible assets:					
Customer relationships	Customer relationships	14	$135,101	$ 117,275	$17,826	$142,453	$ 114,463	$27,990	Customer relationships	14	$108,292	$ 95,395	$12,897	$135,10
Patents	Patents	11	13,708	13,104	604	14,492	13,688	804	Patents	13	9,769	9,210	559	13,70
Trademarks and tradenames	Trademarks and tradenames	12	3,132	2,329	803	3,307	2,391	916	Trademarks and tradenames	14	2,734	2,197	537	3,13
Indefinite lived intangible assets:	Indefinite lived intangible assets:								Indefinite lived intangible assets:					
Tradenames	Tradenames	N/A	22,274	—	22,274	24,835	—	24,835	Tradenames	N/A	23,345	—	23,345	22,27
			$174,215	$ 132,708	$41,507	$185,087	$ 130,542	$54,545			$144,140	$ 106,802	$37,338	$174,2

The Company estimates that amortization expense for future years is estimated to be: $5.2 million in fiscal 2023, $3.6 million $3.3 million in fiscal 2024, $3.0 million $2.9 million in fiscal 2025, $1.9 million in fiscal 2026, $1.8 million in fiscal 2026, $1.7 million 2027, $1.6 million in fiscal 2027 2028 and $4.0 million $2.5 million in aggregate thereafter. The The future amortization expense amounts represent estimates and may be impacted by future acquisitions, divestitures or changes in foreign currency exchange rates, among other causes.

ENERPAC TOOL GROUP CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

Fiscal 2023 Impairment Charges

In conjunction with our annual goodwill impairment assessment, the Company did not record any charges in fiscal 2023.

Fiscal 2022 Impairment Charges

The carryover effects from the COVID-19 pandemic coupled with current year labor, supply chain and inflation challenges had a more than anticipated effect on the Cortland Industrial business. Therefore, in conjunction with our annual goodwill impairment assessment, the Company recognized a $1.3 million$1.3 million goodwill impairment charge associated with the Cortland Industrial reporting unit (Other Segment) operating segment) within "Impairment & divestiture charges (benefit)" charges" in the Consolidated Statements of Earnings.

In addition, during fiscal 2022, the Company recorded "Impairment & divestiture charges" an impairment charge of $1.1 million on indefinite lived intangible assets; $0.8 million of which was related to a customer relationship intangible asset whereby the Company ceased operations in the country associated with said customers and $0.3 million of which was related to tradename intangible asset on a discontinued secondary brand.

Fiscal 2021 Impairment Charges

Note 7. Debt

The following is a summary of the Company's indebtedness (in thousands):

	August 31,	
	2023	2022
Previous Senior Credit Facility		
Short-term debt	$ —	$ 4,000
Revolver	—	200,000
New Senior Credit Facility		
Revolver	16,000	—
Term Loan	198,750	—
Total Senior Indebtedness	214,750	204,000
Less: Current maturities of long-term debt	(3,750)	—
Short-term debt	—	(4,000)
Debt issuance costs	(663)	—
Total long-term debt, less current maturities	$ 210,337	$ 200,000

Senior Credit Facility

On September 9, 2022, the Company refinanced its previous senior credit facility with a new $600 million senior credit facility, comprised of a $400 million revolving line of credit and a $200 million term loan, which will mature in September 2027. The Company has the option to request up to $300 million of additional revolving commitments and/or term loans under the new facility, subject to customary conditions, including the commitment of the participating lenders. The new facility replaces LIBOR with adjusted term SOFR as the interest rate benchmark and provides for interest rate margins above adjusted term SOFR ranging from 1.125% to 1.875% per annum depending on the Company's net leverage ratio. In addition, a non-use fee is payable quarterly on the fourth quarter average unused amount of the revolving line of credit under the previous senior credit facility ranging from 0.15% to 0.3% per annum, based on the Company's net leverage. Borrowings under the new facility initially bore interest at adjusted term SOFR plus 1.125% per annum.

The new facility contains financial covenants requiring the Company to not permit (i) the net leverage ratio, determined as of the end of each of its fiscal 2021, the Cortland Industrial business lagged behind our IT&S segment with respect quarters, to recovery in demand from the COVID-19 pandemic. Further, though volumes did increase from previous quarters, it became clear that the business was not on track exceed 3.75 to realize the annual savings from the prior years' footprint optimization actions 1.00 (or, at the Company's election and subject to certain conditions, 4.25 to 1.00 for the covenants period during which certain material acquisitions occur and the next succeeding four testing periods) or (ii) the interest coverage ratio, determined as of the end of each of its fiscal quarters, to be less than 3.00 to 1.00. Borrowings under the new facility are secured by substantially all personal property assets of the Company and its domestic subsidiary guarantors (other than certain specified excluded assets) and certain of the equity interests of certain subsidiaries of the Company. The Company was in compliance with all financial covenants under the new facility at August 31, 2023.

The previous senior credit facility provided the option for future expansion, subject to certain conditions, through a $300 million accordion. Borrowings under the previous senior credit facility bore interest at a variable rate based on LIBOR or a base rate, ranging from 1.125% to 2.00% in the case of loans bearing interest at LIBOR and from 0.125% to 1.00% in the case of loans bearing interest at the base rate. In addition, a non-use fee was payable quarterly on the average unused amount of the revolving line of credit under the previous senior credit facility ranging from 0.15% to 0.3% per annum, based on the Company's net leverage.

pace initially projected. Therefore, in conjunction with our annual goodwill impairment assessmentAt August 31, 2023, under the Company recognized a $5.7 million goodwill impairment charge associated with the Cortland Industrial reporting unit (Other Segment) within "Impairment & divestiture charges (benefit)" in the Consolidated Statements of Earnings.

Note 8. Debt

The following is a summary of the Company's indebtedness (in thousands):

	August 31,	
	2022	2021
Short-term debt	$ 4,000	$ —
Senior Credit Facility		
Revolver	200,000	175,000
Total Debt	$ 204,000	$ 175,000

Senior Credit Facility

In March 2019, the Company entered into a new senior credit facility, (the "Senior Credit Facility") with a syndicate of banks, to among other things, (i) expand the multi-currency revolving line of credit from $300 million to $400 million, (ii) extend the maturity of the Company's Senior Credit Facility from May 2020 to March 2024 (no required principal payments prior to maturity) and (iii) modify certain other provisions of the credit agreement including a reduction in pricing. The Senior Credit Facility was initially comprised of a $400 million revolving line of credit and a $200 million term loan.

At August 31, 2022, there were $200$200 million in borrowings outstanding under the term loans, $16.0 million in borrowings outstanding under the revolving line of credit and $190.8 million of $381.5 million available for borrowing capacity under the revolving line of credit. Additionally, at August 31, 2022, there was credi$4t facility after reduction for

$2.5 million of outstanding letters of credit issued under the facility.

Prior to this refinancing, borrowings against our Credit Facility swingline, which has been reflected as "Short-term debt" on the Consolidated Balance Sheets.

The Senior Credit Facility Company's previous senior credit facility matured in March 2024, and provided a $400 million revolving line of credit, a $200 million term loan and the option for future expansion, subject to certain conditions, through a $300 million accordion and/or a $200 million incremental term loan. accordion. Borrowings under the Senior Credit Facility bore interest at a variable rate based on LIBOR or a base rate, ranging from 1.125% to 2.00% in the case of loans bearing interest at LIBOR and from 0.125% to 1.00% in the case of loans bearing interest at the base rate. In addition, a non-use fee was payable quarterly on the average unused amount of the revolving line of credit ranging from 0.15% to 0.3% per annum, based on the Company's net leverage.

The Senior Credit Facility previous senior credit facility contained two financial covenants, which are were a maximum leverage ratio of 3.75:1 and a minimum minimum interest coverage ratio of 3.5:1. The Senior Credit Facility provided for Certain transactions resulted in adjustments to the underlying ratios, in connection with certain transaction, including an increase to the leverage ratio from 3.75 to 4.25 during the four fiscal quarters after a significant acquisition.

The Company was in compliance with all financial covenants at August 31, 2022. Borrowings under the Senior Credit Facility were secured by substantially all personal property assets of the Company and its domestic subsidiary guarantors and certain equity interests owned by the foreign law pledgors.

On September 9, 2022, the Company refinanced the Senior Credit Facility with a new $600 million senior credit facility, comprised of a $400 million revolving line of credit and a $200 million term loan, which will mature in September 2027. See Note 18, "Subsequent Event" in the notes to the consolidated financial statements for further details.

Cash Paid for Interest

The Company made cash interest payments of $3.1 million$10.6 million, $3.7 million $3.1 million and $18.7 million $3.7 million in fiscal 2023, 2022 and 2021, and 2020, respectively.

Note 9. 8. Fair Value Measurements

The Company assesses the inputs used to measure the fair value of financial assets and liabilities using a three-tier hierarchy. Level 1 inputs include unadjusted quoted prices for identical instruments and are the most observable. Level 2 inputs include quoted prices for similar assets and observable inputs such as interest rates, foreign currency exchange rates, commodity rates and yield curves. Level 3 inputs are not observable in the market and include management's own judgments about the assumptions market participants would use in pricing an asset or liability.

The fair value of the Company's cash and cash equivalents, accounts receivable, accounts payable and variable rate long-term debt approximated book value at both August 31, 2022 August 31, 2023 and 2021 2022 due to their short-term nature and the fact that the interest rates approximated market rates. Foreign currency exchange contracts and interest rate swaps are recorded at fair value.

The fair value of the Company's foreign currency exchange contracts was a net asset of less than $0.1 million at August 31, 2022 and a net liability of less than $0.1 million at August 31, 2021 both August 31, 2023 and 2022. The fair value of the foreign currency exchange Company's interest rate swap (see Note 9, "Derivatives", for further information on the Company's interest rate swap) was an asset of $0.7 million at August 31, 2023. The fair value of the Company's net investment hedge (see Note 9, "Derivatives" for further information on the Company's net investment hedge) was a liability of $1.2 million at August 31, 2023. The fair value of all derivative contracts were based on quoted inactive market prices and therefore classified as Level 2 within the valuation hierarchy.

As discussed in Note 5, "Acquisitions", the Company acquired HTL Group in the year ended August 31, 2020 and recorded the assets acquired and liabilities assumed at fair value, of which the most significant judgments were associated with intangible assets (including tradenames, customer relationships and patents) and property, plant and equipment. As discussed in Note 7, 6, "Goodwill, Intangible Assets and Long-Lived Assets", the Company recorded impairments to intangibles and goodwill in the years ended August 31, 2022 August 31, 2023 and 2021.2022. The fair value of the goodwill, tradenames, customer relationships and patents acquired and/or impaired were determined utilizing generally accepted valuation techniques, specifically, forecasting future revenues and/or using a market royalty rate. The fair value of property, plant and equipment were also determined utilizing generally accepted valuation techniques, specifically utilizing an approach of assessing the replacement/reproduction cost of a new asset and adjusting for the asset's current physical deterioration. These valuations represent Level 3 assets measured at fair value on a nonrecurring basis.

Note 10. 9. Derivatives

All derivatives are recognized in the balance sheet at their estimated fair value. The Company does not enter into derivatives for speculative purposes. Changes in the fair value of derivatives (not designated as hedges) are recorded in earnings along with the gain or loss on the hedged asset or liability.

The Company is exposed to market risk for changes in foreign currency exchange rates due to the global nature of its operations. In order to manage this risk, the Company utilizes foreign currency exchange contracts to reduce the exchange rate risk associated with recognized non-functional currency balances. The effects of changes in exchange rates are reflected concurrently in earnings for both the fair value of the foreign currency exchange contracts and the related non-functional currency asset or liability. These derivative gains and losses offset foreign currency gains and losses from the related revaluation of non-functional currency assets and liabilities (amounts included included in "Other (income) expense" expense, net" in the Consolidated Statements of Earnings). The U.S. dollar equivalent notional value of these short duration foreign currency currency exchange contracts was $13.8 million and $16.7 million at August 31, 2023 and $16.0 million at August 31, 2022 and 2021, 2022, respectively. The fair value of outstanding foreign currency exchange contracts was an asset less than $0.1 million at August 31, 2022 and a net liability of less than $0.1 million at August 31, 2021 August 31, 2023 and 2022. Net foreign currency losses (included loss (gain)

(included in "Other expense, (income)" net" in the Consolidated Statements of Earnings) related to these derivative instruments are as follows (in thousands):

	Year Ended August 31,

	2023	2022	2021
Foreign Currency loss (gain)	$ 945	$ (319)	$ (63)

During December 2022, the Company entered into an interest rate swap for the notional amount of $60.0 million at a fixed interest rate of 4.022% to hedge the floating interest rate of the Company's term loan with a maturity date of November 30, 2025. The interest rate swap was designated and qualified as a cash flow hedge. The Company uses the interest rate swap for the management of interest rate risk exposure, as an interest rate swap effectively converts a portion of the Company's debt from a floating to a fixed rate.

The Company records the fair value of the interest rate swap as an asset or liability on its balance sheet. The change in the fair value of the interest rate swap, a net gain of $0.5 million for the year ended August 31, 2023, is recorded in other comprehensive income (loss).

	Year Ended August 31,		
	2022	2021	2020
Foreign Currency losses	$ (319)	$ (63)	$ (594)

The Company also uses interest-rate derivatives to hedge portions of our net investments in non-U.S. subsidiaries (net investment hedge) against the effect of exchange rate fluctuations on the translation of foreign currency balances to the U.S. dollar. For derivatives that are designated and qualify as a net investment hedge in a foreign operation the net gains or losses attributable to the hedge changes are recorded in other comprehensive income (loss) where they offset gains and losses recorded on our net investments where the entity has non-U.S. dollar functional currency. As of August 31, 2023, the notional amount of cross-currency swaps designated as net investment hedges was $30.5 million. The change in the fair value of the net investment hedge, a net loss of $0.9 million for the year ended August 31, 2023, is recorded in other comprehensive income (loss).

The Company was the fixed-rate payor on an interest rate swap contract that fixed the LIBOR-based index used to determine the interest rates charged on a total of $100.0 million of the Company's LIBOR-based variable rate borrowings on the revolving line of credit. credit under its prior senior credit facility. The contract carried a fixed rate of 0.259% and expired in August 2021. The swap agreement qualified as a hedging instrument and was designated as a cash flow hedge of forecasted LIBOR-based interest payments. The change in the fair value of the interest rate swap, a gain of $0.1 million in the year ended August 31, 2021 was recorded in other comprehensive income. income (loss).

Note 11. 10. Leases

As of August 31, 2022 August 31, 2023, the Company had operating leases for real estate, vehicles, manufacturing equipment, IT equipment and office equipment. The Company did not have significant finance leases during the year ended August 31, 2022 2023. Our leases typically range in term from 3 to 15 years and may contain renewal options for periods up to 5 years at our discretion. Our leases generally contain payments that are primarily fixed; however, certain lease arrangements contain variable payments, which are expensed as incurred and not included in the measurement of ROU assets and lease liabilities. These amounts include payments affected by changes in the Consumer Price Index and executory costs (such as real estate taxes, utilities and common-area maintenance), which are based on usage or performance. In addition, our leases generally do not include material residual value guarantees or material restrictive covenants.

During the year ended August 31, 2021, the Company sold and subsequently leased back a portion of its manufacturing facility in China as part of a global footprint rationalization initiative. In connection with the transaction, the Company recognized a gain of $10.0 million. The gain is recorded in "Selling, general and administrative expenses" within the Consolidated Statements of Earnings and in "Other non-cash charges (benefits) charges" " within the Consolidated Statements of Cash

Flows. The Company also incurred $4.6 million of closing related costs and value-added and land taxes associated with this transaction also included in "Selling, general and administrative expenses" within the Consolidated Statements of Earnings.

The components of lease expense for the year ended August 31, 2022 August 31, 2023 and 2021 2022 were as follows (in thousands):

	Year Ended August 31,			Year Ended August 31,		
	2022	2021		2023	2022	2021
Lease Cost:	Lease Cost:			Lease Cost:		
Operating lease cost	Operating lease cost	$ 14,316	$ 15,170	Operating lease cost	$ 13,155	$ 14,316	$ 15,170
Short-term lease cost	Short-term lease cost	1,714	1,611	Short-term lease cost	2,318	1,714	1,611
Variable lease cost	Variable lease cost	3,609	3,086	Variable lease cost	4,411	3,609	3,086

ENERPAC TOOL GROUP CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

Supplemental cash flow and other information related to leases for the year ended August 31, 2022 August 31, 2023 and 2021 2022 were as follows (in thousands):

Year Ended August 31,		Year Ended August 31,		
2022	2021	2023	2022	2021

Cash paid for amounts included in the measurement of lease liabilities:	**Cash paid for amounts included in the measurement of lease liabilities:**			**Cash paid for amounts included in the measurement of lease liabilities:**			
Operating cash flows from operating leases	Operating cash flows from operating leases	$ 14,166	$ 15,240	Operating cash flows from operating leases	$ 13,153	$ 14,166	$ 15,240
Right-of-use assets obtained in exchange for new lease liabilities:	**Right-of-use assets obtained in exchange for new lease liabilities:**			**Right-of-use assets obtained in exchange for new lease liabilities:**			
Operating leases	Operating leases	4,584	9,197	Operating leases	1,654	4,584	9,197

Supplemental balance sheet information related to leases at August 31, 2022 August 31, 2023 and 2021 2022 were as follows (in thousands):

					August 31,	
		August 31, 2022	**August 31, 2021**		**2023**	**2022**
Operating leases:	**Operating leases:**			**Operating leases:**		
Other long-term assets	Other long-term assets	$ 43,273	$ 51,589	Other long-term assets	$37,714	$43,273
Other current liabilities	Other current liabilities	10,709	11,917	Other current liabilities	9,786	10,709
Other long-term liabilities	Other long-term liabilities	33,477	40,568	Other long-term liabilities	29,245	33,477
Total operating lease liabilities	Total operating lease liabilities	$ 44,186	$ 52,485	Total operating lease liabilities	$39,031	$44,186
Weighted Average Remaining Lease Term:	**Weighted Average Remaining Lease Term:**			**Weighted Average Remaining Lease Term:**		
Operating leases	Operating leases	6.4 years	6.7 years	Operating leases	6.5 years	6.4 years
Weighted Average Discount Rate:	**Weighted Average Discount Rate:**			**Weighted Average Discount Rate:**		
Operating leases	Operating leases	4.4 %	4.3 %	Operating leases	5.0 %	4.4 %

A summary of the future minimum lease payments due under operating leases with terms of more than one year at August 31, 2022 August 31, 2023 is as follows (in thousands):

		Operating Leases		**Operating Leases**
	2023	$ 12,283		
2024	2024	10,273	2024	$ 11,368
2025	2025	8,131	2025	9,533
2026	2026	5,531	2026	6,650
2027	2027	3,195	2027	3,687
2028			2028	3,131
Thereafter	Thereafter	11,569	Thereafter	11,540

Total minimum lease payments	Total minimum lease payments	50,982	Total minimum lease payments	45,909
Less imputed interest	Less imputed interest	(6,796)	Less imputed interest	(6,878)
Present value of net minimum lease payments	Present value of net minimum lease payments	$ 44,186	Present value of net minimum lease payments	$ 39,031

ENERPAC TOOL GROUP CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

Note 12. 11. Employee Benefit Plans

U.S. Defined Benefit Pension Plans

All of the U.S. defined benefit pension plans are frozen, and as a result, plan participants no longer earn additional benefits. The following table provides detail of changes in the projected benefit obligations, the fair value of plan assets and the funded status of the Company's U.S. defined benefit pension plans as of the respective August 31 measurement date (in thousands):

		2022	2021		2023	2022
Reconciliation of benefit obligations:	**Reconciliation of benefit obligations:**			**Reconciliation of benefit obligations:**		
Benefit obligation at beginning of year	Benefit obligation at beginning of year	$ 47,147	$ 49,640	Benefit obligation at beginning of year	$ 37,135	$ 47,147
Interest cost	Interest cost	1,165	1,156	Interest cost	1,694	1,165
Actuarial (gain) loss	Actuarial (gain) loss	(8,197)	(729)	Actuarial (gain) loss	(2,337)	(8,197)
Benefits paid	Benefits paid	(2,980)	(2,920)	Benefits paid	(3,288)	(2,980)
Benefit obligation at end of year	Benefit obligation at end of year	$ 37,135	$ 47,147	Benefit obligation at end of year	$ 33,204	$ 37,135
Reconciliation of plan assets:	**Reconciliation of plan assets:**			**Reconciliation of plan assets:**		
Fair value of plan assets at beginning of year	Fair value of plan assets at beginning of year	$ 39,696	$ 39,935	Fair value of plan assets at beginning of year	$ 31,166	$ 39,696
Actual return on plan assets	Actual return on plan assets	(5,658)	1,990	Actual return on plan assets	545	(5,658)
Company contributions	Company contributions	108	691	Company contributions	108	108
Benefits paid from plan assets	Benefits paid from plan assets	(2,980)	(2,920)	Benefits paid from plan assets	(3,289)	(2,980)
Fair value of plan assets at end of year	Fair value of plan assets at end of year	31,166	39,696	Fair value of plan assets at end of year	28,530	31,166
Funded status of the plans (underfunded)	Funded status of the plans (underfunded)	$ (5,969)	$ (7,451)	Funded status of the plans (underfunded)	$ (4,674)	$ (5,969)

The following table provides detail on the Company's domestic net periodic benefit expense (in thousands):

		Year ended August 31,				Year ended August 31,		
		2022	2021	2020		2023	2022	2021
Interest cost	Interest cost	$ 1,165	$ 1,156	$ 1,331	Interest cost	$ 1,694	$ 1,165	$ 1,156
Expected return on assets	Expected return on assets	(2,060)	(1,610)	(1,770)	Expected return on assets	(1,984)	(2,060)	(1,610)
Amortization of actuarial loss	Amortization of actuarial loss	1,219	1,322	1,212	Amortization of actuarial loss	878	1,219	1,322
Net periodic benefit expense	Net periodic benefit expense	$ 324	$ 868	$ 773	Net periodic benefit expense	$ 588	$ 324	$ 868

As of August 31, 2022 August 31, 2023 and 2021, 2022, $16.9 million and $18.3 million and $19.5 million, respectively, of pension plan actuarial losses, which have not yet been recognized in net periodic benefit cost, were included in accumulated other comprehensive loss, net of income taxes. During fiscal 2023, 2024, $0.9 million of these actuarial losses are expected to be recognized in net periodic benefit cost.

Weighted-average assumptions used to determine U.S. pension plan obligations as of August 31 and weighted-average assumptions used to determine net periodic benefit cost for the years ended August 31 are as follows:

		2022		2021		2020			2023		2022		2021	
Assumptions for benefit obligations:	**Assumptions for benefit obligations:**							**Assumptions for benefit obligations:**						
Discount rate	Discount rate	4.75	%	2.55	%	2.40	%	Discount rate	5.40	%	4.75	%	2.55	%
Assumptions for net periodic benefit cost:	**Assumptions for net periodic benefit cost:**							**Assumptions for net periodic benefit cost:**						
Discount rate	Discount rate	2.55	%	2.40	%	2.90	%	Discount rate	4.75	%	2.55	%	2.40	%
Expected return on plan assets	Expected return on plan assets	5.45	%	4.20	%	4.60	%	Expected return on plan assets	5.70	%	5.45	%	4.20	%

The Company's objective for its pension plan is to achieve an asset and liability duration match so that interim fluctuations in funded status should be limited by increasing the correlation between assets and liabilities. As such, the plan assets are invested to maintain funded ratios over the long term, while managing the risk that funded ratios fall meaningfully below 100%. In fiscal 2022, 2023, the plan assets were invested in a mix of 50% 60% duration-matched fixed income securities and 50% 40% equity securities. During fiscal 2021, 2022, the plan portfolio was invested in 70% 50% fixed income securities and 30% 50% equity securities. Cash balances are maintained at levels adequate to meet near-term plan expenses and benefit payments. Investment risk is measured and monitored on an ongoing basis. At August 31, 2022 August 31, 2023, the Company's overall expected long-term rate of return for assets in U.S. pension plans was 5.70%. The expected long-term rate of return is based on the portfolio as a whole and not on the sum of the returns on individual asset categories. The target return is based on historical returns adjusted to reflect the current view of the long-term investment market and our updated 50% investment mix between fixed income and equity securities.

ENERPAC TOOL GROUP CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

The U.S. pension plan investment allocations by asset category were as follows (dollars in thousands):

		Year Ended August 31,					Year Ended August 31,			
		2022	%	2021	%		2023	%	2022	%
Cash and cash equivalents	Cash and cash equivalents	$ —	— %	$ —	— %	Cash and cash equivalents	$ 51	0.2 %	$ —	— %
Income receivable	Income receivable	31	0.1	49	0.1	Income receivable	40	0.1	31	0.1
Fixed income securities:	Fixed income securities:					Fixed income securities:				
U.S. Treasury Securities	U.S. Treasury Securities	4,852	15.6	4,825	12.2	U.S. Treasury Securities	4,659	16.3	4,852	15.6
Corporate Bonds	Corporate Bonds	—	—	—	—	Corporate Bonds	—	—	—	—
Mutual funds	Mutual funds	11,395	36.6	23,564	59.3	Mutual funds	11,269	39.5	11,395	36.6
		16,247	52.2	28,389	71.5		15,928	55.8	16,247	52.2
Equity securities:	Equity securities:					Equity securities:				
Mutual funds	Mutual funds	14,888	47.7	11,258	28.4	Mutual funds	12,511	43.9	14,888	47.7
Total plan assets	Total plan assets	$ 31,166	100.0 %	$ 39,696	100.0 %	Total plan assets	$ 28,530	100.0 %	$ 31,166	100.0 %

The fair value of mutual funds are based on unadjusted quoted market prices and therefore are classified as Level 1 within the fair value hierarchy under US GAAP. U.S. Treasury Securities and Corporate Bonds are valued using Level 2 inputs, as defined in Note 9, 8, "Fair Value Measurements."

Projected benefit payments from plan assets to participants in the Company's U.S. pension plans are $3.0 million $2.9 million for fiscal 2023 and $3.1 million 2024, $3.0 million per year for each of the next four three years, $2.9 million for fiscal 2028 and $14.1 million $13.4 million in aggregate for the following five years. The Company made plans to make a contribution of $0.1 million $0.4 million to the U.S. pension plans in September of fiscal 2022. 2024. The Company does did not plan to make a contribution to the plan in fiscal 2023. 2023 or fiscal 2022.

Foreign Defined Benefit Pension Plans

The Company has eight seven significant foreign defined benefit pension plans which cover certain existing and former employees of businesses outside the U.S. Most of the participants in the foreign defined benefit pension plans are inactive and no longer earning additional benefits. The following table provides detail of changes in the projected benefit obligations, the fair value of plan assets and the funded status of the Company's significant foreign defined benefit pension plans as of the respective August 31 measurement date (in thousands):

		2022	2021		2023	2022
Reconciliation of benefit obligations:	**Reconciliation of benefit obligations:**			**Reconciliation of benefit obligations:**		
Benefit obligation at beginning of year	Benefit obligation at beginning of year	$ 14,421	$ 14,297	Benefit obligation at beginning of year	$ 8,017	$ 14,421
Employer service costs	Employer service costs	90	116	Employer service costs	60	90
Interest cost	Interest cost	159	198	Interest cost	306	159
Actuarial (gain)/loss		(3,859)	51			
Actuarial gain				Actuarial gain	(494)	(3,859)
Benefits paid	Benefits paid	(200)	(293)	Benefits paid	(256)	(200)
Settlements	Settlements	(480)	—	Settlements	(213)	(480)
Currency impact	Currency impact	(2,114)	52	Currency impact	665	(2,114)
Benefit obligation at end of year	Benefit obligation at end of year	$ 8,017	$ 14,421	Benefit obligation at end of year	$ 8,085	$ 8,017
Reconciliation of plan assets:	**Reconciliation of plan assets:**			**Reconciliation of plan assets:**		
Fair value of plan assets at beginning of year	Fair value of plan assets at beginning of year	$ 9,396	$ 8,980	Fair value of plan assets at beginning of year	$ 6,208	$ 9,396
Actual return on plan assets	Actual return on plan assets	(1,159)	532	Actual return on plan assets	(359)	(1,159)
Company contributions	Company contributions	44	56	Company contributions	286	44
Benefits paid from plan assets	Benefits paid from plan assets	(680)	(293)	Benefits paid from plan assets	(469)	(680)
Currency impact	Currency impact	(1,393)	121	Currency impact	529	(1,393)
Fair value of plan assets at end of year	Fair value of plan assets at end of year	6,208	9,396	Fair value of plan assets at end of year	6,195	6,208
Funded status of the plans (underfunded)	Funded status of the plans (underfunded)	$ (1,808)	$ (5,025)	Funded status of the plans (underfunded)	$ (1,889)	$ (1,808)

The following table provides detail on the Company's foreign net periodic benefit expense (in thousands):

		Year ended August 31,				Year ended August 31,		
		2022	2021	2020		2023	2022	2021
Employer service costs	Employer service costs	$ 90	$ 116	$ 284	Employer service costs	$ 60	$ 90	$ 116
Interest cost	Interest cost	159	198	171	Interest cost	306	159	198
Expected return on assets	Expected return on assets	(316)	(347)	(357)	Expected return on assets	(245)	(316)	(347)
Amortization of net prior service credit	Amortization of net prior service credit	3	4	(18)	Amortization of net prior service credit	3	3	4
Amortization of net loss	Amortization of net loss	112	139	205	Amortization of net loss	10	112	139
Settlement	Settlement	145	—	—	Settlement	37	145	—
Income of special events		—	—	(728)				
Net periodic benefit expense (income)		$ 193	$ 110	$ (443)				

Net periodic benefit expense	Net periodic benefit expense	$ 171	$ 193	$ 110

The weighted average discount rate utilized for determining the benefit obligation at August 31, 2022 August 31, 2023 and 2021 2022 was 3.6% 4.3% and 1.3% 3.6%, respectively. The plan assets of these foreign pension plans consist primarily of participating units in fixed income and equity securities and insurance contracts. The Company's overall expected long-term rate of return on these investments is 3.9% 3.7%. During fiscal 2023, 2024, the Company does not anticipate contributing to these pension plans.

In fiscal 2020, the Company moved certain employees in a foreign pension plan into a multi-employer pension plan which triggered a curtailment. The curtailment resulted in a reduction to the projected benefit obligation of that plan of $1.7 million, of which $0.7 million was recorded as a component of Other expense (income), net within the Consolidated Statements of Earnings and the remaining $1.0 million was recorded through Other comprehensive income on the Consolidated Statements of Comprehensive Income (Loss).

Projected benefit payments to participants in the these foreign foreign plans are $0.3 million in fiscal 2023, $0.2 million in each fiscal 2024, 2025, 2026 and 2026, $0.3 million 2027, $0.4 million in fiscal 2027 2028 and $1.8 million $2.2 million in aggregate for the following five years.

Other Postretirement Health Benefit Plans

The Company provides other postretirement health benefits ("OPEB") to certain existing and former employees of domestic businesses it acquired, who were entitled to such benefits prior to acquisition. These unfunded plans had a benefit obligation obligation of $1.7 million and $1.9 million at August 31, 2023 and $2.3 million at August 31, 2022 and 2021, 2022, respectively. These obligations are determined utilizing assumptions consistent with those used for our U.S. pension plans and a health care cost trend rate of 6.3% 7.0%, trending downward to 5.0% by the year 2026, and remaining level thereafter. Net periodic benefit costs for other postretirement benefits was income of $0.1 million, in both years ended August 31, 2023 and 2022 and $0.2 million and $0.3 million for the year ended August 31, 2022, 2021 and 2020, respectively. August 31, 2021. Benefit payments from the plan are funded through participant contributions and Company contributions. Benefit payments are projected to be $0.2 million in fiscal 2023. 2024.

Defined Contribution Benefit Plans

The Company maintains a 401(k) plan for substantially all full time U.S. employees (the "401(k) Plan"). Under plan provisions, the Company can fund either cash or issue new shares of Class A common stock for its contributions. Amounts are allocated to accounts set aside for each employee's retirement. Employees generally may contribute up to 50% of their compensation to individual accounts within the 401(k) Plan.

While contributions vary, the Company's match contribution is $0.50 for every $1 contributed by employees, up to 8% of the employees' eligible pay. These match contributions are made on every payroll run, meaning the contribution is immediately 100% vested. In response to the COVID-19 pandemic, the Company temporarily suspended its 401(k) match in May 2020 (fiscal 2020) and reinstated the 401(k) match in January 2021 (fiscal 2021). In addition, the Company may make an annual, discretionary contribution of up to 3% of employees' eligible pay to employees employed as of the end of the plan year. The discretionary contribution has a three-year vesting period. The Company elected not to provide a discretionary contribution for the year ended August 31, 2022 August 31, 2023. The Company also maintains a Restoration Plan that allows eligible highly compensated employees (as defined by the Internal Revenue Code) to receive a core contribution as if no IRS limits were in place. Company Company contributions to the Restoration Plan are made in the form of its Class A common stock and contributed into each eligible participant's deferred compensation plan. The Company has not contributed in fiscal 2023, 2022 2021 or fiscal 2020. 2021. Expense recognized related to the 401(k) plan totaled $2.2 million $2.1 million, $1.1 million $2.2 million and $1.4 million $1.1 million for the year years ended August 31, 2022 August 31, 2023, 2022 and 2021, and 2020, respectively.

In addition to the 401(k) plan, the Company sponsors a non-qualified supplemental executive retirement plan ("the SERP Plan"). The SERP Plan is an unfunded defined contribution plan that covers certain current and former executive employees

and has an annual contribution formula based on age and years of service (with Company contributions ranging from 3% to 6% of eligible wages). This unfunded plan had a $1.0 million and $1.1 million obligation at August 31, 2023 and $1.3 million obligation at August 31, 2022 and 2021, 2022, respectively. Expense recognized for the SERP Plan was $0.2 million, in each of fiscal 2023 and 2022 and $0.1 million and $0.3 million for in fiscal 2022, 2021 and 2020, respectively. 2021.

Deferred Compensation Plan

The Company maintains a deferred compensation plan to allow eligible U.S. employees to defer receipt of current cash compensation and restricted stock units vesting in order to provide future savings benefits. Eligibility is limited to employees who earn compensation that exceeds certain pre-defined levels. Participants have the option to invest their deferrals in a fixed income investment, a defined set of mutual funds, and/or, with respect to deferrals of restricted stock units, in Company

ENERPAC TOOL GROUP CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

common stock. The fixed income and mutual fund portion of the plan is unfunded, and therefore all compensation deferred under the plan is held by the Company and commingled with its general assets. Liabilities of $12.9 million $11.0 million and $14.5 million $12.9 million are included in the Consolidated Balance Sheets at August 31, 2022 August 31, 2023 and 2021, 2022, respectively, to reflect the unfunded portion of the deferred compensation liability. The Company recorded expense in "Financing costs, net" of $0.7 million $0.9 million, $1.2 million $0.7 million and $1.1 million $1.2 million for the years ended August 31, 2022 August 31, 2023, 2021 2022 and 2020, 2021, respectively, for the non-funded return on participant deferrals. Company common stock contributions to fund the plan are held in a rabbi trust, accounted for in a manner manner similar to treasury stock and are recorded at cost in "Stock held in trust" within shareholders' equity on the Consolidated Balance Sheets with the corresponding deferred compensation liability also recorded within shareholders' equity on the Consolidated Balance Sheets. Because no investment diversification is permitted within the trust, changes in fair value of Enerpac Tool Group the Company's common stock are not recognized.

Note 13. 12. Income Taxes

Earnings (loss) before income taxes from continuing operations, are summarized as follows (in thousands):

		Year Ended August 31,				Year Ended August 31,		
		2022	2021	2020		2023	2022	2021
Domestic	Domestic	$ 10,176	$ 1,292	$ (9,058)	Domestic	$ 26,442	$ 10,176	$ 1,292
Foreign	Foreign	13,816	42,683	16,907	Foreign	42,456	13,816	42,683
		$ 23,992	$ 43,975	$ 7,849		$ 68,898	$ 23,992	$ 43,975

Both domestic and foreign pre-tax earnings from continuing operations are impacted by changes in operating earnings, acquisition and divestiture activities, restructuring charges and the related benefits, growth investments, debt levels and the impact of changes in foreign currency exchange rates. In fiscal 2023, domestic earnings included non-cash impairment and other divestiture benefits of $6.2 million. In fiscal 2022, domestic and foreign earnings included non-cash impairment and other divestiture charges of $1.3 million $1.3 million and $1.1 million, respectively. In fiscal 2021, domestic and foreign earnings included non-cash impairment and other divestiture charges of $4.7 million and $1.5 million, respectively. In fiscal 2020, domestic and foreign earnings included $(2.6) million and $(0.6) million of non-cash impairment and other divestiture benefits. benefits, respectively. Substantially all of the non-cash impairment and other divestiture charges (benefits) did not result in a tax expense (benefit).

Income tax expense from continuing operations is summarized as follows (in thousands):

		Year ended August 31,				Year ended August 31,		
		2022	2021	2020		2023	2022	2021
Currently payable:	Currently payable:				Currently payable:			
Federal	Federal	$ 1,765	$ (18,243)	$ (35)	Federal	$ 5,181	$ 1,765	$ (18,243)
Foreign	Foreign	7,824	12,441	10,004	Foreign	9,240	7,824	12,441
State	State	164	539	142	State	319	164	539
		9,753	(5,263)	10,111		14,740	9,753	(5,263)
Deferred:	Deferred:				Deferred:			
Federal	Federal	1,580	9,677	(7,791)	Federal	(2,935)	1,580	9,677
Foreign	Foreign	(7,538)	185	(1,632)	Foreign	3,806	(7,538)	185
State	State	606	(836)	1,604	State	(362)	606	(836)
		(5,352)	9,026	(7,819)		509	(5,352)	9,026
Income tax expense	Income tax expense	$ 4,401	$ 3,763	$ 2,292	Income tax expense	$ 15,249	$ 4,401	$ 3,763

Income tax expense from continuing operations recognized in the accompanying consolidated statements of earnings differs from the amounts computed by applying the federal income tax rate to earnings from continuing operations before income tax expense. A reconciliation of income taxes at the federal statutory rate to the effective tax rate is summarized in the following table:

		Year ended August 31,				Year ended August 31,		
		2022	2021	2020		2023	2022	2021
Federal statutory rate	Federal statutory rate	21.0 %	21.0 %	21.0 %	Federal statutory rate	21.0 %	21.0 %	21.0 %
State income taxes, net of Federal effect	State income taxes, net of Federal effect	2.3	(0.2)	(0.6)	State income taxes, net of Federal effect	0.7	2.3	(0.2)
Tax on foreign earnings (1)	Tax on foreign earnings (1)	1.3	2.8	38.7	Tax on foreign earnings (1)	6.0	1.3	2.8
Foreign derived intangible income deduction	Foreign derived intangible income deduction	(4.5)	(3.2)	—	Foreign derived intangible income deduction	(3.1)	(4.5)	(3.2)
Compensation adjustment	Compensation adjustment	6.6	3.1	6.6	Compensation adjustment	1.5	6.6	3.1
Impairment and other divestiture charges (2)	Impairment and other divestiture charges (2)	1.1	1.6	3.3	Impairment and other divestiture charges (2)	—	1.1	1.6

Valuation allowance additions and releases [3]	Valuation allowance additions and releases [3]	2.1	7.1	(8.1)	Valuation allowance additions and releases [3]	(0.8)	2.1	7.1
Changes in liability for unrecognized tax benefits	Changes in liability for unrecognized tax benefits	3.4	(18.5)	(5.3)	Changes in liability for unrecognized tax benefits	(0.1)	3.4	(18.5)
U.S. legislative changes, net impact	U.S. legislative changes, net impact	—	(9.8)	(32.5)	U.S. legislative changes, net impact	—	—	(9.8)
Taxable liquidation of subsidiaries [4] [2]	Taxable liquidation of subsidiaries [4] [2]	(11.4)	—	52.6	Taxable liquidation of subsidiaries [4] [2]	0.1	(11.4)	—
Foreign non-deductible expenses	Foreign non-deductible expenses	8.5	1.2	7.4	Foreign non-deductible expenses	1.7	8.5	1.2
Changes in tax rates	Changes in tax rates	(3.6)	(3.4)	(9.0)	Changes in tax rates	(2.0)	(3.6)	(3.4)
Audits and adjustments [5] [3]	Audits and adjustments [5] [3]	(6.7)	8.0	(27.4)	Audits and adjustments [5] [3]	(2.9)	(6.7)	8.0
Research and development tax credit	Research and development tax credit	(2.5)	(1.8)	(11.5)	Research and development tax credit	(0.7)	(2.5)	(1.8)
Other items	Other items	0.7	0.7	(6.0)	Other items	0.7	0.7	0.7
Effective income tax rate	Effective income tax rate	18.3 %	8.6 %	29.2 %	Effective income tax rate	22.1 %	18.3 %	8.6 %

(1) The The Company generated $1.3 million $1.6 million, $1.7 million $0.2 million and $5.4 million $1.1 million of withholding U.S. tax expense for fiscal 2022, 2021 and 2020, respectively, and $2.3 million, $4.6 million and $4.0 million on non-U.S. earnings, net of foreign-derived foreign tax credits for fiscal 2023, 2022 and 2021, and 2020, respectively.

(2) Fiscal 2022, 2021 and 2020 pretax earnings include $2.4 million, $6.2 million and $(3.2) million, respectively, in impairment & divestiture charges (benefits) related to goodwill, intangible assets, tangible assets and the cumulative effect of foreign currency rate changes of which $1.3 million, $3.5 million and $0.3 million, respectively, are not deductible for income tax purposes.

(3) Incremental valuation allowances of $0.9 million and $4.9 million and $9.4 million were recorded in fiscal 2022, 2021 and 2020, respectively, due to uncertainty regarding realization of tax assets, which were offset by a reduction of $5.5 million, $9.1 million and $12.3 million of valuation allowances for fiscal 2022, 2021 and 2020, respectively.

(4) During fiscal 2022, and 2020, the Company generated a net benefit of $2.7 million and a net expense of $4.1 million, respectively, as a result of taxable liquidations of subsidiaries.

(5) (3) During fiscal 2023 and fiscal 2022, the Company generated $2.0 million and $1.6 million of tax benefit related to audits and adjustments as compared to a tax expense of $3.5 million in fiscal 2021 and a tax benefit of $2.2 million in fiscal 2020. 2021.

ENERPAC TOOL GROUP CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

Temporary differences and carryforwards that gave rise to deferred tax assets and liabilities include the following items (in thousands):

		August 31,			August 31,	
		2022	2021		2023	2022
Deferred income tax assets:	Deferred income tax assets:			Deferred income tax assets:		
Operating loss and tax credit carryforwards	Operating loss and tax credit carryforwards	$ 78,717	$ 77,691	Operating loss and tax credit carryforwards	$ 70,933	$ 78,717
Compensation related liabilities	Compensation related liabilities	6,002	6,110	Compensation related liabilities	7,372	6,002
Postretirement benefits	Postretirement benefits	5,995	8,364	Postretirement benefits	5,224	5,995
Inventory	Inventory	2,780	3,177	Inventory	1,715	2,780
Lease liabilities	Lease liabilities	9,637	11,609	Lease liabilities	8,594	9,637
Research and development capitalization				Research and development capitalization	4,544	—

Book reserves and other items	Book reserves and other items	9,873	11,471	Book reserves and other items	6,548	9,873
Total deferred income tax assets	Total deferred income tax assets	113,004	118,422	Total deferred income tax assets	104,930	113,004
Valuation allowance	Valuation allowance	(61,630)	(66,155)	Valuation allowance	(61,432)	(61,630)
Net deferred income tax assets	Net deferred income tax assets	51,374	52,267	Net deferred income tax assets	43,498	51,374
Deferred income tax liabilities:	Deferred income tax liabilities:			Deferred income tax liabilities:		
Depreciation and amortization	Depreciation and amortization	(30,149)	(29,444)	Depreciation and amortization	(23,844)	(30,149)
Lease assets	Lease assets	(9,637)	(11,609)	Lease assets	(8,594)	(9,637)
Other items	Other items	(1,024)	(781)	Other items	(1,020)	(1,024)
Deferred income tax liabilities	Deferred income tax liabilities	(40,810)	(41,834)	Deferred income tax liabilities	(33,458)	(40,810)
Net deferred income tax asset (1)	Net deferred income tax asset (1)	$ 10,564	$ 10,433	Net deferred income tax asset (1)	$ 10,040	$ 10,564

(1) The net deferred income tax asset is reflected on the balance sheet in two categories: an asset of $17.9 million $15.7 million and $14.8 million $17.9 million for fiscal 2022 2023 and 2021, 2022, respectively, is included in "Other long-term assets" and a liability of $7.3 million $5.7 million and $4.4 million $7.3 million for fiscal 2022 2023 and 2021, 2022, respectively, is included in "Deferred income taxes".

The Company has $72.7 million $68.6 million and $2.5 million of gross state net operating loss and credit carryforwards, respectively, which are available to reduce future state tax liabilities. These state net operating loss carryforwards expire at various times through 2041. 2043. The Company also has $93.4 million $79.4 million and $6.7 million $7.7 million of foreign loss and credit carryforwards, respectively, and $2.5 million $1.8 million of U.S. credit carryforwards which are available to reduce certain future foreign and U.S. tax liabilities. Over half The

majority of the foreign loss carryforwards are not subject to any expiration dates, while the other balances expire at various times times through 2032. 2030. The U.S. credit carryforwards expire at various times through 2032. 2033. The valuation allowance represents a reserve for deferred tax assets, including loss carryforwards and foreign tax credits, for which utilization is uncertain.

The Company's policy is to remit earnings from foreign subsidiaries only to the extent the remittance does not not result in an incremental U.S. tax liability. The Company does not currently provide for the additional U.S. and foreign income taxes which that would become payable upon remission of undistributed earnings of foreign subsidiaries. If all undistributed earnings were remitted, an additional income tax provision of $3.5 million $2.6 million would have been necessary as of August 31, 2022 August 31, 2023.

Changes in the Company's gross liability for unrecognized tax benefits, excluding interest and penalties, are as follows (in thousands):

		2022	2021	2020		2023	2022	2021
Beginning balance	Beginning balance	$ 15,658	$ 23,205	$ 24,167	Beginning balance	$ 15,380	$ 15,658	$ 23,205
Increases based on tax positions related to the current year	Increases based on tax positions related to the current year	433	381	869	Increases based on tax positions related to the current year	279	433	381
Increase for tax positions taken in a prior period	Increase for tax positions taken in a prior period	1,084	7	304	Increase for tax positions taken in a prior period	—	1,084	7
Decrease for tax positions taken in a prior period	Decrease for tax positions taken in a prior period	(57)	—	—	Decrease for tax positions taken in a prior period	(56)	(57)	—

Decrease due to lapse of statute of limitations	Decrease due to lapse of statute of limitations	(1,271)	(7,931)	(2,334)	Decrease due to lapse of statute of limitations	(951)	(1,271)	(7,931)
Decrease due to settlements	Decrease due to settlements	(31)	—	—	Decrease due to settlements	—	(31)	—
Changes in foreign currency exchange rates	Changes in foreign currency exchange rates	(436)	(4)	199	Changes in foreign currency exchange rates	102	(436)	(4)
Ending balance	Ending balance	$ 15,380	$ 15,658	$ 23,205	Ending balance	$ 14,754	$ 15,380	$ 15,658

Substantially all of these unrecognized unrecognized tax benefits, if recognized, would impact the effective income tax rate. As of August 31, 2022 August 31, 2023, 2021 2022 and 2020, 2021, the Company recognized $4.5 million $5.2 million, $3.9 million $4.5 million and $4.5 million $3.9 million, respectively, for interest and penalties related to unrecognized tax benefits. The Company recognizes interest and penalties related to underpayment of income taxes as a component of income tax expense. With few exceptions, the Company is no longer subject to U.S. federal, state and foreign income tax examinations by tax authorities in major tax jurisdictions for years prior to fiscal 2010. 2011. The

Company believes it is reasonably possible that the total amount of unrecognized tax benefits could decrease by up to $2.2 million $3.1 million throughout fiscal 2023. 2024.

Cash paid for income taxes, net of refunds, totaled $5.7 million $2.7 million, $7.8 million $5.7 million and $13.2 million $7.8 million during the years ended August 31, 2022 August 31, 2023, 2022 and 2021, and 2020, respectively.

Note 14. 13. Capital Stock and Share Repurchases

The authorized common stock of the Company as of August 31, 2022 August 31, 2023 consisted of 168,000,000 shares of Class A common stock, $0.20 par value, of which 83,397,458 83,760,798 and 56,838,493 54,988,083 shares were issued and outstanding, respectively; 1,500,000 shares of Class B common stock, $0.20 par value, none of which are outstanding; and 160,000 shares of cumulative preferred stock, $1.00 par value ("preferred stock"), none of which have been issued. Holders of both classes of the Company's common stock are entitled to dividends, as the Company's Board of Directors may declare out of funds legally available, subject to any contractual restrictions on the payment of dividends or other distributions on the common stock. If the Company were to issue any of its preferred stock, no dividends could be paid or set apart on shares of common stock, unless paid in common stock, until dividends on all of the issued and outstanding shares of preferred stock had been paid or set apart for payment and provision had been made for any mandatory sinking fund payments.

The Company's Board of Directors approved four separate authorizations (September 2011, March 2014, October 2014 and March 2015) to repurchase up to 7,000,000 shares each of the Company's outstanding common stock. The Company suspended the initial share repurchase program in response to the COVID-19 pandemic in the third quarter of fiscal 2020 and, accordingly, did not repurchase shares during the year ended August 31, 2021. 2020. In March 2022, the Company's Board of Directors rescinded its prior share repurchase authorization and approved a new share repurchase program authorizing the repurchase of a total of 10,000,000 shares of the Company's outstanding common stock. The Company has repurchased 3,759,735 2,213,750 shares of its common stock for $75.1 million $57.7 million during the year ended August 31, 2022 August 31, 2023. As of August 31, 2022 August 31, 2023, the maximum number of shares that may yet be purchased under this new program is 6,240,265. 4,026,515. Since the inception of the initial share repurchase program in fiscal 2012, the Company has repurchased 26,558,965 28,772,715 shares of common stock for $742.8 million $800.5 million.

Earnings Per Share

The reconciliation between basic and diluted earnings per share is as follows (in thousands, except per share amounts):

		Year Ended August 31,				Year Ended August 31,		
		2022	2021	2020		2023	2022	2021
Numerator:	**Numerator:**				**Numerator:**			
Net earnings from continuing operations	Net earnings from continuing operations	$ 19,591	$ 40,212	$ 5,557	Net earnings from continuing operations	$ 53,649	$ 19,591	$ 40,212
Net loss from discontinued operations	Net loss from discontinued operations	(3,905)	(2,135)	(4,834)	Net loss from discontinued operations	(7,088)	(3,905)	(2,135)
Net earnings	Net earnings	$ 15,686	$ 38,077	$ 723	Net earnings	$ 46,561	$ 15,686	$ 38,077
Denominator:	**Denominator:**				**Denominator:**			

Weighted average common shares outstanding - basic	Weighted average common shares outstanding - basic	59,538	60,024	59,952	Weighted average common shares outstanding - basic	56,680	59,538	60,024
Net effect of dilutive securities - stock based compensation plans	Net effect of dilutive securities - stock based compensation plans	371	379	317	Net effect of dilutive securities - stock based compensation plans	437	371	379
Weighted average common shares outstanding - diluted	Weighted average common shares outstanding - diluted	59,909	60,403	60,269	Weighted average common shares outstanding - diluted	57,117	59,909	60,403
Earnings per common share from continuing operations:	**Earnings per common share from continuing operations:**				**Earnings per common share from continuing operations:**			
Basic	Basic	$ 0.33	$ 0.67	$ 0.09	Basic	$ 0.95	$ 0.33	$ 0.67
Diluted	Diluted	$ 0.33	$ 0.67	$ 0.09	Diluted	$ 0.94	$ 0.33	$ 0.67
Loss per common share from discontinued operations:	**Loss per common share from discontinued operations:**				**Loss per common share from discontinued operations:**			
Basic	Basic	$ (0.07)	$ (0.04)	$ (0.08)	Basic	$ (0.13)	$ (0.07)	$ (0.04)
Diluted	Diluted	$ (0.07)	$ (0.04)	$ (0.08)	Diluted	$ (0.12)	$ (0.07)	$ (0.04)
Earnings per common share:	**Earnings per common share:**				**Earnings per common share:**			
Basic	Basic	$ 0.26	$ 0.63	$ 0.01	Basic	$ 0.82	$ 0.26	$ 0.63
Diluted	Diluted	$ 0.26	$ 0.63	$ 0.01	Diluted	$ 0.82	$ 0.26	$ 0.63
Anti-dilutive securities- stock based compensation plans (excluded from earnings per share calculation)	**Anti-dilutive securities- stock based compensation plans (excluded from earnings per share calculation)**	946	880	1,532	**Anti-dilutive securities- stock based compensation plans (excluded from earnings per share calculation)**	891	946	880

Note 15. 14. Stock Plans

Share based awards may be granted to key employees and directors under the Enerpac Tool Group Corp. 2017 Omnibus Incentive Plan (as amended and restated November 9, 2020) (the "Plan"). At August 31, 2022, A total of 7,825,000 shares of Class A common stock were have been authorized for issuance under the Plan (including 3,500,000 shares that were authorized for issuance at the January 2021 annual meeting) plus an additional 1,800,000 shares being registered to cover shares, if any, that become issuable, pursuant to the terms of the Plan, upon the expiration, cancellation or forfeiture of existing awards under our previously registered stock plans. plans outstanding at the time the Plan was first approved by the Company's shareholders. At August 31, 2022 August 31, 2023, 3,569,579 3,365,219 shares were available for future award grants. The Plan permits the Company to grant share-based awards, including stock options, restricted stock, restricted stock units and performance shares (the "Performance Shares") to employees and directors. Options generally have a maximum term of ten years, an exercise price equal to 100% of the fair market value of the Company's common stock at the date of grant and generally vest 50% after three years and 100% after five years. The Company's restricted stock grants prior to fiscal 2017 generally have similar vesting provisions as options, while grants thereafter generally vest in equal installments over a three-year period. The Performance Shares include a three-year performance period. For awards of Performance Shares issued prior to granted in the year ended August 31, 2021, payout under the awards were is based 50% on achievement of an absolute free cash flow conversion target and 50% on the Company's total shareholder return ("TSR") relative to the S&P 600 SmallCap Industrial index. For the year ended August 31, 2021, all awards of Performance Shares issued were based on the relative TSR metric. For granted in the year ended endAugust 31, 2022, ed August 31, 2022, payout under the awards were is based 50% on the relative TSR metric and 50% on the Company's three-year average return on invested capital. For awards of Performance Shares granted in the year ended August 31, 2023, payout under the awards is based 33.3% on the relative TSR metric, 33.3% on the Company's adjusted earnings per share and 33.3% on the Company's three-year average return on invested capital. The provisions provisions of share-based awards may vary by individual grant with respect to vesting period, dividend and voting rights, performance conditions and forfeitures.

ENERPAC TOOL GROUP CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

A summary of restricted stock units and performance shares activity during fiscal 2022 2023 is as follows:

		Number of Shares	Weighted-Average Fair Value at Grant Date (Per Share)		Number of Shares	Weighted-Average Fair Value at Grant Date (Per Share)
Outstanding on August 31, 2021		1,017,658	$23.27			
Outstanding on August 31, 2022				Outstanding on August 31, 2022	1,098,026	$20.73
Granted	Granted	896,217	19.39	Granted	571,830	25.42
Forfeited	Forfeited	(263,234)	22.09	Forfeited	(218,158)	22.18
Vested	Vested	(552,615)	22.34	Vested	(412,162)	20.72
Outstanding on August 31, 2022		1,098,026	$20.73			
Outstanding on August 31, 2023				Outstanding on August 31, 2023	1,039,536	$22.26

A summary of stock option activity during fiscal 2022 2023 is as follows:

		Shares	Weighted-Average Exercise Price (Per Share)	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value		Shares	Weighted-Average Exercise Price (Per Share)	Weighted-Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding on September 1, 2021		989,468	$ 26.69							
Outstanding on September 1, 2022						Outstanding on September 1, 2022	947,807	$ 26.85		
Granted	Granted	—	—			Granted	—	—		
Exercised	Exercised	—	—			Exercised	(43,633)	22.30		
Forfeited	Forfeited	—	—			Forfeited	—	—		
Expired	Expired	(41,661)	22.90			Expired	(274,767)	26.83		
Outstanding on August 31, 2022		947,807	$ 26.85	2.3	$ —					
Exercisable on August 31, 2022		947,807	$ 26.85	2.3	$ —					
Outstanding on August 31, 2023						Outstanding on August 31, 2023	629,407	$ 27.18	2.2	$ 950,887
Exercisable on August 31, 2023						Exercisable on August 31, 2023	629,407	$ 27.18	2.2	$ 950,887

Intrinsic value is the difference between the market value of the stock at August 31, 2022 August 31, 2023 and the exercise price which is aggregated for all options outstanding and exercisable. A summary of the total intrinsic value of options exercised and cash receipts from options exercised is summarized below (in thousands, except per share amounts):

		Year Ended August 31,				Year Ended August 31,		
		2022	2021	2020		2023	2022	2021
Intrinsic value of options exercised	Intrinsic value of options exercised	$ —	$ 587	$ 803	Intrinsic value of options exercised	$ 169	$ —	$ 587
Cash receipts from exercise of options	Cash receipts from exercise of options	—	2,208	2,631	Cash receipts from exercise of options	973	—	2,208

The Company generally records compensation expense over the vesting period for restricted stock unit awards based on the market value of the Company's Class A common stock on the grant date date and utilized an expected forfeiture rate of 12% for both each of the years ended for the years ended August 31, 2022 August 31, 2023, 2022 and 2021 and 8% for the year ended August 31, 2020. 2021. The fair value of Performance Shares with market vesting conditions, which includes the Performance Shares awarded in fiscal 2023, 2022 and 2021, is determined utilizing a Monte Carlo simulation model.

As of August 31, 2022 August 31, 2023, there was $10.6 million $9.4 million of total unrecognized compensation cost related to share-based awards, including stock options, restricted stock, restricted stock units and performance shares, Performance Shares, which will be recognized over a weighted average period of 1.9 1.6 years. The total fair value of share-based awards that vested during the fiscal years ended August 31, 2022 August 31, 2023 and 2021 2022 was $11.8 million $9.8 million and $9.7 million $11.8 million, respectively.

Note 16. 15. Business Segment, Geographic and Customer Information

The Company is a global manufacturer of a broad range of industrial products and solutions. The IT&S reportable segment is primarily engaged in the design, manufacture and distribution of branded hydraulic and mechanical tools and in providing services and tool rental to the infrastructure, industrial maintenance, repair and operations, oil & gas, mining, alternative and renewable energy, civil construction and other markets. The Other operating segment is included for purposes of reconciliation of the respective balances below to the consolidated financial statements.

The following tables summarize financial information by reportable segment and product line (in thousands):

		Year Ended August 31,				Year Ended August 31,		
		2022	2021	2020		2023	2022	2021
Net Sales by Reportable Segment & Product Line	**Net Sales by Reportable Segment & Product Line**				**Net Sales by Reportable Segment & Product Line**			
IT&S Segment	IT&S Segment				**IT&S Segment**			
Product	Product	$ 410,245	$ 376,353	$ 341,470	Product	$ 447,603	$ 410,245	$ 376,353
Service & Rental	Service & Rental	117,097	116,772	113,393	Service & Rental	107,575	117,097	116,772
		527,342	493,125	454,863		555,178	527,342	493,125
Other Segment	**Other Segment**	43,881	35,535	38,429	**Other Segment**	43,026	43,881	35,535
		$ 571,223	$ 528,660	$ 493,292		$ 598,204	$ 571,223	$ 528,660
Operating Profit (Loss)	**Operating Profit (Loss)**				**Operating Profit (Loss)**			
IT&S		$ 78,735	$ 81,683	$ 65,549				
IT&S Segment					IT&S Segment	$ 135,883	$ 78,735	$ 81,683
Other Segment	Other Segment	729	(10,420)	(3,420)	Other Segment	10,954	729	(10,420)
General Corporate	General Corporate	(48,804)	(20,150)	(37,948)	General Corporate	(62,915)	(48,804)	(20,150)
		$ 30,660	$ 51,113	$ 24,181		$ 83,922	$ 30,660	$ 51,113
Depreciation and Amortization:	**Depreciation and Amortization:**				**Depreciation and Amortization:**			
IT&S		$ 14,498	$ 15,856	$ 14,854				
IT&S Segment					IT&S Segment	$ 12,329	$ 14,498	$ 15,856
Other Segment	Other Segment	3,664	3,568	3,620	Other Segment	3,164	3,664	3,568
General Corporate	General Corporate	1,438	2,187	2,246	General Corporate	820	1,438	2,187
		$ 19,600	$ 21,611	$ 20,720		$ 16,313	$ 19,600	$ 21,611
Capital Expenditures:	**Capital Expenditures:**				**Capital Expenditures:**			
IT&S		$ 7,139	$ 10,918	$ 7,282				
IT&S Segment					IT&S Segment	$ 7,779	$ 7,139	$ 10,918
Other Segment	Other Segment	710	768	2,625	Other Segment	599	710	768
General Corporate	General Corporate	568	333	2,146	General Corporate	1,022	568	333

		$ 8,417	$ 12,019	$ 12,053	$ 9,400	$ 8,417	$ 12,019

		August 31,			August 31,	
		2022	2021		2023	2022
Assets:	**Assets:**			**Assets:**		
IT&S		$ 618,412	$ 641,256			
IT&S Segment				IT&S Segment	$ 632,113	$ 618,412
Other Segment	Other Segment	46,428	52,745	Other Segment	28,127	46,428
General Corporate	General Corporate	92,472	126,246	General Corporate	102,357	92,472
		$ 757,312	$ 820,247		$ 762,597	$ 757,312

In addition to the impact of changes in foreign currency exchange rates, the comparability of segment and product line information is impacted by acquisition/divestiture activities, impairment and divestiture charges, restructuring costs and related benefits. Corporate assets, which are not allocated, principally represent cash and cash equivalents, property, plant, and equipment, ROU assets, capitalized debt issuance costs and deferred income taxes.

The following tables summarize net sales and property, plant and equipment by geographic region (in thousands):

		Year Ended August 31,				Year Ended August 31,		
		2022	2021	2020		2023	2022	2021
Net Sales:	**Net Sales:**				**Net Sales:**			
United States		$ 226,020	$ 188,070	$ 185,279				
United States of America					United States of America	$ 231,093	$ 226,020	$ 188,070
United Kingdom	United Kingdom	29,316	39,896	24,033	United Kingdom	34,085	29,316	39,896
Germany	Germany	28,004	28,456	24,401	Germany	29,926	28,004	28,456
Canada					Canada	29,643	19,651	17,348
Australia	Australia	26,667	24,990	19,332	Australia	28,607	26,667	24,990
Saudi Arabia	Saudi Arabia	20,892	16,715	19,787	Saudi Arabia	25,762	20,892	16,715
Canada		19,651	17,348	15,924				
Brazil	Brazil	16,517	13,937	16,413	Brazil	20,523	16,517	13,937
France					France	14,606	14,854	13,368
China	China	15,434	16,927	15,058	China	14,081	15,434	16,927
All other		188,722	182,321	173,065				
All Other					All Other	169,877	173,868	168,953
		$ 571,223	$ 528,660	$ 493,292		$ 598,204	$ 571,223	$ 528,660

		August 31,			August 31,	
		2022	2021		2023	2022
Property, Plant and Equipment, net:	**Property, Plant and Equipment, net:**			**Property, Plant and Equipment, net:**		
United States	United States	$ 16,743	$ 18,942	United States	$ 15,081	$ 16,743
United Kingdom	United Kingdom	8,212	11,818	United Kingdom	7,543	8,212
UAE	UAE	4,407	6,448	UAE	4,004	4,407
Brazil	Brazil	2,873	2,248	Brazil	3,197	2,873
Netherlands	Netherlands	1,965	2,625	Netherlands	2,423	1,965
Spain	Spain	1,413	1,506	Spain	1,484	1,413
Kazakhstan		1,028	1,552			
All other	All other	4,731	3,451	All other	5,235	5,761

	$ 41,372	$ 48,590	$ 38,968	$ 41,372

The Company’s largest customer accounted for approximately approximately 3% of sales in each of the last three fiscal years. Export sales from domestic operations operations were 9.8% 9.9%, 7.2% 9.8% and 7.3% 7.2% of total net sales from continuing operations in fiscal 2023, 2022 and 2021, and 2020, respectively.

Note 17. 16. Commitments and Contingencies

The Company had outstanding letters of credit of $10.7 million$8.6 million and $11.9 million$10.7 million at August 31, 2022 August 31, 2023 and 2021, 2022, respectively, the majority of which relate to commercial contracts and self-insured workers' compensation programs.

As part of the Company's global sourcing strategy, we have entered into agreements with certain suppliers suppliers that require the supplier to maintain minimum levels of inventory to support certain products for which we require a short lead time to fulfill customer orders. We have the ability to notify the supplier that they no longer need maintain the minimum level of inventory should we discontinue manufacturing of a product during the contract period; however, we must purchase the remaining minimum inventory levels the supplier was required to maintain within a defined period of time.

The Company is a party to various legal proceedings that have arisen in the normal course of business. These legal proceedings include regulatory matters, product liability, breaches of contract, employment, personal injury and other disputes. The Company has recorded reserves for loss contingencies based on the specific circumstances of each case. Such reserves are recorded when it is probable a loss has been incurred and can be reasonably estimated. The Company maintains a policy to exclude from such reserves an estimate of legal defense costs. In the opinion of management, resolution of these contingencies is not expected to have a material adverse effect on the Company’s financial position, results of operations or cash flows.

The Company remains contingently liable for lease payments under leases of businesses that it previously divested or spun-off in the event that such businesses are unable to fulfill their future lease payment obligations; however, the Company does not believe it is probable that it will be required to satisfy these obligations. Future minimum lease payments for these leases at August 31, 2022 were $3.7 million associated with monthly payments extending to fiscal 2025.

The Company has facilities in numerous geographic locations that are subject to environmental laws and regulations. Environmental expenditures over the past three years have not been material. Soil and groundwater contamination has been identified at certain facilities that we operate or formerly owned or operated. We are also a party to certain state and local environmental matters, have provided environmental indemnifications for certain divested businesses and retain responsibility

ENERPAC TOOL GROUP CORP.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS-(Continued)

for certain potential environmental liabilities. Management believes that such costs will not have a material adverse effect on the Company’s financial position, results of operations or cash flows.

Additionally, in fiscal 2019, the Company provided voluntary self-disclosures to both Dutch and U.S. authorities related to sales of products and services linked to the Crimea region of Ukraine, which sales potentially violated European Union and U.S. sanctions provisions. Although the U.S. investigation closed without further implication, the Dutch investigation continued. The Dutch Investigator concluded his investigation in March 2022 and provided the results to the Public Prosecutor’s Prosecutor's office for review. Specifically, the Investigator concluded that the sales transactions violated EU sanctions. The conclusion in the Investigator's report was consistent with the Company's understanding of what could be stated in the report and was supported the basis Company to record an expense in the fiscal year ended year-ended August 31, 2021, representing the low end of a reasonable range of financial penalties the Company may incur as no other point within the range was deemed more probable. The Company has not adjusted its estimate of financial penalties as a result of the completion of the investigation in the year ended August 31, 2022 August 31, 2023. While there can be no assurance of the ultimate outcome of the matter, the Company currently believes that there will be no material adverse effect on the Company's financial position, results of operations or cash flows from this matter.

Note 18. Subsequent Event

On September 9, 2022, the Company refinanced its credit facility resulting in a new $600 million senior credit facility, comprised of a $400 million revolving line of credit and a $200 million term loan, which will mature in September 2027. The Company has the option to request up to $300 million of additional revolving commitments and/or term loans under the new facility, subject to customary conditions, including the commitment of the participating lenders. The new facility replaces LIBOR with adjusted term SOFR as the interest rate benchmark and provides for interest rate margins above adjusted term SOFR ranging from 1.125% to 1.875% per annum depending on the Company’s net leverage ratio. Borrowings under the new facility initially bear interest at adjusted term SOFR plus 1.125% per annum. In addition, the new facility contains financial covenants requiring the Company to not permit (i) the net leverage ratio, determined as of the end of each of its fiscal quarters, to exceed 3.75 to 1.00 (or, at the Company’s election and subject to certain conditions, 4.25 to 1.00 for the testing period during which certain material acquisitions occur and the next succeeding four testing periods) or (ii) the interest coverage ratio, determined as of the end of each of its fiscal quarters, to be less than 3.00 to 1.00. Borrowings under the new facility are secured by substantially all personal property assets of the Company and its domestic subsidiary guarantors (other than certain specified excluded assets) and certain of the equity interests of certain subsidiaries of the Company.

ENERPAC TOOL GROUP CORP.

SCHEDULE II—VALUATION AND QUALIFYING ACCOUNTS
(in thousands)

	Additions	Deductions		Additions	Deductions

		Balance at Beginning of Period	Charged to Costs and Expenses (Income)	Acquisition/ (Divestiture)	Accounts Written Off Less Recoveries	Other	Balance at End of Period		Balance at Beginning of Period	Charged to Costs and Expenses (Income)	Acquisition/ (Divestiture)	Accounts Written Off Less Recoveries	Other	Balance at End of Period
Allowance for losses—Trade accounts receivable	Allowance for losses—Trade accounts receivable							Allowance for losses—Trade accounts receivable						
August 31, 2023								August 31, 2023	$ 17,504	$ 1,177	$ (32)	$ (2,230)	$ 362	$ 16,781
August 31, 2022	August 31, 2022	$ 4,235	$ 14,277	$ —	$ (350)	$ (658)	$ 17,504	August 31, 2022	4,235	14,277	—	(350)	(658)	17,504
August 31, 2021	August 31, 2021	4,991	8	—	(845)	81	4,235	August 31, 2021	4,991	8	—	(845)	81	4,235
August 31, 2020		5,141	682	(1)	(726)	(105)	4,991							
Valuation allowance—Income taxes	Valuation allowance—Income taxes							Valuation allowance—Income taxes						
August 31, 2023								August 31, 2023	$ 61,630	$ 3,305	$ —	$ (3,503)	$ —	$ 61,432
August 31, 2022	August 31, 2022	$ 66,155	$ 925	$ —	$ (5,450)	$ —	$ 61,630	August 31, 2022	66,155	925	—	(5,450)	—	61,630
August 31, 2021	August 31, 2021	70,414	4,886	—	(9,145)	—	66,155	August 31, 2021	70,414	4,886	—	(9,145)	—	66,155
August 31, 2020		73,255	9,383	—	(12,337)	113	70,414							

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Disclosure Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, have evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended ("the Exchange Act")) as of the end of the period covered by this report. Based on such evaluation, the Company's Chief Executive Officer and Chief Financial Officer have concluded that, as of the end of such period, the Company's disclosure controls and procedures are effective in recording, processing, summarizing, and reporting, and reporting, within the time periods specified in the SEC's rules and forms, information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act, and that such information is accumulated and communicated to the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely discussions regarding required disclosure.

Management's Report on Internal Control Over Financial Reporting

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's internal control over financial reporting based on the framework in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, the Company's management has concluded that, as of August 31, 2022 August 31, 2023, the Company's internal control over financial reporting was effective.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of the effectiveness to future periods are subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Ernst & Young, LLP, an independent registered public accounting firm, has audited the Company's internal control over financial reporting as of August 31, 2022 August 31, 2023, as stated in their report which is included herein.

Changes in Internal Control Over Financial Reporting

There were no changes in the Company's internal control over financial reporting during the fourth quarter of fiscal 2022 2023 that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 9B. Other Information

None. During the three months ended August 31, 2023, none of the Company's directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement" (as such terms are defined in Item 408 of Regulation S-K).

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors; Executive Officers and Corporate Governance

Information about the Company's directors is incorporated by reference from the "Proposal I: Election of Directors" section of the Company's Proxy Statement for its Annual Meeting of Shareholders to be held on February 3, 2023 January 25, 2024 (the "2023 "2024 Annual Meeting Proxy Statement"). Information about the Company's Audit Committee, including the members of the committee, and the Company's Audit Committee financial experts, is incorporated by reference from the "Proposal I: Election of Directors" and "Corporate Governance Matters" sections of the Company's 2023 2024 Annual Meeting Proxy Statement. Information with respect to the timeliness of filings by directors and executive officers of reports required under Section 16(a) of the Securities Exchange Act of 1934, as amended, is incorporated by reference from the "Delinquent "Other Information—Delinquent Section 16(a) Reports" section of the 2023 2024 Annual Meeting Proxy Statement. Information about the Company's executive officers required by this item is contained in the discussion entitled "Executive Officers of the Registrant" in Part I hereof.

The Company has adopted a code of ethics that applies to its senior executive team, including its Chief Executive Officer, Chief Financial Officer and Corporate Controller. The code of ethics is posted on the Company's website and is available free of charge at www.enerpactoolgroup.com. The Company intends to satisfy the requirements under Item 5.05 of Form 8-K regarding disclosure of amendments to, or waivers from, provisions of its code of ethics that apply to the Chief Executive Officer, Chief Financial Officer or Corporate Controller by posting such information on the Company's website.

Item 11. Executive Compensation

The information required by this item is incorporated by reference from the "Election of Directors," "Corporate Governance Matters," "Executive Compensation" (other than the information appearing under the heading "Pay Versus Performance") and "Non-Employee Director Compensation" sections of the 2023 2024 Annual Meeting Proxy Statement.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item is incorporated by reference from the "Certain Beneficial Owners" and "Executive Compensation—Equity Compensation Plan Information" sections of the 2023 2024 Annual Meeting Proxy Statement.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by this item is incorporated by reference from the "Certain "Corporate Governance Matters—Certain Relationships and Related Party Transactions" section of the 2023 2024 Annual Meeting Proxy Statement.

Item 14. Principal Accountant Fees and Services

The information required by this item is incorporated by reference from the "Other Information—Independent Public Accountants" section of the 2023 2024 Annual Meeting Proxy Statement.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) Documents filed as part of this report:

1. *Consolidated Financial Statements*

   See "Index to Consolidated Financial Statements" set forth in Item 8, "Financial Statements and Supplementary Data" for a list of financial statements filed as part of this report.

2. *Financial Statement Schedules*

   See "Index to Financial Statement Schedule" set forth in Item 8, "Financial Statements and Supplementary Data."

3. *Exhibits*

Exhibit	Description	Incorporated Herein By Reference To	Filed Herewith	Furnished Herewith
2.1	Securities Purchase Agreement, dated as of July 8, 2019, by and between Actuant Corporation, BRWS Parent LLC, Actuant France SAS and Actuant Holdings AB.	Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed on July 9, 2019		
3.1	(a) Amended and Restated Articles of Incorporation	Exhibit 4.9 to the Registrant's Form 10-Q for the quarter ended February 28, 2001		
	(b) Amendment to Amended and Restated Articles of Incorporation	Exhibit 3.1(b) of the Registrant's Form 10-K for the fiscal year ended August 31, 2003		
	(c) Amendment to Amended and Restated Articles of Incorporation	Exhibit 3.1 to the Registrant's Form 10-K for the fiscal year ended August 31, 2004		
	(d) Amendment to Amended and Restated Articles of Incorporation	Exhibit 3.1 to the Registrant's Form 8-K filed on July 18, 2006		
	(e) Amendment of Amended and Restated Articles of Incorporation	Exhibit 3.1 to the Registrant's Form 8-K filed on January 14, 2010		
	(f) Amendment of Amended and Restated Articles of Incorporation	Exhibit 3.1 to the Registrant's Form 8-K/A filed on January 30, 2020		
3.2	Amended and Restated Bylaws, as amended	Exhibit 3.1 of the Registrant's Form 8-K filed on August 1, 2022		
4.1	Description of Registered Securities	Exhibit 4.1 to the Registrant's Form 10-K for the fiscal year ended August 31, 2020		

Exhibit	Description	Incorporated Herein By Reference To	Filed Herewith	Furnished Herewith
10.1	Credit Agreement dated as of September 9, 2022 among Enerpac Tool Group Corp., the initial subsidiary borrowers party thereto, the guarantors party thereto, the lenders party thereto, and PNC Bank, National Association, as administrative agent	Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on September 15, 2022		
10.2*	Outside Directors' Deferred Compensation Plan (as amended and restated effective July 23, 2021)	Exhibit 10.2 to the Registrant's Form 10-K for the fiscal year ended August 31, 2021		
10.3*	Deferred Compensation Plan (conformed through the fourth amendment)	Exhibit 10.2 to the Registrant's Form 10-Q for the quarter ended November 30, 2014		
10.4*	Non-Qualified Deferred Compensation Plan (conformed through the first amendment)	Exhibit 10.4 to the Registrant's Form 10-K for the fiscal year ended August 31, 2020		
10.5*	2010 Employee Stock Purchase Plan	Exhibit B to the Registrant's Definitive Proxy Statement, dated December 4, 2009		
10.6*	Enerpac Tool Group Corp. 2017 Omnibus Incentive Plan (as amended and restated November 9, 2020)	Appendix A to the Proxy Statement on Schedule 14A filed by Enerpac Tool Group Corp. on December 4, 2020		
10.7**	2009 Omnibus Incentive Plan, conformed through the Second Amendment thereto	Exhibit 99.1 to the Registrant's Form 8-K filed on January 17, 2013		
10.8*	(a) Amended and Restated 2001 Outside Directors' Stock Plan	Exhibit A to the Registrant's Definitive Proxy Statement, dated December 5, 2005		
	(b) First Amendment to the Amended and Restated 2001 Outside Directors' Stock Plan dated December 25, 2008	Exhibit 10.10 to the Registrant's Form 10-Q for the quarter ended November 30, 2008		
10.9*	Supplemental Executive Retirement Plan (conformed through the first amendment)	Exhibit 10.3 to the Registrant's Form 10-Q for the quarter ended November 30, 2014		
10.10*	Senior Officer Severance Plan	Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on July 31, 2019		
10.11*	Form of Indemnification Agreement for Directors and Officers	Exhibit 10.1 to the Registrant's Form 8-K filed on August 2, 2018		
10.12*	Form of Amended and Restated Change in Control Agreement	Exhibit 10.1 to the Registrant's Form 8-K filed on August 1, 2017		

Exhibit	Description	Incorporated Herein By Reference To	Filed Herewith	Furnished Herewith
10.13*	Executive Officer Bonus Plan	Exhibit B to the Registrant's Definitive Proxy Statement dated December 3, 2012		
10.14*	(a) Form of NQSO Award (Director) under the 2009 Omnibus Incentive Plan*	Exhibit 10.1(a) to the Registrant's Form 10-Q for the quarter ended February 28, 2014		
	(b) Form of NQSO Award (Officer) under the 2009 Omnibus Incentive Plan*	Exhibit 10.1(b) to the Registrant's Form 10-Q for the quarter ended February 28, 2014		
10.15*	(a) Form RSA Award (Director) under the 2009 Omnibus Incentive Plan*	Exhibit 10.2(a) to the Registrant's Form 10-Q for the quarter ended February 28, 2014		
	(b) Form of RSA Award (Officer) under the 2009 Omnibus Incentive Plan*	Exhibit 10.2(b) to the Registrant's Form 10-Q for the quarter ended February 28, 2014		
10.16*	(a) Form of RSU Award (Director) under the 2009 Omnibus Incentive Plan*	Exhibit 10.3(a) to the Registrant's Form 10-Q for the quarter ended February 28, 2014		
	(b) Form of RSU Award (Officer) under the 2009 Omnibus Incentive Plan*	Exhibit 10.3(b) to the Registrant's Form 10-Q for the quarter ended February 28, 2014		
10.17*	(a) Form RSA Award (Director) under the 2017 Omnibus Incentive Plan	Exhibit 10.14 to the Registrant's Form 10-K for the fiscal year ended August 31, 2018		
10.18*	(a) Form of RSU Award (Director) under the 2017 Omnibus Incentive Plan*	Exhibit 10.15(a) to the Registrant's Form 10-K for the fiscal year ended August 31, 2018		
	(b) Form of RSU Award (Officer) under the 2017 Omnibus Incentive Plan*	Exhibit 10.15(b) to the Registrant's Form 10-K for the fiscal year ended August 31, 2018		
10.19*	(a) Form of PSU Award - Total Shareholder Return (Officer) under the 2017 Omnibus Incentive Plan*	Exhibit 10.16(a) to the Registrant's Form 10-K for the fiscal year ended August 31, 2018		
	(b) Form of PSU Award - Free Cash Flow (Officer) under the 2017 Omnibus Incentive Plan*	Exhibit 10.16(b) to the Registrant's Form 10-K for the fiscal year ended August 31, 2018		
10.20*	Letter(a) Form of Restricted Stock Unit (RSU) agreement dated September 22, 2021 between Paul E. Sternlieb and Enerpac Tool Group Corp. under the 2017 Omnibus Incentive Plan (Special Executive Grant)	Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on September 29, 2021 September 1, 2023		

Exhibit	Description	Incorporated Herein By Reference To	Filed Herewith	Furnished Herewith
	(b) Form of Performance Share Award agreement under the 2017 Omnibus Incentive Plan (Special Executive Grant)	Exhibit 10.2 to the Registrant's Form 8-K filed on September 1, 2023		
10.21*	Letter agreement dated May 4, 2022 September 22, 2021 between Anthony P. Colucci Paul E. Sternlieb and Enerpac Tool Group Corp.	Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed on May 9, 2022 September 29, 2021		
10.22*	Letter agreement dated December 6, 2021 May 4, 2022 between Scott Vuchetich Anthony P. Colucci and Enerpac Tool Group Corp.		X	
10.23*	Letter agreement dated January 19, 2022 between Benjamin J. Topercer and Enerpac Tool Group Corp.	Exhibit 10.23 to the Registrant's Form 10-K for the fiscal year ended August 31, 2022	X	
10.24*	Letter agreement Agreement dated September 23, 2021 May 27, 2022 between Randal W. Baker Markus Limberger and Enerpac Tool Group Corp.	Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed on September 29, 2021 Actuant GmbH		
10.25*X	Letter agreement dated January 30, 2022 between Rick T. Dillon and Enerpac Tool Group Corp.	Exhibit 10.1 to the Registrant's Current Report 8-K filed on January 31, 2022		
14	Code of Ethics Applicable to Senior Financial Executives	Exhibit 14 of the Registrant’s Form 10-K for the fiscal year ended August 31, 2017		
21	Subsidiaries of the Registrant		X	
23	(a) Consent of Ernst & Young LLP		X	
	(b) Consent of PricewaterhouseCoopers LLP		X	
24	Power of Attorney		See signature page of this report	
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002		X	
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002		X	
32.1	Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002			X
32.2	Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002			X

Exhibit	Description	Incorporated Herein By Reference To	Filed Herewith	Furnished Herewith
101	The following materials from the Enerpac Tool Group Corp. Form 10-K for the year ended August 31, 2022 August 31, 2023 formatted in Inline Extensible Business Reporting Language (Inline XBRL): (i) the Consolidated Statements of Earnings, (ii) the Consolidated Statements of Comprehensive Income (Loss), (iii) the Consolidated Balance Sheets, (iv) the Consolidated Statements of Cash Flows and (v) the Notes to Consolidated Financial Statements.		X	
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in the Interactive Data Files submitted as Exhibit 101)		X	

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

ENERPAC TOOL GROUP CORP.
(Registrant)

By: /s/ ANTHONY P. COLUCCI

Anthony P. Colucci
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Dated: October 25, 2022 20, 2023

POWER OF ATTORNEY

KNOWN ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Paul E. Sternlieb, Anthony P. Colucci and James P. Denis, and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead, in any and all capacities, to sign any and all amendments to this report, and to file the same, with all and any other regulatory authority, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.*

Signature	Title
/s/ PAUL E. STERNLIEB	President and Chief Executive Officer, Director
Paul E. Sternlieb	
/s/ ALFREDO ALTAVILLA	Director
Alfredo Altavilla	
/s/ JUDY ALTMAIER	Director
Judy Altmaier	
/s/ J. PALMER CLARKSON	Director
J. Palmer Clarkson	
/s/ DANNY L. CUNNINGHAM	Director
Danny L. Cunningham	
/s/ E. JAMES FERLAND	Chairman of the Board of Directors
E. James Ferland	
/s/ LYNN C. MINELLA COLLEEN M. HEALY	Director
Lynn C. Minella Colleen M. Healy	
/s/ RICHARD D. HOLDER	Director
Richard D. Holder	
/s/ LYNN C. MINELLA	Director
Lynn C. Minella	
/s/ SIDNEY S. SIMMONS	Director
Sidney S. Simmons	
/s/ ANTHONY P. COLUCCI	Executive Vice President and Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)
Anthony P. Colucci	
/s/ BRYAN R. JOHNSON	Vice President of Finance and Principal Accounting Officer
Bryan R. Johnson	

* Each of the above signatures is affixed as of October 25, 2022 October 20, 2023.

slide1

Exhibit 10.22

December 6, 2021

Page 1 of 14 BETWEEN THE UNDERSIGNED: Zwischen der A. Actuant GmbH, eine Gesellschaft mit beschränkter Haftung mit eingetragenem Firmensitz in Boelckestrasse 21 – 23, D-50171 Kerpen, in dieser Angelegenheit ordnungsgemäß vertreten durch Herrn Geert Jan van der Heijden, Geschäftsführer nachstehend „Arbeitgeber" genannt und B. Herrn Markus LIMBERGER, Staatsangehörigkeit: Deutsch nachstehend „Mitarbeiter" oder „Arbeitnehmer" genannt wird folgender Arbeitsvertrag geschlossen: The undersigned: A. Actuant GmbH, a private company with limited liability, with its registered office at Boelckestrasse 21 – 23, D-50171 Kerpen, Germany, duly represented in this matter by Mr. Scott Vuchetich

Dear Geert Jan van der Heijden, Managing Director hereinafter referred to as: the "Employer" and B. Mr. Vuchetich:

Offer and Position

We are very pleased Markus LIMBERGER Nationality: German hereinafter referred to extend an offer of employment to you for as the position of "Employee" declare that they have agreed as follows: Article 1) BEGINN DES ARBEITSVERHÄLTNISSES, POSITION / COMMENCEMENT AND POSITION Das Arbeitsverhältnis beginnt am 01.09.2022. Es wird auf unbestimmte Zeit abgeschlossen. Der Mitarbeiter wird als Executive Vice President Marketing and President-Americas ("EVP") (EVP) of Enerpac Tool Group Corp., a Wisconsin corporation (the "Company"). This offer of employment is conditioned on your satisfactory completion of certain requirements, as more fully explained in this letter. Your employment is subject to the terms and conditions set forth in this letter.

Duties

In your capacity as EVP, you will be responsible for all commercial and (for the foreseeable future) operational activities in our Americas region; all product management, commercial marketing, digital commerce, marcomm and branding activities globally; and for other such duties as may be assigned to you from time to time. You will report directly to the Paul Sternlieb, the Company's Operations eingestellt. Der Mitarbeiter berichtet an den President and Chief Executive Officer (CEO). You agree to devote your full business time, attention, and best efforts – CEO Enerpac Group, oder an eine andere vom Arbeitgeber zu diesem Zweck benannte Person. Die Aufgaben und Verantwortlichkeiten des Mitarbeiters sind in der beigefügten Tätigkeitsbeschreibung (Anhang 1) festgelegt. Der Aufgabenbereich ist evolutiv in Abhängigkeit der zukünftigen Strategie und den Zielen des Arbeitgebers und der Enerpac-Gruppe. Erfüllungsort ist der Sitz des Arbeitgebers in Kerpen. Der Angestellte ist verpflichtet, alle für seine Tätigkeit erforderlichen Dienstreisen im In- und Ausland zu unternehmen. Diese Reisetätigkeit umfasst unter anderem, aber nicht ausschließlich, Geschäftsreisen zu den verschiedenen Produktionsstätten der Enerpac-Gruppe in den Niederlanden, Spanien und im Vereinigten Königreich sowie in ganz Europa, Nord- und Südamerika und im asiatisch-pazifischen Raum und macht einen wesentlichen Teil der Tätigkeit des Mitarbeiters aus. Der Arbeitgeber behält sich vor, dem Mitarbeiter aus betrieblichen Gründen bei gleicher Vergütung auch andere oder zusätzliche, seiner Vorbildung und seinen Fähigkeiten entsprechende gleichwertige Tätigkeiten zu Employment will commence on September 1st 2022 for an indefinite period of time. The Employee has been appointed as Executive Vice President (EVP) of Operations. The Employee will report to the performance President and Chief Executive Officer – CEO of your Enerpac Group, or to such other person as may be designated for that purpose by the Employer. The duties and responsibilities of the Employee have been laid down in the appended job description (Appendix 1). The area of responsibilities may evolve depending on the future strategy and objectives of the Employer and the Enerpac Group. The place of performance shall be the Employer's registered office in Kerpen. The Employee is obliged to undertake all business trips at home and abroad that are necessary for his function. These travel activities include, but are not limited to, business trips to the furtherance various manufacturing sites of the Company's interests. Notwithstanding Enerpac Group in the foregoing, nothing Netherlands, Spain, and in this letter shall preclude you from devoting reasonable periods of time to charitable the UK as well as throughout Europe, Americas and community activities, managing personal investment assets, APAC and with the prior approval constitute a substantial part of the Board, serving on Employee's activities. The Employer reserves the right to assign, for operational reasons, other boards or further equivalent duties to the Employee appropriate to his educational background and skills at the same level of directors. remuneration, and/or to transfer the Exhibit 10.24

Start Date

slide2

Subject Page 2 of 14 übertragen und/oder den Mitarbeiter an einen anderen Arbeitsort zu versetzen. Dies gilt auch im Falle einer langwährenden Tätigkeit am selben Arbeitsort. Die persönlichen Belange des Mitarbeiters werden dabei angemessen berücksichtigt. Das Inkrafttreten dieses Arbeitsvertrags steht unter dem Vorbehalt einer zufriedenstellenden Referenz- und Ausbildungsprüfung durch den Arbeitgeber. Die regelmäßige Arbeitszeit richtet sich nach den Anforderungen der Position und den Erfordernissen des Aufgabenbereichs. Sie beträgt mindestens 40 Stunden wöchentlich ohne die Berücksichtigung der Pausen. Der Mitarbeiter ist verpflichtet, bei Bedarf im Rahmen der gesetzlichen Regelungen Überstunden und Mehrarbeit zu leisten und an Samstagen, Sonntagen und gesetzlichen Feiertagen sowie im Rahmen von Calls in den frühen Morgenstunden und/oder spät in der Nacht tätig zu werden. Der Arbeitgeber ist berechtigt, einseitig Kurzarbeit anzuordnen, wenn ein erheblicher Arbeitsausfall vorliegt, der auf wirtschaftlichen Gründen oder einem unabwendbaren Ereignis beruht und der Arbeitsausfall der Arbeitsverwaltung angezeigt ist (§§ 169 ff. SGB III). Dabei ist eine Ankündigungsfrist von drei Wochen einzuhalten. Für die Dauer der Kurzarbeit vermindert sich die in Ziffer 3 geregelte Vergütung im Verhältnis der ausgefallenen Arbeitszeit zur regelmäßigen Arbeitszeit. Während der Dauer des Arbeitsverhältnisses ist es dem Mitarbeiter nur mit vorheriger schriftlicher Zustimmung des Arbeitgebers gestattet, eine Nebentätigkeit auszuüben. Der Mitarbeiter hat dem Arbeitgeber schriftlich die beabsichtigte Tätigkeit unter Angabe von Art, Ort und Dauer anzuzeigen. Soweit sachliche Gründe dem nicht entgegenstehen, hat der Arbeitgeber der angezeigten Nebentätigkeit unverzüglich zuzustimmen. Der Arbeitgeber kann die Zustimmung widerrufen, sofern es durch die Nebentätigkeit zu einer Beeinträchtigung des Arbeitsverhältnisses kommt. Employee satisfaction a different place all work. This also applies in conditions described in this letter, your anticipated start date is January 4, 2022 ("Start Date"). If you prefer your Start Date to be earlier, we may be able to accommodate case of long-standing deployment at request.

Base Salary

In consideration place of your services, you work. The personal needs of the Employee will be paid a base salary at a rate taken into account appropriately. The entry into application of $380,000 per year, this work contract is subject to review annually, payable satisfactory reference and education check by the Employer. The regular working hours are based on the requirements of the position and the demands of the area of responsibility. It shall be at least 40 hours per week, not including breaks. Where necessary, the Employee is obliged to work overtime and perform additional work in accordance with statutory regulations, and to work on Saturdays, Sundays and public holidays as well as early morning and/or late-night calls. The Employer is entitled to impose short-time working unilaterally if there is a significant loss of work resulting from economic circumstances or an unavoidable event, and the standard payroll practices loss of work has been demonstrated to the employment services (§§ 169 et seq of the Company German Social Security Code III). In this case, a notice period of three weeks must be observed. The remuneration will be reduced in proportion to the number of working hours lost for as long as operations are restricted to short-time working. For the duration of the employment contract, the Employee is only permitted to perform ancillary activities with prior written permission from the Employer. The Employee must inform the Employer of the intended activity in writing, specifying the type of activity, the place where it will be performed and the duration. Where there are no valid reasons for doing so, the Employer must not unreasonably withhold permission for the ancillary activity. The Employer may revoke the consent if the ancillary activity leads to a deterioration of the employment relationship. Article 2) PROBEZEIT, BEENDIGUNG DES ARBEITSVERHÄLTNISSES / PROBATIONARY PERIOD, TERMINATION OF THE EMPLOYMENT RELATIONSHIP Die ersten 6 Monate des Arbeitsverhältnisses gelten als Probezeit. Während der Probezeit ist das Arbeitsverhältnis mit einer Frist von 2 Wochen zum Monatsende für beide Seiten kündbar. Nach Ablauf der Probezeit können beide Parteien das Arbeitsverhältnis mit einer Frist von 6 Monaten zum Monatsende kündigen, unabhängig vom Recht zur fristlosen Kündigung. Eine fristlose Kündigung gilt gleichzeitig als ordentliche Kündigung zum nächstzulässigen Termin. The first six months of the employment relationship form a probationary period. During the probationary period, either party may terminate the employment relationship, observing a notice period of 2 weeks before the end of the month. After the expiry of the probationary period, either party may terminate the employment relationship by giving 6 months' notice at the end of the month, without prejudice to the right to summary dismissal. Summary dismissal is equivalent to termination subject to all withholdings the legal period of notice at the nearest available date.

---

slide3

Page 3 of 14 Das Arbeitsverhältnis endet ohne Kündigung mit Ablauf des Monates, in dem der Mitarbeiter die gesetzliche Regelaltersgrenze zum Bezug von Altersrente erreicht. Das Arbeitsverhältnis endet ferner mit Ablauf des Monats, in dem ein Bescheid zugestellt wird, mit dem der zuständige Sozialversicherungsträger feststellt, dass der Mitarbeiter auf Dauer vollständig erwerbsgemindert ist, und der Mitarbeiter nicht vor Ablauf der Widerspruchsfrist seinen Antrag zurücknimmt oder auf eine Rente auf Zeit einschränkt, bei späterem Beginn des entsprechenden Rentenbezugs jedoch erst mit Ablauf des dem Rentenbeginn vorhergehenden Tages. Gewährt der Sozialversicherungsträger nur eine Rente auf Zeit, so ruht das Arbeitsverhältnis für den Bewilligungszeitraum dieser Rente, längstens jedoch bis zum Beendigungszeitpunkt gemäß Satz 1. Satz 1 und 2 gelten nicht, wenn der Mitarbeiter noch ohne Einschränkungen in der Lage ist, die arbeitsvertraglich geschuldete Leistung zu erbringen. Nach Ausspruch einer Kündigung, gleich durch welche Partei, ist der Arbeitgeber berechtigt den Mitarbeiter bei Weitergewährung seiner Bezüge bis zum Ende der Kündigungsfrist unter Anrechnung etwaiger Urlaubsansprüche und/oder Ansprüche auf Freizeitausgleich freizustellen. Auf die nach der Anrechnung etwaiger restlicher Urlaubsansprüche fortzuzahlenden Bezüge muss der Mitarbeiter sich den Wert desjenigen anrechnen lassen, was er infolge des Unterbleibens der Dienstleistung erspart oder durch anderweitige

Verwendung seiner Dienste erwirbt oder zu erwerben böswillig unterlässt. Ungeachtet einer solchen Freistellung bleibt der Mitarbeiter bis zum Ende der Kündigungsfrist an seine gesetzlichen und vertraglichen Nebenplichten gebunden; insbesondere darf der Mitarbeiter vor dem Ende der Kündigungsfrist nicht in Konkurrenz zum Arbeitgeber treten. The employment relationship will end without notice at the end of the month in which the Employee reaches the statutory retirement age. In addition, the employment relationship will end at the end of the month in which notification is sent to the appropriate social security institution stating that the Employee is permanently incapable of work, deductions the Employee does not withdraw the application before expiry of the objection period or restrict himself/herself to a temporary pension. Should the pension in question be drawn at a later date, however, the employment relationship will only end at the end of the day prior to drawing the pension. Should the social security institution grant a temporary pension only, the employment relationship will be suspended for the period during which said pension is granted; however no later than the time of termination stipulated in sentence 1. Sentences 1 and 2 do not apply if the Employee is still able to perform the services agreed in the employment contract without reservation. If either party gives notice of termination, the Employer is entitled, required long as emoluments continue to be paid, to release the Employee until the end of the notice period, taking into account any leave entitlement and/or entitlement to time off in lieu. The value of any savings made law.

Annual the Employee as a result of the services not being provided or of any gains made by the Employee as a result of using, or maliciously attempting to use, his services in a different way, will be deducted from the amount of the Employee's remuneration that remains after deduction of any remaining leave entitlement. Regardless of any such release from employment, the Employee remains bound by his/her statutory and contractual ancillary obligations; the Employee must, in particular, refrain from direct competition with the operations of the Employer before the end of the period of notice. Article 3) VERGÜTUNG / REMUNERATION Der Arbeitgeber zahlt an den Mitarbeiter ein außertarifliches Jahresgehalt in Höhe von €375,000- brutto, zahlbar in zwölf gleichen Monatsraten von € 31,250- brutto. Mit dem außertariflichen Gehalt ist auch die Leistung notwendiger Überstunden und Mehrarbeit abgegolten. Reisezeiten und Übernachtungen bei Dienstreisen werden daher, wenn sie außerhalb der normalen Dienstzeiten anfallen, nicht gesondert vergütet. Der Mitarbeiter nimmt am ETG Bonus

You Plan (Anhang 2) mit einem individuellen Bonusziel von 45% teil. Der Bonus bezieht sich auf das Geschäftsjahr (1. September - 31. August). Die Zahlung der Prämie ist abhängig von der Leistung des Unternehmens und der The Employer will pay the Employee an annual non-union salary of €375,000- gross, payable in 12 monthly instalments of €31,250- gross. The non-union salary also compensates the Employee for overtime and additional work. For that reason, no separate remuneration will be provided for travel time and overnight stays on business trips made outside normal working hours. The Employee will participate in the fiscal ETG Bonus Plan. (Appendix 2) with an individual bonus target of 45%. The bonus relates to the financial year (September 1 - August 31). The payment of the bonus depends on the performance of the company and the individual

---

slide4

Page 4 of 14 individuellen Leistung des Mitarbeiters (PMP). Bonuszahlungen werden einmal jährlich gezahlt. Wenn der Mitarbeiter nicht für das gesamte Geschäftsjahr für das Unternehmen gearbeitet hat, wird der Bonus anteilig, basierend auf dem im Laufe des Jahres verdienten Lohn gezahlt. Weitere Informationen sind bei der Personalabteilung erhältlich. Ein erstmaliger Anspruch auf den Jahresbonus kann erst erworben werden, wenn das Arbeitsverhältnis mindestens sechs Monate ungekündigt bestanden hat. Als signing incentive erhält der Mitarbeiter 2 Prämien wie folgt: • eine Antrittsprämie 1 in Höhe von 300.000 € mit seinem ersten Monatsgehalt. Mit dieser Antrittsprämie 1 wird jeder Bonus, den der Angestellte von seinem vorherigen Arbeitgeber für das Geschäftsjahr erhält, verrechnet und ist entsprechend an Actuant auszuzahlen; • eine Antrittsprämie 2 im Wert von USD 170.000, die nach Ablauf der ersten 12 Monate des Arbeitsverhältnisses in Form von RSU (Restricted Stock Units) gewährt wird, wenn das Arbeitsverhältnis zu diesem Zeitpunkt noch ungekündigt besteht. Wenn der Mitarbeiter aufgrund Eigenkündigung oder aufgrund einer von ihm gewünschten Aufhebungsvereinbarung vor Ablauf eines Jahres ab dem Auszahlungsdatum ausscheidet, ohne dass die Gesellschaft dem Mitarbeiter einen wichtigen Grund für das Ausscheiden gegeben hätte oder wenn die Gesellschaft das Arbeitsverhältnis aus wichtigem in der Person des Mitarbeiters liegendem Grund, betriebsbedingt oder aus verhaltensbedingten Gründen kündigt, verpflichtet er sich, die Antrittsprämie 1 in voller Höhe zurückzuzahlen. Dieser Rückzahlungsbetrag wird gegebenenfalls um einen an Actuant ausbezahlten Bonus seines vorherigen Arbeitgebers für das Geschäftsjahr 2022 gemindert. Wenn der Mitarbeiter aufgrund Eigenkündigung oder aufgrund einer von ihm gewünschten Aufhebungsvereinbarung nach Ablauf eines Jahres ab dem Auszahlungsdatums, aber vor Ablauf des zweiten Jahres ab dem Auszahlungsdatum ausscheidet, ohne dass die Gesellschaft dem Mitarbeiter einen wichtigen Grund für das Ausscheiden gegeben hätte oder wenn die Gesellschaft das Arbeitsverhältnis aus wichtigem in der Person des Mitarbeiters liegendem Grund, betriebsbedingt oder aus verhaltensbedingten Gründen kündigt, verpflichtet er sich zur Rückzahlung von 50% der Antrittsprämie 1. Dieser Rückzahlungsbetrag wird gegebenenfalls um einen an Actuant ausbezahlten Bonus seines vorherigen Arbeitgebers für das Geschäftsjahr 2022 gemindert. Der rückzuzahlende Betrag ist dem Arbeitgeber innerhalb von 30 Tagen ab Ausspruch der Kündigung oder Unterzeichnung eines Aufhebungsvertrags zu performance of the employee (PMP). Bonus payments are paid annually. If the employee has not worked for the company for the full financial year, the program and will have an opportunity to earn a prorated (based on your Start Date) cash bonus is paid pro rata wages earned during achievement year. For more information, please contact a member of Human Resources. A first-time claim to the annual bonus can only be acquired if the employment relationship has existed for at least six months without termination. As signing incentive, the Employee will receive 2 bonuses as follows: • a signing bonus 1 in the amount of € 300,000 with his first monthly salary. Any bonus received by the Employee from his previous employer for fiscal year 2022 shall be offset against this signing bonus 1 and shall be paid to Employer accordingly; • a signing bonus 2 in the amount of USD 170,000 granted in RSU (Restricted Stock Unit) after the expiry performance objectives established first 12 months of the employment relationship, if the employment relationship is still in place without any party having given notice at that time. If the Employee resigns due to his own termination or due to a termination agreement requested him before Board expiry of one year from the payment date without the Company having given the employee an important reason our senior executive team members. For fiscal 2022, your annual target cash the resignation or if the Company terminates the employment relationship for an important reason relating to the person of the employee, for operational reasons or for reasons of conduct, he undertakes to fully repay the signing 1. This repayment amount reduced, if applicable, by any bonus from his previous employer for fiscal year 2022 paid to Actuant. If the Employee resigns due to his own termination or due to a termination agreement requested by him after the expiry of one year from the payment date but before the expiry of the second year from the payment date without the Company having given the employee good cause for the resignation or if the Company terminates the employment relationship for good cause in the person of the employee, for operational reasons or for reasons of conduct, he shall be obliged to repay your base salary.

Equity Grants (LTI)

On your Start Date the signing bonus 1. This repayment amount will be reduced, if applicable, by any bonus from his previous employer for fiscal year 2022 paid to Actuant. The amount to be repaid shall be reimbursed to the Employer within 30 days of the notice of termination or the first open window under the Company's insider trading policy, you will signing of a termination agreement and may be granted an equity award offset

---

slide5

Page 5 14 erstatten und kann mit den Gehaltszahlungen unter Berücksichtigung der geltenden Pfändungsfreibeträge verrechnet werden. Der Mitarbeiter erhält, vorbehaltlich der jährlichen Genehmigung durch den Vorstand, eine typische jährliche Aktienzuteilung in einem Gesamtzeitwert von USD 175,000- und bestehend zu 50 % aus with a grant date fair value of $340,000. The und zu 50 % aus Performance Shares der Enerpac Tool Group Corporation. Die Performance Shares und die will vest werden equal annual installments over a three-year period der Regel im oder um den Oktober herum gewährt, entsprechend dem üblichen Zeitplan des Unternehmens für die Gewährung von Aktienzuteilungen an leitende Mitarbeiter. Jede Aktienzuteilung wird auf der Grundlage des Schlusskurses der Aktien des Unternehmens am Tag der Zuteilung bewertet und unterliegt den Bedingungen des Enerpac Tool Group Corp. 2017 Omnibus Incentive Plan (in der am 9. November 2020 geänderten und neu gefassten Fassung) und der spezifischen Zuteilungsvereinbarung für die Zuteilung. Als Executive Vice President des Unternehmens muss der Mitarbeiter die geltenden Aktienbesitzanforderungen des Unternehmens für leitende Angestellte erfüllen. Diese sehen vor, dass der der Executive Vice President innerhalb von fünf Jahren ab dem Beginn des Arbeitsverhältnisses einen Aktienbesitz im Wert von mindestens dem dreifachen Grundgehalt halten muss. Auslagen und Spesen werden nach betriebsüblicher Regelung gemäß den steuerlichen Bestimmungen oder vorheriger Genehmigung durch den Arbeitgeber gegen Vorlage geeigneter Belege, wie sie von der Steuerbehörde als ordnungsgemäß für die Abzugsfähigkeit von Auslagen anerkannt werden, erstattet. Alle Zahlungen erfolgen bargeldlos. Der Mitarbeiter wird innerhalb von zehn Tagen nach Beginn des Arbeitsverhältnisses ein Konto einrichten und dem Arbeitgeber die Kontonummer mitteilen. against salary payments, taking into account the applicable garnishment allowances. The employee receives continued employment.

For fiscal 2022 your board approval each year, a typical annual equity award which will have an aggregate grant date fair value of $300,000 USD175,000- and will take the form of 50% Restricted Stock Units and 50% Performance Shares. Shares of the Enerpac Tool Group Corporation. The Performance Shares and Restricted Stock Units will be are generally granted in or around January 2022, which is generally October, consistent with the Company's normal schedule for equity award grants to senior executive officers.

Each equity grant will be priced based on the closing market price of the Company's stock on that award's grant date and will be subject to the terms and conditions of the Enerpac Tool Group Corp. 2017 Omnibus Incentive Plan (as amended and restated on November 9, 2020) and the specific award agreement for the grant.

Future Compensation

Adjustments for each full year of employment beginning in fiscal 2023, your salary, target bonus, and grant date fair value of any equity award will be determined by the CEO and Board in their discretion. Your next availability for a base salary merit increase will be January 2023.

Signing Bonus

You will be paid a signing bonus of $100,000. Should you voluntarily terminate (except for good reason) your employment with the Company prior to the one-year anniversary of your Start Date, you agree to repay the full signing bonus. If you voluntarily terminate (except for good reason) your employment with the Company after the first anniversary of the Start Date but prior to the second anniversary of Start Date, then you agree to repay 50% of the signing bonus. If you are obligated to repay the signing bonus, you agree to do so within 30 days following your termination. You hereby authorize the Company to immediately offset against and reduce any amounts otherwise due to you upon termination for any amounts in respect of your obligation to repay the signing bonus.

Relocation

You will be provided a $15,000 relocation allowance (gross) to vacate/relocate your apartment on the west coast. This allowance will be paid to you less applicable withholdings. Should you voluntarily terminate (except for good reason) your employment with the Company prior to the one-year anniversary of your Start Date, you agree to repay the full relocation allowance.

Benefits and Perquisites

You will be eligible to participate in the employee benefit plans and programs generally available to the Company's senior executives, including group medical, dental, vision and life insurance, subject to the terms and conditions of such plans and programs. You will be entitled to paid vacation (20 days per calendar year, initially) in accordance with the Company's policies in effect from time to time. You also will be entitled to the fringe benefits and perquisites available to other senior executive officers As an Executive Vice President of the Company, each in accordance with and subject to the eligibility and other provisions of such plans and programs. The Company reserves the right to amend, modify or terminate any of its benefit plans or programs at any time and for any reason.

Withholding

All forms of compensation paid to you as an employee of the Company shall be less all applicable withholdings.

Stock Ownership Requirements

As EVP of the Company, you Employee will be required to comply with the Company's stock ownership requirements applicable to executive officers, which require the EVP to maintain stock ownership equal in value to at least three times base salary within five years from the beginning of the Start Date. employment relationship. Expenses will be reimbursed subject to the customary regulations and tax provisions, or prior approval from the Employer on production of the appropriate evidence, i.e. documentation recognized by the tax authorities for the purposes of tax deduction. No payments will be made in cash. The Employee will open an account within ten days of the start of the employment relationship and notify the Employer of the account number. Article 4) URLAUB / LEAVE Dem Mitarbeiter werden 25 Arbeitstage Urlaub gewährt, wobei die Arbeitswoche fünf Tage umfasst. Der Urlaub ist im laufenden Kalenderjahr zu nehmen. Der gesetzliche Urlaubsanspruch wird, wenn nicht etwas Abweichendes vereinbart wird, jeweils zuerst in Anspruch genommen und gewährt. Eine Übertragung in das Folgejahr findet nur statt, wenn dringende betriebliche oder in der Person des Mitarbeiters liegende Gründe dies rechtfertigen. Wird der zusätzliche vertragliche Urlaub nicht auf das Folgejahr übertragen, verfällt er mit Ablauf des 31.12. des jeweiligen Kalenderjahres. Die Übertragung des The Employee is entitled to 25 working days of holiday, whereas the working week comprises five days. Vacation is to be taken in the current calendar year. Unless otherwise agreed, the statutory holiday entitlement shall be claimed and granted first. A transfer to the following year only takes place if there are reasons in the company or in the person of the Employee which justify this. If the additional contractual leave is not carried over to the following year, it expires at the end of 31 December of the respective calendar year. The transfer of the statutory leave is subject to the statutory provisions.

At-will Employment

slide6

Your Page 6 of 14 gesetzlichen Urlaubs richtet sich nach den gesetzlichen Bestimmungen. Im Fall der Übertragung muss der zusätzliche vertragliche Urlaub in den ersten 3 Monaten des nächsten Kalenderjahrs gewährt und genommen werden, ansonsten verfällt dieser. Dies gilt auch für Fälle, in denen der Mitarbeiter den zusätzlichen vertraglichen Urlaub aufgrund von Krankheit nicht in Anspruch nehmen kann. Im Ein- und Austrittsjahr wird der vertragliche Urlaub jeweils zeitanteilig gewährt. Für den gesetzlichen Urlaubsanspruch gelten insofern die gesetzlichen Bestimmungen. Kann der gesetzliche Urlaub wegen Beendigung des Arbeitsverhältnisses ganz oder teilweise nicht mehr gewährt werden, so ist er nach Maßgabe der jeweils gültigen gesetzlichen Regelung abzugelten. Die Lage des Urlaubs ist mit dem Arbeitgeber zu vereinbaren. Dringende betriebliche Gründe gehen vor. In the event of transfer, the additional contractual holiday must be granted and taken in the first 3 months of the next calendar year, otherwise it expires. This also applies to cases in which the Employee cannot take the additional contractual leave due to illness. In the entry and exit year, the contractual leave is granted pro rata temporis. In this respect, the statutory provisions shall apply to the statutory holiday entitlement. If statutory leave can no longer be granted in whole or in part due to termination of it must be compensated in accordance Company statutory provisions in force at the time. When the leave is taken, it must be agreed with the Employer. There may be operational reasons why leave cannot be taken at a particular time. Article 5) DIENSTVERHINDERUNG / LEAVE OF ABSENCE Der Mitarbeiter ist verpflichtet, dem Arbeitgeber jede Dienstverhinderung und deren voraussichtliche Dauer unverzüglich unter Angabe der Gründe mitzuteilen. Er hat die Geschäftsleitung und den ihn vertretenden Kollegen telefonisch vor 9:00 Uhr zu informieren. Bei anstehenden Terminsachen hat der Mitarbeiter auf vordringlich zu erledigende Arbeiten bzw. abzusagende oder zu verlegende Termine hinzuweisen. Im Falle einer Erkrankung ist der

Mitarbeiter verpflichtet, vor Ablauf des dritten Kalendertages nach Beginn der Arbeitsunfähigkeit eine ärztliche Bescheinigung über die Arbeitsunfähigkeit sowie deren voraussichtliche Dauer vorzulegen. Dauert die Arbeitsunfähigkeit, länger als in der Arbeitsunfähigkeitsbescheinigung angegeben, ist der Mitarbeiter verpflichtet, unverzüglich eine neue Arbeitsunfähigkeitsbescheinigung einzureichen. Dies gilt auch für die Zeit nach Ablauf des Entgeltfortzahlungsanspruchs. Der Mitarbeiter ist im Falle einer Erkrankung auf ausdrückliches Verlangen des Arbeitgebers verpflichtet, auch schon vor Ablauf des dritten Kalendertages nach Beginn der Arbeitsunfähigkeit eine ärztliche Bescheinigung über die Arbeitsunfähigkeit sowie deren voraussichtliche Dauer vorzulegen. Bei krankheitsbedingter Arbeitsunfähigkeit gelten die jeweils maßgeblichen gesetzlichen Vorschriften des Entgeltfortzahlungsgesetzes. The Employee must inform the Employer of any leave of absence and the probable duration (with reasons) of this leave of absence. The Employee must telephone the management and deputy colleagues before 9am. In the event of pending deadlines, the Employee shall notify the Employer of any high-priority tasks or appointments that need to be cancelled or changed. In the event of illness, the Employee must provide the Employer with a medical certificate on the type of illness and the probable duration before the end of the third calendar day. If the illness lasts longer than the medical certificate originally stated, the Employee must submit a new medical certificate without delay. This also applies once any claim to statutory continued remuneration has been exhausted. In the event of illness, the Employer expressly requires the Employee to provide a medical certificate on the type of illness and the probable duration before the end of the third calendar day. If the Employee is incapable of work for reasons of health, the respective statutory provisions of the German Continued Payment of Wages and Salary Act will apply.

---

slide7

Page 7 of 14 Article 6) VERBOT DER ANNAHME VON ZUWENDUNGEN / PROHIBITION ON THE ACCEPTANCE OF DONATIONS AND GIFTS Es ist dem Mitarbeiter untersagt, ohne vorherige schriftliche Zustimmung des Arbeitgebers Geldzuwendungen, Vergünstigungen oder Sachzuwendungen gleich welchen Umfangs von Dritten anzunehmen, die in geschäftlicher Beziehung zum Arbeitgeber stehen oder eine geschäftliche Beziehung zum Arbeitgeber, ganz gleich in welcher Eigenschaft, aufzunehmen beabsichtigen. Except where the Employee has prior written permission from the Employer, he/she may not accept gifts, whether in the form of money, favors and/or goods, regardless of size, from third parties who have a business relationship with the Employer or who would like to have a business relationship with the Employer, in any capacity whatsoever Article 7) DIENSTWAGEN, VERTRAGSSTRAFE / COMPANY CAR Während der Probezeit kann der Mitarbeiter einen Leasingwagen aus der Leasingwagenflotte des Unternehmens benutzen oder es wird ihm ein Mietwagen zur Verfügung gestellt. Nach Ablauf der Probezeit kann der Mitarbeiter nach Absprache mit der Geschäftsleitung ein Leasingfahrzeug der seiner Position entsprechenden Kategorie auswählen, den er bis auf Widerruf auch für private Zwecke nutzen kann. Für die Nutzung des Leasingfahrzeugs gilt das jeweils gültige „Leasingfahrzeugprogramm der Enerpac" (Anhang 3). Bei der Privatnutzung handelt es sich um einen geldwerten Sachvorteil, der der Einkommensteuer sowie der Sozialversicherung unterliegt. Die Berechnung des geldwerten Sachvorteils erfolgt nach der 1%-Methode. Der Arbeitgeber behält sich vor, bei Vorliegen eines sachlichen Grundes die Rückgabe des Dienstwagens zu verlangen. Als sachliche Gründe kommen insbesondere in Betracht: Die Erkrankung des Mitarbeiters, soweit diese über den gesetzlichen Entgeltfortzahlungszeitraum hinausgeht; eine Änderung der Position des Mitarbeiters, die dazu führt, dass er die Berechtigung für die Nutzung eines Dienstwagens gemäß Anhang 3 verliert; der Entzug der Fahrerlaubnis; eine vertragswidrige Nutzung des Dienstwagens; Ruhen des Arbeitsverhältnisses über den Zeitraum von einem Monat hinaus (z. B. Elternzeit); widerrufliche oder unwiderrufliche Freistellung des Mitarbeiters von der Erbringung der Arbeitsleistung, wobei das Unternehmen eine Ankündigungsfrist von 2 Wochen dann einhält, wenn zu diesem Zeitpunkt das Arbeitsverhältnis ungekündigt ist; During the probationary period, the Employee will either have the use of a lease car from the company's lease car fleet or, alternatively, provided with a hire car. After the probationary period has ended, the Employee may select a lease vehicle in the category that corresponds to his/her position, which he may also use private purposes until the private use is revoked. The use of the lease vehicle is subject to the currently valid terms of the "Enerpac Lease Vehicle Program" (Appendix 3). Private use is deemed a payment in kind and is subject to both income tax and social security contributions. The payment in kind is calculated using the 1% method. The Employer reserves the right to demand that the company vehicle be returned if a valid reason should present itself. The following in particular are considered valid reasons: if the Employee is ill, and the illness exceeds the statutory period for continued remuneration; a change in the position of the employee, the contents of the Employee's position or a change in job location which means that he/she is specific longer entitled to a company car under the terms of Appendix 3; if the Employee is banned from driving; if the Employee uses his/her company car for purposes prohibited in the contract; suspension of the employment relationship beyond the time. Rather, your one month (e.g. parental leave); revocable or irrevocable release of the Employee from the performance of work, whereby the company observes a notice period of 2 weeks if the will relationship is not terminated at that time; serious and culpable breaches of contract by the Employee or urgent suspicions thereof; economic distress of the company, negative economic result of the operating department.

---

slide8

Page 8 of 14 gravierende und schuldhafte Vertragsverletzungen des Mitarbeiters oder dringende Verdachtsmomente hierzu. wirtschaftliche Notlage des Unternehmens, negatives wirtschaftliches Ergebnis der Betriebsabteilung, nicht ausreichender Gewinn, Rückgang bzw. Nichterreichen der erwarteten wirtschaftlichen Entwicklung. Verlangt der Arbeitgeber die Rückgabe des Dienstwagens, so ist dieser am darauffolgenden Arbeitstag am Sitz des Arbeitgebers mit allen Papieren, Schlüsseln und Zubehör an einen Bevollmächtigten des Arbeitgebers herauszugeben. Bei Beendigung des Arbeitsverhältnisses, gleich aus welchem Grund, ist der Dienstwagen spätestens zum Beendigungsdatum an den Arbeitgeber herauszugeben, sofern der Arbeitgeber die Rückgabe nicht bereits zu einem früheren Zeitpunkt verlangt. Dies gilt auch dann, wenn bezüglich der Beendigung des Arbeitsverhältnisses ein Rechtsstreit anhängig ist. Ein Zurückbehaltungsrecht des Mitarbeiters ist ausgeschlossen. insufficient profit, decline or failure to achieve the expected economic development. If the Employer requires the company car to at-will, meaning that you or returned, it must be surrendered to an authorized representative of Company may terminate Employer on the following working day at the registered office of the Employer, complete with all papers, keys and accessories. Should the employment relationship end, for whatever reason, the company car must be surrendered to the Employer on the last day of the latest, except where the Employer demands return of the car at an earlier date. This also applies if a dispute is pending regarding the termination of the employment relationship. The Employee does not have a right of retention. Article 8) GEHEIMHALTUNGSPFLICHT / CONFIDENTIALITY CLAUSE Sämtliche betrieblichen Vorgänge und Verhältnisse, insbesondere Entwicklungs- und Vertriebs-Know-how, aber auch sonstige technische, kaufmännische und persönliche Informationen, die dem Mitarbeiter im Rahmen oder aus Anlass seiner Tätigkeit in der Firma bekannt werden, sind auch im Zweifelsfall als Geschäftsgeheimnisse zu behandeln. Der Mitarbeiter verpflichtet sich, über alle Geschäftsgeheimnisse sowohl während der Dauer des Arbeitsverhältnisses wie auch nach seiner Beendigung ohne zeitliche Begrenzung Stillschweigen zu bewahren. Zu den vertraulichen Angelegenheiten gehören auch die persönlichen Verhältnisse von Mitarbeitern und Vorgesetzten (z.B. Gehaltspfändungen, Vorschüsse, Darlehen). Die Geheimhaltungsverpflichtung erstreckt sich auch auf Angelegenheiten anderer Firmen, mit denen der Arbeitgeber wirtschaftlich oder organisatorisch verbunden ist, und dauert über das Ende des Arbeitsverhältnisses hinaus fort. Die Geheimhaltungsverpflichtung erstreckt sich auch auf sämtliche Daten und Informationen, die aus dem Kundenkreis der Firma und verbundener Unternehmen bekannt geworden sind. Ein Verstoß gegen diese Geheimhaltungspflicht kann zu einer fristlosen Kündigung und/oder einer Strafanzeige führen. All operational procedures and relationships, particularly development and sales know-how, but also including other technical, commercial and personal information with which the Employee becomes familiar in the process or as a result of his employment with the company shall be treated as confidential, including in the event of any doubt. The Employee undertakes to maintain confidentiality regarding all business secrets both during the employment relationship and after it comes to an end, without any limitation in time. Confidential matters shall also include the personal matters of the employees and superiors (e.g. attachments of earnings, advances, loans). The obligation of confidentiality shall extend to matters pertaining to other companies with which the Employer has economic or organizational connections and shall continue to apply beyond the end of the employment relationship. The obligation of confidentiality shall also extend to all data and information that have come to his knowledge from the clientele and affiliated companies. Violation of this duty of confidentiality may result in summary dismissal and/or criminal proceedings. Article 9) HERAUSGABE VON GEGENSTÄNDEN / SURRENDER OF OBJECTS OR ASSETS

---

slide9

Page 9 of 14 Alle Aufzeichnungen und Arbeiten jeder Art, die der Mitarbeiter in Zusammenhang mit seinen Aufgaben gemacht hat, stehen im Eigentum des Arbeitgebers. Dem Mitarbeiter ist es untersagt, ohne Genehmigung Firmeneigentum aus Geschäftsräumen zu entfernen. Der Mitarbeiter ist verpflichtet, mit der Freistellung von der Dienstverpflichtung, sei es vor oder mit der Beendigung des Anstellungsvertrages, auch ohne ausdrückliche Aufforderung, sowie im Falle einer Vertragsänderung, sämtliche ihm vom Arbeitgeber oder von einem mit ihm verbundenen Unternehmen im Rahmen der Ausübung seiner Tätigkeit als Mitarbeiter überlassenen Geschäftsunterlagen und Gegenstände, Verzeichnisse, Werbemittel und Aufzeichnungen, Schlüssel und Arbeitsmittel sowie sämtliche Codes und Zugangsdaten zu beruflich genutzten Accounts an den Arbeitgeber herauszugeben. Ein Zurückbehaltungsrecht kann diesbezüglich nicht geltend gemacht werden. Mit der Beendigung des Anstellungsverhältnisses sind noch nicht verrechnete Vorschüsse, gleichgültig auf welche Vergütungsbestandteile sie gewährt wurden, zurückzuzahlen. Die Verrechnung mit Ansprüchen, die bei Beendigung des Arbeitsverhältnisses fällig werden, ist zulässig. Die Auskunftspflicht gegenüber der Firma über Vorgänge, die die Tätigkeit des Mitarbeiters betreffen, bleibt auch nach dessen Ausscheiden bestehen. Bei Vertragsende wird der Mitarbeiter eine schriftliche Erklärung abgeben, dass er alle einschlägigen Aufzeichnungen, Adress- und Preislisten, Berechnungen und sonstigen Firmenunterlagen an den Arbeitgeber zurückgegeben und keine Abschriften oder Kopien davon angefertigt hat und sämtliche ihm vom Arbeitgeber überlassenen Dateien und zur Nutzung zur Verfügung gestellten Software-Programme auf eigenen Datenträgern oder in Arbeitsspeichern oder Festplatten eigener Datenverarbeitungsgeräte gelöscht hat. All records and work of any kind made by the Employee in connection with his/her duties shall be the property of the Employer. The Employee is prohibited from removing company property from business premises without permission. The Employee is obliged to surrender to the Employer all business documents and objects, directories, advertising materials and records, keys and work equipment as well as all codes and access data to accounts used professionally upon release from the service obligation, whether before or upon termination of the employment contract, even without express request, as well as in the event of a change in the contract. A right of retention may not be asserted in this respect. Upon termination of the employment relationship, advances that have not yet been offset shall be repaid, irrespective of the remuneration components to which they have been granted. Offsetting against claims that become due upon termination of the employment relationship is permissible. The obligation to provide information to the company about events relating to the Employee's work shall remain in force even after the Employee has left the company. At the end of the contract, the Employee shall submit a written declaration that he has returned all relevant records, address and price lists, calculations and other company documents to the Employer and has not made any copies or transcripts thereof and has deleted all files provided to him by the Employer and software programs made available to him for use on his own data carriers or in working memories or hard drives of his own data processing equipment. Article 10) GEISTIGES EIGENTUM UND GEWERBLICHE EIGENTUMSRECHTE / INTELLECTUAL AND INDUSTRIAL PROPERTY RIGHTS Für die Behandlung von Diensterfindungen und technischen Verbesserungsvorschlägen gelten die Vorschriften des Gesetzes über Arbeitnehmererfindungen in ihrer jeweiligen Fassung sowie die hierzu ergangenen Richtlinien für die Vergütung von Arbeitnehmererfindungen im privaten Dienst. Der Arbeitnehmer hat solche Erfindungen oder Verbesserungsvorschläge unverzüglich der Geschäftsleitung unter Angabe seines Erfinderanteils in Textform mitzuteilen und hierbei kenntlich zu machen, dass es sich um die Meldung einer Erfindung handelt. Für die übrigen Schutzrechte, insbesondere für alle etwaigen nach Urheber- und Geschmacksmuster rechtsschutzfähigen Arbeitsergebnisse, die der The provisions of the law on Employee inventions in their respective version as well as the guidelines issued in this regard for the remuneration of Employee inventions in the private sector shall apply to the treatment of service inventions and technical improvement proposals. The Employee shall immediately notify the management in text form of such inventions or suggestions for improvement, stating his or her inventor's share, and shall make it clear that this is a report of an invention. For the other industrial property rights, in particular for all possible work results eligible for legal protection according to copyright and design patents, which the Employee

---

slide10

Page 10 of 14 Arbeitnehmer während der Dauer seines Arbeitsverhältnisses während der Arbeitszeit oder, sofern sie einen Bezug zu seinen arbeitsvertraglichen Aufgaben haben, auch außerhalb seiner Arbeitszeit erstellt, überträgt der Arbeitnehmer dem Arbeitgeber die für die betrieblichen Zwecke notwendigen Nutzungsrechte. Dies ist im Regelfall das ausschließliche, zeitlich, räumlich und inhaltlich unbeschränkte Nutzungs- und Verwertungsrecht. Die Übertragung des Nutzungs- und Bearbeitungsrechts umfasst auch die Erlaubnis zur Bearbeitung und Lizenzvergabe an Dritte. Der Arbeitnehmer ist verpflichtet, dem Arbeitgeber unverzüglich schriftlich sämtliches Know-how und alle urheberrechtsfähigen Erkenntnisse und Werke (insbesondere Erfindungen, Patente, Urheberrechte und sonstige gewerbliche Schutzrechte, auch an Software und zugehörigem Begleitmaterial), die nicht eindeutig außerhalb des gegenwärtigen oder zukünftigen Tätigkeitsbereich des Arbeitnehmers stammen und die er während der Vertragslaufzeit beruflich oder außerberuflich erlangt, einschließlich einer nachvollziehbaren Dokumentation, mitzuteilen. Soweit es für die betriebliche Nutzung erforderlich ist, überträgt der Arbeitnehmer im Rahmen der Vorschrift des § 31a UrhG dem Arbeitgeber auch die Rechte für sämtliche noch unbekannten Nutzungsarten. Die Rechteübertragung gilt, ohne dass ein zusätzlicher Vergütungsanspruch entsteht, auch für die Zeit nach Beendigung des Arbeitsverhältnisses. Sonstige urheberrechtsfähige Schöpfungen, die mit der Arbeitsaufgabe nicht in Verbindung stehen, sind von der Rechteübertragung nicht mit umfasst. Der Arbeitnehmer verzichtet, soweit dies nach dem Zweck der Rechteübertragung erforderlich ist, ausdrücklich auf sonstige ihm etwa als Urheber oder sonstigen Schutzrechtsinhaber zustehende Rechte an den Arbeitsergebnissen. Insbesondere ist der Arbeitgeber grundsätzlich nicht verpflichtet, vom Arbeitnehmer geschaffene Werke zu veröffentlichen. Er kann aus betrieblichen Gründen auf die Nennung des Arbeitnehmers als Urheber verzichten und die Werke, um sie betrieblich nutzen zu können, bearbeiten. Für Computerprogramme gelten die gesonderten Vorschriften des § 69b UrhG. Die dem Arbeitnehmer für die Rechteübertragung zustehenden urheberrechtlichen Vergütungen sind im Rahmen der Rechteübertragung nach den vorstehenden Regelungen mit dem Grundentgelt abgegolten. Unberührt bleiben etwaige zusätzliche Vergütungsansprüche des Arbeitnehmers aus einer Werknutzung außerhalb des eigentlichen Betriebszwecks, gemäß § 32a UrhG (auffälliges Missverhältnis zu den Erträgen und der Nutzung des creates during the duration of his employment relationship during working hours or, insofar as they are related to his tasks under his employment contract, also outside his working hours, the Employee shall transfer to the Employer the rights of use necessary for the operational purposes. As a rule, this is the exclusive right of use and exploitation, unrestricted in space and content. The transfer of the right of use and exploitation also includes the permission to edit and license to third parties. The Employee is obliged to notify the Employer immediately in writing of any and all know-how and any and all findings and works capable of being protected by copyright (including but not limited to inventions, patents, copyrights and other industrial property rights, even regard to software and related accompanying material) that are not clearly out of the present upcoming sphere of the Employee's business and that he/she gains during the term hereof on or off the job, including the comprehensible documentation thereof. To the extent necessary for business use, the Employee also transfers to the Employer the rights for all as yet unknown types of use within the framework of the provision of Section 31a UrhG. The transfer of rights shall also apply for the period after the termination of the employment relationship cause, giving rise to an additional claim to remuneration. Other creations capable of being copyrighted which are not connected with the work assignment are not included in the transfer of rights. The Employee expressly waives, to the extent required by the purpose of the transfer of rights, any other rights to the work results to which he or she may be entitled as the author or other holder of property rights. In particular, the Employer is in principle not obliged to publish works created by the Employee. For operational reasons, the Employer may refrain from naming the Employee as the author edit the works in order to be able to use them for operational purposes. The separate provisions of Section 69b UrhG apply to computer programs. The copyright remuneration to which the Employee is entitled for the transfer of rights shall be compensated or without notice the basic remuneration within the framework of the transfer of rights in accordance with the above provisions. Any additional remuneration claims of the Employee arising from a use of the work outside the actual business purpose, pursuant to Section 32a UrhG (conspicuous disproportion to the proceeds use of the work) and pursuant to

---

slide11

Page 11 of 14 Werkes) sowie gemäß § 32b UrhG (Vergütung für später bekannte Nutzungsarten). Section 32b UrhG (remuneration any reason or no particular reason. Although your compensation types of use known later) shall remain unaffected. Article 11) NUTZUNG TECHNISCHER ARBEITSMITTEL / USE OF TECHNICAL EQUIPMENT AND WORKING MATERIALS Der Mitarbeiter muss sicherstellen, dass er sich jederzeit an die IT Acceptable Use Policy hält. Der Mitarbeiter erklärt, dass er den Inhalt dieses Dokuments (Anhang 4) gelesen hat und die Richtlinie einhalten wird. Das IT-System des Arbeitgebers darf ausschließlich für geschäftliche Tätigkeiten für den Arbeitgeber genutzt werden. Der Mitarbeiter erklärt sich damit einverstanden, dass um die betrieblichen Anforderungen des Arbeitgebers zu erfüllen, der Arbeitgeber gemäß seiner IT- Nutzungspraxis die Kommunikation des Mitarbeiters von Zeit zu Zeit unangekündigt überwachen, darauf zugreifen, diese prüfen oder anderweitig abfragen kann, und zwar durch Personen oder maschinell. The Employee must ensure he/she adheres to the IT Acceptable Use Policy at all times. The Employee declares that he/she has read the contents of this document (Appendix 4) benefits will comply with the policy. The IT system of the Employer change only be used for business activities for the Employer. The Employee agrees that, in order to meet the Employer's operational requirements, the Employer may, monitor, access, check or otherwise retrieve at-will nature Employee's communications without notice or permission, whether this is done by a person or a machine, in accordance with the Employer's IT practices. Article 12) COMPLIANCE-REGELN UND VERHALTENSKODEX / COMPLIANCE PLAN AND CODE OF CONDUCT Der Arbeitgeber ist eine Tochtergesellschaft der ETG, einem diversifizierten weltweit tätigen Fertigungsunternehmen mit Hauptsitz in Menomonee Falls, Wisconsin, USA. ETG ist ein börsennotiertes Unternehmen und handelt seine Aktien an der New Yorker Börse unter dem Kürzel EPAC. Aus diesem Grund wird von allen Mitarbeitern des ETG-Konzerns erwartet, dass sie die zwingenden Compliance-Regeln und den Verhaltenskodex der ETG unterschreiben. Der Mitarbeiter erklärt, dass er den Inhalt dieses Dokuments (Anhang 5) gelesen hat. The Employer is a subsidiary your ETG, a diversified global manufacturing company headquartered in Menomonee Falls, Wisconsin, USA. ETG is a listed company which trades its shares on the New York Stock Exchange under the symbol EPAC. For this reason, all ETG employees are expected to sign the ETG Compliance Plan and Code of Conduct. The Employee declares that he/she has read the contents of this document (Appendix 5). Article 13) AUSSCHLUSSFRISTEN / LIMITATION PERIODS Sämtliche Ansprüche aus dem Arbeitsverhältnis bzw. Ansprüche, die mit diesem in Zusammenhang stehen, sind innerhalb von 3 Monaten gegenüber der jeweils anderen Vertragspartei schriftlich geltend zu machen; andernfalls verfallen die Ansprüche. Die Ausschlussfrist beginnt, wenn der Anspruch entstanden ist und der Anspruchsteller von den anspruchsbegründenden Umständen Kenntnis erlangt oder grob fahrlässig keine Kenntnis erlangt hat. Lehnt die andere Vertragspartei den Anspruch ab oder erklärt sie sich nicht innerhalb von drei Wochen nach Geltendmachung des Anspruchs, verfällt dieser, wenn er nicht innerhalb von 3 Monaten nach der Ablehnung oder dem Ablauf der Drei-Wochenfrist gerichtlich geltend gemacht wird. All claims arising from or associated with the may only relationship must changed by an express written agreement signed by an authorized officer made to the other party within 3 months, in writing, otherwise the claims will expire. The limitation period starts as soon as the claim has arisen and the claimant has become aware Company. circumstances giving rise to the claim or has not become aware of these circumstances due to gross negligence. If the other party rejects the claim or fails to respond within three weeks of the claim being raised, the claim will expire if it is not filed in court within 3 months of the rejection or the expiry of the three-week period.

---

slide12

Clawback

Page 12 of 14 Diese Ausschlussfrist gilt nicht für Ansprüche, auf die der Mitarbeiter individualvertraglich nicht verzichten kann, wozu insbesondere der gesetzliche Mindestlohn zählt. Der Ausschluss nach den vorstehenden beiden Absätzen gilt auch nicht, soweit ein Anspruch aus der Verletzung des Lebens, des Körpers oder der Gesundheit resultiert, auf der Haftung wegen Vorsatz beruht oder die betriebliche Altersversorgung betrifft. This limitation period does not apply to claims which the Employee cannot waive under an individual contract, including in particular the statutory minimum wage. The exclusion under the two previous paragraphs shall also not apply if a claim results from harm to life, limb or health, is based on liability due to intent or relates to a company pension plan. Article 14) SCHRIFTFORMERFORDERNIS / REQUIREMENT OF WRITTEN FORM Änderungen des Vertrages durch individuelle Vertragsabreden sind formlos wirksam. Im Übrigen bedürfen Vertragsänderungen der Schriftform; das gilt auch für die Änderung dieser Schriftformabrede. Changes to the contract by individual contract agreements have no formal effect. Generally, any changes to the contract must be made in writing; this also applies to the amendment of this clause Article 15) DATENSCHUTZ / DATA PROTECTION

Aufgrund § 53 Bundesdatenschutzgesetz in Verbindung mit der EU-Datenschutz-Grundverordnung (DSGVO) verpflichtet sich der Arbeitnehmer, geschützte personenbezogene Daten weder unbefugt zu einem anderen als dem zur jeweiligen rechtmäßigen Aufgabenerfüllung gehörenden Zweck zu verarbeiten, noch bekanntzugeben, noch zugänglich zu machen, noch sonstwie zu nutzen, und zwar auch nicht nach einem etwaigen Ausscheiden aus der Firma. Der Arbeitnehmer wurde darauf hingewiesen, dass das Bundesdatenschutzgesetz grundsätzlich jede in einer Datensammlung enthaltene Angabe über eine Person schützt. Ausnahmsweise unterliegen lediglich Name, Titel, akademische Grade, Geburtsdatum, Beruf, Branchen- oder Geschäftsbezeichnung, Anschrift und Telefonnummer dann nicht der Geheimhaltung, wenn kein Grund zu der Annahme besteht, dass durch ihre Weitergabe schutzwürdige Belange des Betroffenen beeinträchtigt werden. Der Arbeitnehmer ist verpflichtet, die Bestimmungen des Bundesdatenschutzgesetzes und der EU- Datenschutz-Grundverordnung (DSGVO) einzuhalten. Verstöße gegen die Pflicht zur Wahrung des Datengeheimnisses können nach § 43 BDSG mit Bußgeld und nach § 44 BDSG mit Geld- oder Freiheitsstrafe geahndet werden. Eine Verletzung des Datengeheimnisses kann zugleich eine Verletzung von arbeitsvertraglichen Pflichten oder spezieller Geheimhaltungspflichten darstellen. Dies kann arbeitsrechtliche Konsequenzen nach sich ziehen bis hin zur außerordentlichen Kündigung des Arbeitsverhältnisses. Der Arbeitnehmer stimmt der Erhebung, Verarbeitung und Nutzung seiner persönlichen Daten samt der von ihm mitgeteilten Daten sowie der vorgelegten ärztlichen Atteste unter Einschluss jeglicher personenbezogener Daten zu, soweit sie dem laufenden Arbeitsverhältnis bzw. der Abwicklung des Arbeitsverhältnisses dienen. Pursuant to Section 53 of the Federal Data Protection Act (Bundesdatenschutzgesetz) in conjunction with the EU General Data Protection Regulation (DSGVO), the Employee undertakes not to process, disclose, make accessible or otherwise use protected personal data without authorization for any purpose other than the purpose pertaining to the respective lawful performance of duties, even after leaving the company. The Employee has been informed that the Federal Data Protection Act basically protects any information about a person contained in a data collection. By way of exception, only the name, title, academic degrees, date of birth, occupation, industry or business name, address and telephone number are not subject to confidentiality if there is no reason to assume that their disclosure would impair the interests of the person concerned which are worthy of protection. The Employee is obliged to comply with the provisions of the Federal Data Protection Act and the EU General Data Protection Regulation (GDPR). Violations of the obligation to maintain data secrecy may be punished with a fine under section 43 BDSG and with a fine or imprisonment under section 44 BDSG. A breach of data secrecy may at the same time constitute a breach of employment contract obligations or special confidentiality obligations. This may have consequences under labor law, up to and including extraordinary termination of the employment relationship. The Employee agrees to the collection, processing and use of his personal data including the data provided by him and the submitted medical certificates, including any personal data, insofar as they serve the current employment relationship or the termination thereof. The Employee is informed that the personal data relating to him, that is

---

Any amounts payable hereunder are

slide13

Page 13 of 14 Er ist darauf hingewiesen worden, dass die im Rahmen der vorstehend genannten Zwecke erhobenen persönlichen Daten seiner Person unter Beachtung des Bundesdatenschutzgesetzes erhoben, verarbeitet, genutzt und übermittelt werden. collected in connection with the foregoing purposes, is collected, processed, used and transmitted in compliance with the Federal Data Protection Act. Article 16) GELTENDES RECHT / CHOICE OF JURISDICTION Dieser Vertrag unterliegt dem Recht der Bundesrepublik Deutschland. Dieser Vertrag wird in deutscher und englischer Sprache verfasst. Im Fall von Abweichungen zwischen der deutschen und englischen Fassung hat die deutsche Fassung Vorrang. This contract is Enerpac Tool Group Executive Incentive Compensation Recoupment Policy (as it may be amended from time to time). The Company will make any determination for clawback or recovery in its sole discretion and in accordance with such policy and any applicable law or regulation.

Governing Law

laws of the Federal Republic of Germany This offer letter Contract shall be governed executed in both German and English language. In case of any inconsistency between the German version and the English version, the German version shall prevail. Article 17) SCHLUSSBESTIMMUNGEN / FINAL PROVISIONS Änderungen des Familienstandes, Wohnungswechsel sowie nachträglicher Erwerb oder Wegfall von Sonderrechten (z.B. Schwerbehinderteneigenschaft, Steuerklassenänderung) sind ohne besondere Aufforderung unverzüglich der Personalabteilung mitzuteilen. Für alle schriftlichen Mitteilungen der Firma gilt der von dem Angestellten zuletzt angegebene Wohnsitz als die vereinbarte Zustellungsanschrift. Der Arbeitnehmer bestätigt, nicht durch eine nachvertragliche Wettbewerbsverbotsklausel eines ehemaligen Arbeitgebers gebunden zu sein. Weiterhin bestätigt er, dass keinerlei sonstige Gründe tatsächlicher oder rechtlicher Natur bestehen, die ihn an der Aufnahme der Tätigkeit für den Arbeitgeber hindern könnten. Der Angestellte bestätigt ferner, dass er keine Dokumente oder urheberrechtlich geschützten Daten oder Materialien jeglicher Art, ob elektronisch oder anderweitig, von einem früheren Arbeitgeber zum Arbeitgeber mitnimmt oder bei ersterem entfernt hat, ohne die schriftliche Genehmigung des früheren Arbeitgebers eingeholt zu haben. Der Angestellte wird solche vertraulichen Informationen auch nicht während des Verlaufs und Umfangs seiner Beschäftigung beim Arbeitgeber verwenden oder offenlegen. Wenn der Angestellte Fragen zum Eigentum an bestimmten Dokumenten oder anderen Informationen hat, muss er solche Fragen mit dem entsprechenden ehemaligen Arbeitgeber besprechen und klären, bevor er Dokumente oder Informationen von dort entfernt oder kopiert. Dieser Vertrag und seine Anhänge sowie die verschiedenen Vereinbarungen und Dokumente, auf die hierin Bezug genommen wird, stellen die alleinige Aufzeichnung der Vereinbarung zwischen den Parteien hinsichtlich des Vertragsgegenstandes dar und ersetzen sämtliche sonstigen Vereinbarungen zwischen den Parteien hinsichtlich des Vertragsgegenstands Changes of the civil status, the residence as well as the subsequent obtaining or abolition of special rights (e g. severely disabled person status, change of tax bracket) have to be communicated without special request to the HR department without undue delay. Any written notifications of the Company are to be sent to the residence last communicated by the laws Employee as agreed address for service. The Employee confirms that he is not bound by any post- contractual non-competition clauses of Wisconsin, without regard to any state's conflict previous Employer. He also confirms that there are no other reasons of fact or law principles.

Contingent Offer

This offer is contingent upon: a) verification preventing him from entering the employment of your right to work in the United States, as demonstrated by your completion of an I-9 form upon hire and your submission of acceptable documentation (as noted on the I-9 form) verifying your identity and work authorization within three days of your Start Date, and b) completion of your background check and drug screening with results satisfactory to the Company.

Representations

By accepting this offer, you represent Employer. Employee further confirms that you are able to accept this job and carry out the work that it would involve without breaching any legal restrictions on your activities, such as non-competition, non-solicitation or other work-related restrictions imposed by a current or former employer. You also represent that you will inform the Company about any such restrictions and provide the Company with as much information about them as possible, including any agreements between you and your current or former employer describing such restrictions on your activities. You further confirm that you he will not take to Employer from a previous employer or remove or take from a previous employer any documents or proprietary data or materials of any kind, electronic or otherwise, with you from your current or former employer to the Company without obtaining written authorization from your current or former employer, nor the previous employer. Employee will you also not use or disclose any such confidential information during the course and scope of your Employee's employment with the Company. Employer. If you have Employee has any questions about the ownership of particular documents or other information, you should Employee must discuss and resolve such questions with your former the previous employer concerned before removing or copying the any documents or information.

If you have any questions about information from him. This contract and its appendices, plus the above details, please contact me. If various agreements and documents to which they refer, constitute the foregoing is acceptable, please sign below and return this letter to me. This offer is open for you to accept until December 9, 2021, at which time it will be deemed to be withdrawn.

Yours sincerely,

ENERPAC TOOL GROUP CORP.

By: /s/ Andrew J. Copps

Andrew J. Copps, VP and CHRO

Acceptance of Offer

I have read, understood, and accept all the terms sole record of the offer of employment as set forth in agreement between the foregoing letter. I have not relied on any agreements or representations, express or implied, that are not set forth expressly in the foregoing letter, and this letter supersedes all prior and contemporaneous understandings, agreements, representations, and warranties, both written and oral, with respect to parties regarding the subject matter of this letter.

By: /s/ Scott Vuchetich Date: 12/07/2021

Scott Vuchetich

Exhibit 10.23

January 19, 2022

Mr. Benjamin J. Topercer

Dear Mr. Topercer:

Offer the contract and Position

We are very pleased to extend an offer of employment to you for they replace all other agreements between the position of Executive Vice President and Chief Human Resources Officer (EVP & CHRO) of Enerpac Tool Group Corp., a Wisconsin corporation (the "Company"). This offer of employment is conditioned upon your satisfactory completion of certain requirements, as more fully explained in this letter. Your employment is subject to the terms and conditions set forth in this letter.

Duties

In your capacity as EVP & CHRO, you will be responsible for providing HR business partner support to the CEO and Enerpac Tool Group Leadership Team; establishing a comprehensive HR strategy; facilitating on-going change in the organization; supporting the overall strategy execution and transformation program implementation; creating and executing a talent management strategy, including succession planning and leadership development programs; championing a rigorous performance management system; sponsoring a robust DE&I program; overseeing the Company's safety organization globally; leading employee compensation, benefits, total rewards, and the executive compensation program; serving as a liaison to the Board's compensation committee; and for other such duties as may be assigned to you from time to time. You will report directly to Paul Sternlieb, the Company's President and Chief Executive Officer ("CEO").

You agree to devote your full business time, attention, and best efforts to the performance of your duties and to the furtherance of the Company's interests. Notwithstanding the foregoing, nothing in this letter shall preclude you from devoting reasonable periods of time to charitable and community activities, managing personal investment assets, and, with the prior approval of the Board, serving on other boards of directors.

Start Date

Subject to satisfaction of all the conditions described in this letter, your anticipated start date is February 14, 2022 ("Start Date").

Base Salary

In consideration of your services, you will be paid a base salary at a rate of $340,000 per year, subject to review annually, payable in accordance with the standard payroll practices of the Company and subject to all withholdings and deductions as required by law.

Annual Bonus

You will participate in the fiscal 2022 bonus program and will have an opportunity to earn a prorated (pro-rated from Jan 1, 2022 through the end of fiscal year 2022) cash bonus based on the achievement of the performance objectives established by the Board for our senior executive team members. For fiscal 2022, your annual target cash bonus will be 50% of your base salary.

Equity Grants (LTI)

On your Start Date or the first open window under the Company's insider trading policy, you will be granted an equity award of Restricted Stock Units with a grant date fair value of $700,000. The Restricted Stock Units will vest in equal annual installments over a three-year period subject to continued employment.

Your typical annual equity award will have an aggregate grant date fair value of $225,000 and will take the form of 50% Restricted Stock Units and 50% Performance Shares. The Performance Shares are generally granted in or around October, and Restricted Stock Units are generally granted in or around January, consistent with the Company's normal schedule for equity award grants to senior executive officers. Given your Start Date and our

normal equity award cycle, for fiscal year 2022 you will receive an additional Restricted Stock Unit grant with grant date fair value of $112,500 upon your Start Date. You will then participate in the normal equity award cycle beginning in the October timeframe.

Each equity grant will be priced based on the closing market price of the Company's stock on that award's grant date and will be subject to the terms and conditions of the Enerpac Tool Group Corp. 2017 Omnibus Incentive Plan (as amended and restated on November 9, 2020) and the specific award agreement for the grant.

Future Compensation

Adjustments for each full year of employment beginning in fiscal 2023, your salary, target bonus, and grant date fair value of any equity award will be determined by the CEO and Board in their discretion. Your next availability for a base salary merit increase will be January 2023.

Signing Bonus

You will be paid a signing bonus of $185,000. Should you voluntarily terminate (except for Good Reason as defined in the Company's Senior Officer Severance Plan (the "Senior Officer Severance Plan"), Article 1-Definitions) your employment with the Company prior to the one-year anniversary of the Payment Date, you agree to repay the full signing bonus. If you voluntarily terminate (except for Good Reason as defined in the Senior Officer Severance Plan, Article 1-Definitions) your employment with the Company after the first anniversary of the Payment Date but prior to the second anniversary of the Payment Date, then you agree to repay 50% of the signing bonus. If you are obligated to repay the signing bonus, you agree to do so within 30 days following your termination. You hereby authorize the Company to immediately offset against and reduce any amounts otherwise due to you upon termination for any amounts parties in respect of your obligation to repay the signing bonus.

Relocation

As you live locally, the company will said subject matter, including but not be providing any relocation assistance or relocation allowance. However, should you wish to relocate within 18 months of your Start Date, we will review options for potential relocation assistance at the Company's discretion.

Additionally, the Company will permit you to process one night per week of reasonable hotel costs for your first year of employment when you are working late in the Menomonee Falls office.

Benefits and Perquisites

You will be eligible to participate in the employee benefit plans and programs generally available to the Company's senior executives, including group medical, dental, vision and life insurance, subject to the terms and conditions of such plans and programs. You will be entitled to paid vacation (20 days per calendar year, initially) in accordance with the Company's policies in effect from time to time. You also will be entitled to the fringe benefits and perquisites available to other senior executive officers of the Company, each in accordance with and subject to the eligibility and other provisions of such plans and programs. The Company reserves the right to amend, modify, or terminate any of its benefit plans or programs at any time and for any reason.

Change in Control Agreement and Severance Plan

Effective on commencement of your employment you will be eligible for a Change in Control Agreement, similar in form to those in place for the Company's other executive officers. Additionally, you will be eligible to participate in the Company's Senior Officer Severance Plan.

Withholding

All forms of compensation paid to you as an employee of the Company shall be less all applicable withholdings.

Stock Ownership Requirements

As an EVP of the Company, you will be required to comply with the Company's stock ownership requirements applicable to executive officers, which require the EVP to maintain stock ownership equal in value to at least three times base salary within five years of the Start Date.

At-will Employment

Your employment with the Company will be for no specific period of time. Rather, your employment will be at-will, meaning that you or the Company may terminate the employment relationship at any time, with or without cause, and with or without notice and for any reason or no particular reason. Although your compensation and benefits may change from time to time, the at-will nature of your employment may only be changed by an express written agreement signed by an authorized officer of the Company.

Clawback

Any amounts payable hereunder are subject limited to the Enerpac Tool Group Executive Incentive Compensation Recoupment Policy (as it may be amended from time to time). The Company will make any determination for clawback or recovery in its sole discretion and in accordance with such policy and any applicable law or regulation.

Governing Law

This offer letter shall be governed by the laws of Wisconsin, without regard to any state's conflict of law principles.

Contingent Offer

This offer is contingent upon: a) verification of your right to work in the United States, as demonstrated by your completion of an t-9 form upon hire and your submission of acceptable documentation (as noted on the 1-9 form) verifying your identity and work authorization within three days of your Start Date, and b) completion of your background check and drug screening with results satisfactory to the Company.

Representations

By accepting this offer, you represent that you are able to accept this job and carry out the work that it would involve without breaching any legal restrictions on your activities, such as non-competition, nonsolicitation or other work-related restrictions imposed by a current or former employer. You also represent that you will inform the Company about any such restrictions and provide the Company with as much information about them as possible, including any agreements between you and your current or former employer describing such restrictions on your activities. You further confirm that you will not remove or take any documents or proprietary data or materials of any kind, electronic or otherwise, with you from your current or former employer to the Company without written authorization from your current or former employer, nor will you use or disclose any such confidential information during the course and scope of your employment with the Company. If you have any questions about the ownership of particular documents or other information, you should discuss such questions with your former employer before removing or copying the documents or information.

If you have any questions about the above details, please contact me. If the foregoing is acceptable, please sign below and return this letter to me. This offer is open for you to accept until January 20, 2022, at which time it will be deemed to be withdrawn.

Yours sincerely,

ENERPAC TOOL GROUP CORP.

By: /s/ James Denis

James Denis, Acting General Counsel

Acceptance of Offer

I have read, understood, and accept all the terms of the offer of employment as set forth in the foregoing letter. t have not relied on any agreements or representations, express or implied, that are not set forth expressly in the foregoing letter, and this letter supersedes all prior and contemporaneous understandings, agreements, representations, and warranties (including the Senior Officer Severance Plan, which

slide14

Page 14 of 14 einschließlich, aber nicht beschränkt auf den Abfindungsplan für leitende Angestellte der Enerpac Tool Group (Enerpac Tool Group Senior Officer Severance Plan), der ausdrücklich ausgeschlossen ist und auf den der Angestellte keinen Anspruch hat. Keine Partei ist an eine ausdrückliche oder stillschweigende Bestimmung, Erklärung, Garantie, Zusage oder Ähnliches gebunden, die nicht hierin aufgeführt ist. Sollte eine Bestimmung dieses Arbeitsvertrages ganz oder teilweise unwirksam sein oder werden, wird dadurch die Gültigkeit der übrigen Bestimmungen nicht berührt. Die Vertragsparteien werden in einem solchen Fall eine wirksame und zumutbare Ersatzregelung vereinbaren, die dem von den Vertragsparteien mit der unwirksamen Bestimmung verfolgten wirtschaftlichen Zweck möglichst nahe kommt. Die Vertragsparteien bestätigen, eine schriftliche von beiden Seiten unterzeichnete Ausfertigung dieses Vertrages nebst sämtlichen Anlagen, die Gegenstand des Vertrages sind, erhalten zu haben. is specifically excluded and which Employee is not entitled. Neither party will be bound by any express or implied term, representation, warranty, promise or similar that is not recorded in this contract. If any provision of this employment contract becomes wholly or partially invalid, extent inconsistent validity of the remaining provisions will not be affected. In such cases, the contract parties will agree upon an effective and reasonable alternative term, which fulfils as well as possible the objective pursued by the parties in the invalid provision. The contracting parties confirm that they have received a written copy of this contract, signed by both parties, together this letter), both written and oral, with respect to all the annexes which are matter this letter. the contract. Kerpen, den 27.05.2022 /s/ GJvd Heijden Director Finance ACTUANT GmbH Herr Geert Jan van der Heijden, Geschäftsführer /s/ Markus LIMBERGER Herr Markus LIMBERGER Anhänge: 1 Tätigkeitsbeschreibung 2 ETG Bonus program 3 Leasingfahrzeugprogramm der Enerpac 4 IT Acceptable Use Policy 5 ETG Compliance-Regeln und Verhaltenskodex Appendices: 1 Job description 2 ETG Bonus program 3 Enerpac Lease Vehicle Program 4 IT Acceptable Use Policy 5 ETG Compliance Plan and Code of Conduct

---

By: /s/ Benjamin J. Topercer
Benjamin J. Topercer

Date: 01/19/2022

Exhibit 21

NAME OF SUBSIDIARY:	STATE/COUNTRY OF INCORPORATION:
Hydratight Angola Lda	Angola
Actuant Australia Pty. Ltd.	Australia
Enerpac Energy (Australia) Pty. Ltd.	Australia
Cortland Company Australia Pty. Ltd.	Australia
Hydratight (Asia Pacific) Pty. Ltd.	Australia
HTL Australasia Pty. Ltd.	Australia
Hydratight Equipamentos Servicos e Industria Ltda.	Brazil
Actuant Canada Corporation	Canada
Actuant China Industries Enerpac (Jiangsu) Industrial Equipment Co. Ltd. Ltd	China
Actuant China Ltd. Enerpac (Shanghai) Industrial Equipment Co. Ltd	China
Actuant Shanghai Enerpac (Shanghai) Trading Co. Ltd.	China
Actuant Cyprus Ltd	Cyprus
Enerpac International Holdings, Inc.	Delaware
Cortland Company, Inc	Delaware
ETG Worldwide Holdings II LLC	Delaware
Hydratight Operations, Inc.	Delaware
Actuant Europe Holdings SAS	France
Actuant Enerpac France SAS	France
Hydratight SAS	France
Actuant GmbH	Germany
Hydratight Injectaseal Deutschland GmbH	Germany
Actuant Global Sourcing, Ltd.	Hong Kong
Actuant Hungary Holding Kft.	Hungary
ATU Hungary Holding Kft.	Hungary
Enerpac India Pvt. Ltd.	India
Engineered Solutions LP	Indiana
Enerpac SpA	Italy
Enerpac Co. Ltd	Japan
Actuant Holding Kazakhstan LLP	Kazakhstan
Actuant JV Kazakhstan LLP	Kazakhstan
Hydratight Operating Company Kazakhstan LLP	Kazakhstan
Actuant Mexico Holdings S. de R.L. de C.V.	Mexico
Actuant Europe CV	Netherlands
Applied Power Europa BV	Netherlands
ATU Euro Finance BV	Netherlands
ATU Global Holdings CV	Netherlands
ATU Global Holdings II BV	Netherlands
BML Global Holdings CV	Netherlands
Enerpac BV	Netherlands
Enerpac Heavy Lifting Technology BV	Netherlands
Enerpac Investments, Inc.	Nevada
ETG M.E. Investments, LLC	Nevada
ETG Worldwide Holdings I Inc.	New York
Enerpac AS	Norway
Venice Holdings AS	Norway

Venice Norge AS	Norway
Enerpac Eastern Europe SP. ZO.O	Poland
Hydratight Arabia Limited	Saudi Arabia
Actuant Asia Pte. Ltd.	Singapore

Enerpac Asia Pte. Ltd.	Singapore
Actuant Operations Singapore Pte Ltd.	Singapore
Venice (Singapore) Pte Ltd.	Singapore
Venice Holdings (Singapore) Pte Ltd.	Singapore
Enerpac Africa (Pty) Ltd.	South Africa
Actuant Korea Ltd.	South Korea
Actuant Middle East Holdings, S.L.	Spain
Enerpac Spain, S.L.	Spain
Larzep, S.A.	Spain
Actuant Holdings AB	Sweden
Actuant Sweden HB	Sweden
Enerpac Scandinavia AB	Sweden
Hydratight Ltd.	Trinidad
Enerpac Ltd.	UK
BML PN Ltd	UK
CAM 1 Ltd	UK
Cortland UK Holdings Limited	UK
D.L. Ricci Ltd	UK
Enerpac Acquisitions Ltd.	UK
Enerpac Acquisitions Finance Ltd.	UK
Enerpac Energy Ltd.	UK
Enerpac Finance Ltd	UK
Enerpac Global Financing Limited	UK
Enerpac Holdings Ltd.	UK
Enerpac International Ltd.	UK
ETG Asia Holdings Ltd	UK
ETG Global Holdings Ltd	UK
ETG Investments Ltd	UK
Equalizer International Ltd.	UK
HTL Group Limited	UK
HT Global Holdings Limited	UK
Hydratight Ltd.	UK
Hydratight Operations, Ltd.	UK
Venice Fundco Ltd.	UK
Venice Topco Ltd.	UK
Enerpac Middle East FZE	United Arab Emirates
Hydratight FZE	United Arab Emirates

Exhibit 23a 23

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

1. Registration Statement (Form S-8 No. 333-239643) pertaining to Enerpac Tool Group Corp. Outside Directors' Deferred Compensation plan;
2. Registration Statement (Form S-8 No. 333-215592) pertaining to the Actuant Corporation 2017 Omnibus Incentive Plan;
3. Registration Statement (Form S-8 No. 333-46469) pertaining to the Applied Power Inc. 1996 Stock Option Plan;
4. Registration Statement (Form S-8 No. 333-53702) pertaining to the Actuant Corporation 2001 Stock Plan;
5. Registration Statement (Form S-8 No. 333-53704) pertaining to the Actuant Corporation 2001Outside Directors' Stock Option Plan;
6. Registration Statement (Form S-8 No. 333-61279) pertaining to the Zero Corporation 1988 Stock Option Plan and the Zero Corporation 1994 Stock Option Plan;
7. Registration Statement (Form S-8 No. 333-61281) pertaining to the Applied Power Inc. Employee Stock Purchase Plan;
8. Registration Statement (Form S-8 No. 333-89068) pertaining to the Actuant Corporation Outside Directors' Deferred Compensation Plan;
9. Registration Statement (Form S-8 No. 333-102523) pertaining to the Actuant Corporation 2002 Stock Plan;
10. Registration Statement (Form S-8 No. 333-102524) pertaining to the Actuant Corporation Outside 2001 Directors' Stock Option Plan;
11. Registration Statement (Form S-8 No. 333-112008) pertaining to the Actuant Corporation 2004 Employee Stock Purchase Plan;
12. Registration Statement (Form S-8 No. 333-118811) pertaining to the Actuant Corporation Deferred Compensation Plan;
13. Registration Statement (Form S-8 No. 333-131186) pertaining to the Actuant Corporation 2002 Stock Plan;
14. Registration Statement (Form S-8 No. 333-131187) pertaining to the Actuant Corporation Amended and Restated 2001 Outside Directors' Stock Plan;
15. Registration Statement (Form S-8 No. 333-156734) pertaining to the Actuant Corporation 2009 Omnibus Incentive Plan;
16. Registration Statement (Form S-8 No. 333-186146) pertaining to the Actuant Corporation 2009 Omnibus Incentive Plan;
17. Registration Statement (Form S-8 No. 333-164304) pertaining to the Actuant Corporation 2010 Employee Stock Purchase Plan;
18. Registration Statement (Form S-8 No. 333-254821) pertaining to the Enerpac Tool Group Corp. 2017 Omnibus Incentive Plan (as amended and restated November 9, 2020);
19. Registration Statement (Form S-8 No. 333-164303) pertaining to the Actuant Corporation 2009 Omnibus Incentive Plan;

of our report dated October 25, 2022 October 20, 2023, with respect to the consolidated financial statements of Enerpac Tool Group Corp. and subsidiaries, and the effectiveness of internal control over financial reporting of Enerpac Tool Group Corp., included in this Annual Report (Form 10-K) for the year ended August 31, 2022 August 31, 2023.

/s/ Ernst & Young LLP

Milwaukee, Wisconsin
October 25, 2022

Exhibit 23b

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on FormS-8 (Nos. 333-239643, 333-215592, 333-46469, 333-53702, 333-53704, 333-61279, 333-61281, 333-89068, 333-102523, 333-102524, 333-112008, 333-118811, 333-131186, 333-131187, 333-156734, 333-186146, 333-164304, 333-164303, and 333-254821) of Enerpac Tool Group Corp. of our report dated October 26, 2020 relating to the financial statements and financial statement schedule, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Milwaukee, WI
October 25, 2022

20, 2023

Exhibit 31.1

CERTIFICATION

I, Paul E. Sternlieb, certify that:

1. I have reviewed this annual report on Form 10-K of Enerpac Tool Group Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluations; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting

Date: October 25, 2022 October 20, 2023

/s/ Paul E. Sternlieb

Paul E. Sternlieb
President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Anthony P. Colucci, certify that:

1. I have reviewed this annual report on Form 10-K of Enerpac Tool Group Corp.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting

Date: October 25, 2022 October 20, 2023

/s/ Anthony P. Colucci

Anthony P. Colucci
Executive Vice President and
Chief Financial Officer

Exhibit 32.1

WRITTEN STATEMENT OF THE CHIEF EXECUTIVE OFFICER

Pursuant to 18 U.S.C. ss.1350, I, the undersigned President and Chief Executive Officer of Enerpac Tool Group Corp. (the "Company"), hereby certify, based on my knowledge, that the Annual Report on Form 10-K of the Company for the annual period ended August 31, 2022 August 31, 2023 (the "Report") fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the periods covered in the Report.

Date: October 25, 2022 October 20, 2023

/s/ Paul E. Sternlieb

Paul E. Sternlieb

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Enerpac Tool Group Corp. and will be retained by Enerpac Tool Group Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished to the Securities and Exchange Commission as an exhibit to the Form 10-K and shall not be considered filed as part of the Form 10-K.

Exhibit 32.2

WRITTEN STATEMENT OF THE CHIEF FINANCIAL OFFICER

Pursuant to 18 U.S.C. ss.1350, I, the undersigned Executive Vice President and Chief Financial Officer of Enerpac Tool Group Corp. (the "Company"), hereby certify, based on my knowledge, that the Annual Report on Form 10-K of the Company for the annual period ended August 31, 2022 August 31, 2023 (the "Report") fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the periods covered in the Report.

Date: October 25, 2022 October 20, 2023

/s/ Anthony P. Colucci

Anthony P. Colucci

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by Section 906, has been provided to Enerpac Tool Group Corp. and will be retained by Enerpac Tool Group Corp. and furnished to the Securities and Exchange Commission or its staff upon request.

The foregoing certification is being furnished to the Securities and Exchange Commission as an exhibit to the Form 10-K and shall not be considered filed as part of the Form 10-K.

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.