



# TWIN DISC, INC.

# KATSA OY ACQUISITION OVERVIEW

March 6, 2024



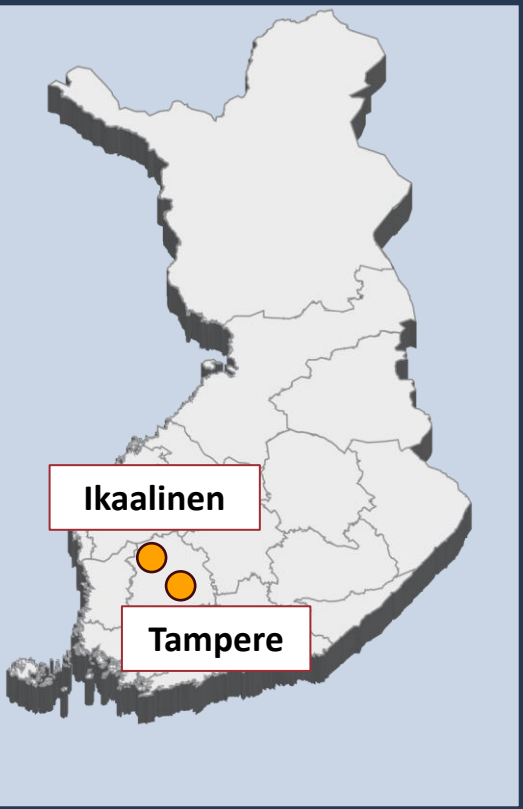
## Safe Harbor Statement

This presentation contains statements that are forward-looking within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. The words “anticipates,” “believes,” “intends,” “estimates,” and “expects,” or similar anticipatory expressions, usually identify forward-looking statements. These statements are based on management’s current expectations that are based on assumptions that are subject to risks and uncertainties. Actual results may vary because of variations between these assumptions and actual performance. Investors are referred to Twin Disc’s fiscal year 2022 Annual Report and Form 10-K under the caption “Risk Factors,” which outlines certain risks regarding the Company’s forward-looking statements, including but not limited to the impact of general economic conditions and the cyclical nature of many of the Company’s product markets; foreign currency risks and other risks associated with the Company’s international sales and operations; the ability of the Company to successfully implement price increases to offset increasing commodity costs; the ability of the Company to generate sufficient cash to pay its indebtedness as it becomes due; and the possibility of unforeseen tax consequences and the impact of tax reform in the U.S. or other jurisdictions. Copies of the Company’s SEC filings may be obtained from the SEC, and are available on Twin Disc’s web site ([www.twindisc.com](http://www.twindisc.com)), or by request from the Investor Relations department at the Company. The Company assumes no obligation, and disclaims any obligation, to publicly update or revise any forward-looking statements to reflect subsequent events, new information, or otherwise.



## Key Takeaways

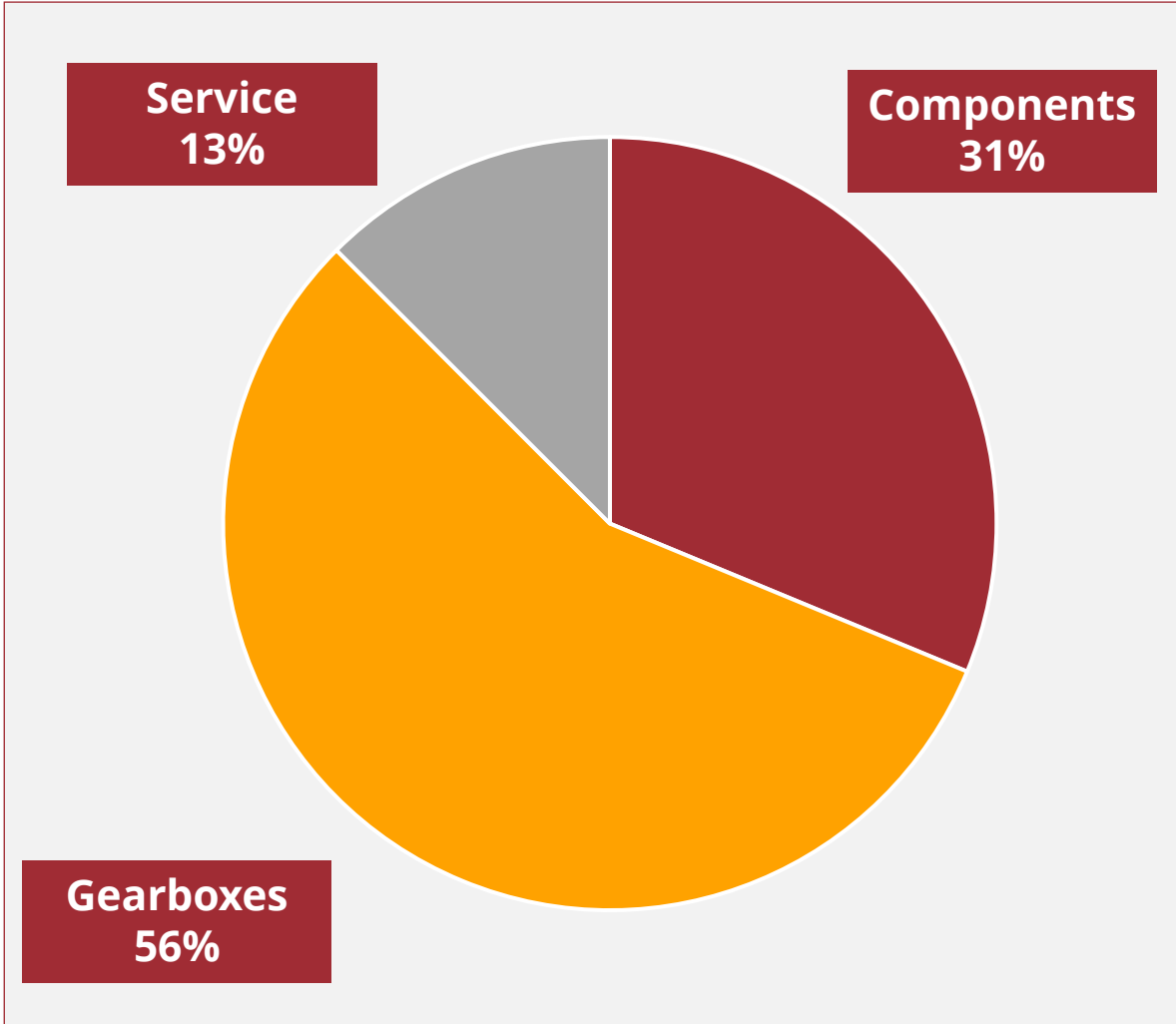
- Acquiring Katsa Oy for €21 million (approximately \$23 million) in all-cash transaction
  - Leading European manufacturer of high-quality power transmission components and gearboxes for industrial and marine end-markets
- Broadens Twin Disc's global reach while adding complementary products to grow offerings in the industrial, marine and hybrid / electrification space
- Significantly diversifies and enhances offerings within Twin Disc's Industrial product line
- Creates substantial commercial, manufacturing, and purchasing synergies, anticipated to be accretive to earnings per share within 24 months
- Expected to close in first half of calendar year 2024



## Company Overview

- ✓ Founded in 1955, currently owned by 2<sup>nd</sup> generation family members
- ✓ Approximately 175 employees, with operations based in Tampere and Ikaalinen, Finland
- ✓ Revenues of €33 million for fiscal year ended September 30, 2023
- ✓ Long-term customer relationships with leading European machinery OEMs
- ✓ Strong in-house capabilities for engineering, development, and manufacturing with well-invested production assets

## FY 2023 Revenue Breakdown



## Key Markets

### Marine & Energy



### Mobile Working Machines



### Transmission & Vehicle Propulsion



