

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

FORM 8-K

Current Report Pursuant to Section 13 or 15(d) of
The Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported) **May 31, 2024**

TWIN DISC, INCORPORATED

(Exact name of registrant as specified in its charter)

WISCONSIN
(State or other jurisdiction
of incorporation)

001-7635
(Commission
File Number)

39-0667110
(IRS Employer
Identification No.)

222 East Erie Street, Suite 400 **Milwaukee, Wisconsin 53202**

(Address of principal executive offices)

Registrant's telephone number, including area code: **(262) 638-4000**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock (No Par Value)	TWIN	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Item 8.01. Other Events.

On May 31, 2024, TD Finland Holding OY (“TD Finland”), a wholly-owned subsidiary of Twin Disc, Incorporated (the “Company”), completed its previously announced acquisition of all the shares of capital stock of Katsa Oy (“Katsa”) pursuant to that Sale and Purchase Agreement (the “Purchase Agreement”), dated March 5, 2024.

Based in Finland, Katsa is a European manufacturer of custom-designed, high-quality power transmission components and gearboxes for industrial and marine end-markets for a broad range of end market applications. Katsa also provides a wide range of after-sales services, including spare part deliveries, reverse engineering, modeling, gearbox refurbishment and modernizations.

Pursuant to the Purchase Agreement, TD Finland paid €23,081,520 at closing, which included a base payment of €21,000,000 plus adjustments for net cash and working capital.

The foregoing description of the of the Purchase Agreement and the transactions contemplated thereby does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Purchase Agreement (including the exhibits thereto), a copy of which is filed as Exhibit 2.1 to the Company’s Current Report on Form 8-K filed March 5, 2024, which is incorporated into this Item 8.01 by reference herein.

FORWARD LOOKING STATEMENTS

The disclosures in this report on Form 8-K and in the documents incorporated herein by reference may contain statements that are forward looking as defined by the Securities and Exchange Commission in its rules, regulations and releases. The words "anticipates," "believes," "intends," "estimates," and "expects," or similar anticipatory expressions, usually identify forward-looking statements. The Company intends that such forward-looking statements qualify for safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. All forward-looking statements are based on current expectations, and are subject to certain risks and uncertainties that could cause actual results or outcomes to differ materially from current expectations. Such risks and uncertainties include 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. These and other risks are described under the caption "Risk Factors" in Item 1A of the Company's most recent Form 10-K filed with the Securities and Exchange Commission, as supplemented in subsequent periodic reports filed with the Securities and Exchange Commission. Accordingly, the making of such statements should not be regarded as a representation by the Company or any other person that the results expressed therein will be achieved. 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.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

EXHIBIT NUMBER	DESCRIPTION
99.1	Press Release, Dated May 31, 2024
99.2	Sale and Purchase Agreement Dated March 5, 2024, Between TD Finland Holding OY and Katsa OY (incorporated by reference to Exhibit 2.1 of the Company’s Form 8-K dated March 6, 2024). File No. 001-07635.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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 hereunto duly authorized.

Date: May 31, 2024

Twin Disc, Incorporated

/s/ Jeffrey S. Knutson

Jeffrey S. Knutson

Vice President-Finance, Chief Financial
Officer, Treasurer & Secretary



TWIN DISC, INCORPORATED
222 E. Erie Street, Suite 400
Milwaukee, WI 53202 USA

FOR IMMEDIATE RELEASE:

May 31, 2024

For media inquiries, please contact:

Jeff Knutson, Vice President – Finance, Chief Financial Officer, Treasurer & Secretary

Phone number: (262) 638-4242

Email: knutson.jeff@twindisc.com

Twin Disc, Inc. Finalizes Deal to Acquire Katsa Oy

MILWAUKEE – Twin Disc, Inc. (NASDAQ: TWIN), a global leader in power transmission technology for marine and land-based applications, announced today that it has completed the €21 million (approximately \$23 million) acquisition of Katsa Oy, a Finland-based, designer and manufacturer of gearboxes and power transmission components for industrial and marine end-markets.

The acquisition of Katsa Oy will broaden Twin Disc’s global reach through further expansion into growing European markets, while also adding complementary products that diversify and enhance Twin Disc’s offerings in the industrial, marine and hybrid/electrification space. In addition, Katsa’s wide range of after-sales services and strong in-house capabilities for engineering, development, manufacturing and heat treatment will strengthen Twin Disc’s global sales and service network.

For the fiscal year ended September 30, 2023, Katsa delivered approximately €33 million of revenue. The acquisition is expected to be accretive to Twin Disc’s U.S. GAAP earnings within twenty-four months.

“We are excited to welcome Katsa to the Twin Disc family of brands,” stated John H. Batten, President and CEO of Twin Disc. “Acquiring a well-established company with longstanding relationships with many of Europe’s leading OEMs with a good reputation for its products and production capabilities will be a boon to our industrial and marine product lines. This acquisition will also provide growth opportunities in electric & hybrid applications and create significant value for our shareholders.”

Tomi Koskinen, CEO of Katsa Oy stated, “We are excited to be a part of Twin Disc. Twin Disc and Katsa share a common culture based on a commitment to supplying high-quality components through world-class engineering and manufacturing capabilities. These synergies position our products for long-term success.”

TWINDISC.COM

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About Twin Disc, Inc.

Twin Disc, Inc. designs, manufactures and sells marine and heavy-duty, off-highway power transmission equipment. Products offered include marine transmissions, azimuth drives, surface drives, propellers, and boat management systems, as well as power-shift transmissions, hydraulic torque converters, power take-offs, industrial clutches, and control systems. The Company sells its products to customers primarily in the pleasure craft, commercial and military marine markets, as well as in the energy and natural resources, government, and industrial markets. The Company's worldwide sales to both domestic and foreign customers are transacted through a direct sales force and a distributor network. For more information, please visit www.twindisc.com.

About Katsa Oy

Katsa designs and manufactures gearboxes and power transmission components which are tailored to meet the customer's demands. For end users, Katsa provides modelling, modernization, gearbox repair and maintenance services as well as spare parts. For more information, please visit www.katsa.fi/en/.

Forward Looking Statements

This press release may contain statements that are forward looking as defined by the Securities and Exchange Commission in its rules, regulations and releases. The words "anticipates," "believes," "intends," "estimates," and "expects," or similar anticipatory expressions, usually identify forward-looking statements. The Company intends that such forward-looking statements qualify for safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. All forward-looking statements are based on current expectations, and are subject to certain risks and uncertainties that could cause actual results or outcomes to differ materially from current expectations. Such risks and uncertainties include 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. These and other risks are described under the caption "Risk Factors" in Item 1A of the Company's most recent Form 10-K filed with the Securities and Exchange Commission, as supplemented in subsequent periodic reports filed with the Securities and Exchange Commission. Accordingly, the making of such statements should not be regarded as a representation by the Company or any other person that the results expressed therein will be achieved. 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.

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