

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 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): January 8, 2024

KADANT INC.

(Exact name of registrant as specified in its charter)

Commission file number 001-11406

Delaware
(State or other jurisdiction of incorporation or organization)

52-1762325
(I.R.S. Employer Identification No.)

**One Technology Park Drive
Westford, Massachusetts 01886**
(Address of principal executive offices, including zip code)
(978) 776-2000
(Registrant's telephone number, including area code)

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 Securities Exchange Act of 1934:

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$.01 par value	KAI	New York Stock Exchange

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 7.01 Regulation FD Disclosure.

On January 8, 2024, Kadant Inc. (“Kadant” or the “Company”) will hold its previously announced webcast and conference call to discuss its acquisition of Key Knife, Inc. and certain of its affiliates (“Key Knife”) (the “Acquisition”) at 1:00 p.m. eastern time. A copy of our investor presentation with an overview of the Acquisition that will be presented on the webcast and discussed in the conference call is furnished as Exhibit 99 to this Current Report on Form 8-K and is posted in the “Investors” section of the Company’s website at www.kadant.com.

The information contained in this Item 7.01 (including Exhibit 99) shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933 or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Safe Harbor Statement

The following constitutes a “Safe Harbor” statement under the Private Securities Litigation Reform Act of 1995: This Current Report on Form 8-K contains forward-looking statements that involve a number of risks and uncertainties, including forward-looking statements about the financial and operating performance of Key Knife, the benefits of the Acquisition, and the expected future business and financial performance of Key Knife and Kadant. These forward-looking statements represent our expectations as of the date of this Current Report on Form 8-K. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise. These forward-looking statements are subject to known and unknown risks and uncertainties that may cause our actual results to differ materially from these forward-looking statements as a result of various important factors, including those set forth under the heading “Risk Factors” in Kadant’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022 and subsequent filings with the Securities and Exchange Commission. These include risks and uncertainties relating to Kadant’s ability to successfully integrate Key Knife and its operations and employees and realize anticipated benefits from the Acquisition; unanticipated disruptions to the business, general and regional economic conditions, and the future performance of Key Knife; potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement of the Acquisition; competitive, investor or customer responses to the Acquisition; the ability to realize anticipated synergies and cost savings; unexpected costs, charges or expenses resulting from the Acquisition; adverse changes in global and local economic conditions; the variability and difficulty in accurately predicting revenues from large capital equipment and systems projects; health epidemics and pandemics; our acquisition strategy; levels of residential construction activity; reductions by our wood processing customers of their capital spending or production of oriented strand board; changes to the global timber supply; development and use of digital media; cyclical economic conditions affecting the global mining industry; demand for coal, including economic and environmental risks associated with coal; failure of our information systems or breaches of data security and cybertheft; implementation of our internal growth strategy; supply chain constraints, inflationary pressure, price increases and shortages in raw materials; competition; changes in our tax provision or exposure to additional tax liabilities; our ability to successfully manage our manufacturing operations; disruption in production; future restructurings; loss of key personnel and effective succession planning; protection of intellectual property; climate change; adequacy of our insurance coverage; global operations; policies of the Chinese government; the variability and uncertainties in sales of capital equipment in China; currency fluctuations; changes to government regulations and policies around the world; compliance with government regulations and policies and compliance with laws, environmental laws and regulations; environmental, health and safety laws and regulations impacting the mining industry; our debt obligations; restrictions in our credit agreement and note purchase agreement; soundness of financial institutions; fluctuations in our share price; and anti-takeover provisions.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

The following exhibits relating to Item 7.01 shall be deemed to be furnished and not filed.

Exhibit No.	Description of Exhibits
99	Investor presentation to be presented by the Company on January 8, 2024.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

KADANT INC.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

KADANT INC.

Date: January 8, 2024

By /s/ Michael J. McKenney

Michael J. McKenney
Executive Vice President and Chief Financial Officer



KADANT

Acquisition of
Key Knife, Inc.

JANUARY 8, 2024

Forward-Looking Statements

The following constitutes a "Safe Harbor" statement under the Private Securities Litigation Reform Act of 1995. This presentation and the accompanying remarks contain forward-looking statements that involve a number of risks and uncertainties, including forward-looking statements about the financial and operating performance of Key Knife, Inc. and certain of its affiliates ("Key Knife"), the benefits of the acquisition of Key Knife (the "Acquisition"), and the expected future business and financial performance of Key Knife and Kadant. These forward-looking statements represent our expectations as of the date of this presentation. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events, or otherwise. These forward-looking statements are subject to known and unknown risks and uncertainties that may cause our actual results to differ materially from these forward-looking statements as a result of various important factors, including those set forth under the heading "Risk Factors" in Kadant's annual report on Form 10-K for the fiscal year ended December 31, 2022 and subsequent filings with the Securities and Exchange Commission. These include risks and uncertainties relating to Kadant's ability to successfully integrate Key Knife and its operations and employees and realize anticipated benefits from the Acquisition; unanticipated disruptions to the business, general and regional economic conditions, and the future performance of Key Knife; potential adverse reactions or changes to business or employee relationships, including those resulting from the announcement of the Acquisition; competitive, investor or customer responses to the Acquisition; the ability to realize anticipated synergies and cost savings; unexpected costs, charges or expenses

resulting from the Acquisition; adverse changes in global and local economic conditions; the variability and difficulty in accurately predicting revenues from large capital equipment and systems projects; health epidemics and pandemics; our acquisition strategy; levels of residential construction activity; reductions by our wood processing customers of their capital spending or production of oriented strand board; changes to the global timber supply; development and use of digital media; cyclical economic conditions affecting the global mining industry; demand for coal, including economic and environmental risks associated with coal; failure of our information systems or breaches of data security and cybertheft; implementation of our internal growth strategy; supply chain constraints; inflationary pressure, price increases and shortages in raw materials; competition; changes in our tax provision or exposure to additional tax liabilities; our ability to successfully manage our manufacturing operations; disruption in production; future restructurings; loss of key personnel and effective succession planning; protection of intellectual property; climate change; adequacy of our insurance coverage; global operations; policies of the Chinese government; the variability and uncertainties in sales of capital equipment in China; currency fluctuations; changes to government regulations and policies around the world; compliance with government regulations and policies and compliance with laws; environmental laws and regulations; environmental, health and safety laws and regulations impacting the mining industry; our debt obligations; restrictions in our credit agreement and note purchase agreement; soundness of financial institutions; fluctuations in our share price; and anti-takeover provisions.



Acquisition of Key Knife, Inc.

KADANT

Acquisition Overview

- Manufacturer of engineered knife systems for custom chipping, planing, and flaking solutions for wood product industries
- Founded in 1986, built a solid reputation for quality products and custom solutions
- Based in Tualatin, Oregon, with 141 employees
- Strong market position in wood processing industries
- Revenue for the trailing twelve months ended September 30, 2023 was \$65 million
- Purchase price was approximately \$156 million, subject to customary adjustments
- Favorable tax attributes

Primary Product Offerings

- Conical and drum chipping heads used in sawmill applications
- Chipping systems for sawmills, pulp mills, chip plants, and in-field chipping
- Planer systems for sawmills
- Ring slicers used for particle board mills
- Comprehensive field service and training



Acquisition Rationale

- Leading position in disposable knife systems
- Highly complementary product offering to Kadant's wood processing product line; long history of collaboration with Kadant Carmanah
- Strong management team with long tenure in industry
- Strong financial metrics and market position
- Well-established brand in our core and adjacent markets
- 95% of revenue is aftermarket parts and consumables

Kadant and Key Knife Together

- Opportunity to penetrate new markets leveraging Kadant's global sales network and relationships
- Broadened product portfolio to provide critical solutions to mills
- Intercompany collaboration to create increased value for our customers
- Greater customer share in highly concentrated market
- Strengthens our respective positions in wood processing industries

KADANT

A man and a woman, both wearing white hard hats and business attire, are standing in a factory or industrial setting. The man is holding a tablet and pointing at the screen, while the woman looks on. The background shows industrial machinery and a large, open space with a high ceiling. The word "KADANT" is visible in the bottom left corner of the image area.

Integration

- Continue to build on the strength of the Key Knife brand
- Specialized manufacturing operations will continue as part of our decentralized operating structure
- Opportunities for collaboration and sharing best practices
- Key Knife will be included in our Industrial Processing reporting segment

Financial Metrics

- \$156 million purchase price¹
- TTM² revenue of \$65 million
- Favorable tax attributes
- Borrowed \$148 million
- Borrowing rate estimated at 6.4% to 6.7%

¹ Subject to customary adjustments

² Trailing twelve months through September 30, 2023

KADANT



Questions & Answers

To participate in the live Q&A session, please go to investor.kadant.com and click on the Q&A session link to receive a dial-in number and unique PIN.

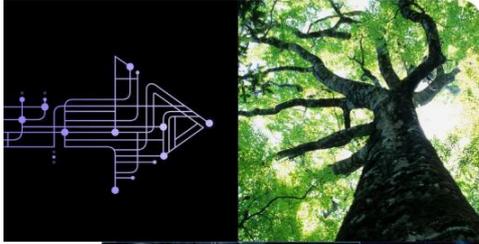
Please mute the audio on your computer.

KADANT

KAI-ACQUISITION UPDATE INVESTOR PRESENTATION-JANUARY 2024 | © 2024 KADANT INC.

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KADANT



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January 8, 2024
