TENNANT COMPANY

Investor Day

May 13, 2024

Elevate Growth, Performance & People



SAFE HARBOR STATEMENT

Certain statements contained in this document are considered “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act. These statements do not relate to strictly historical or current facts and provide current expectations or forecasts of future events. Any such expectations or forecasts of future events are subject to a variety of factors. These include factors that affect all businesses operating in a global market as well as matters specific to us and the markets the Company serves. Particular risks and uncertainties presently facing it include: economic uncertainty throughout the world; geopolitical tensions or health epidemics; the Company's ability to comply with global laws and regulations; the Company's ability to adapt pricing to the competitive marketplace and customer pricing sensitivities; the competition in the Company's business; fluctuations in the cost, quality or availability of raw materials and purchased components; increasing cost pressures; unforeseen product liability claims or product quality issues; the Company's ability to attract, retain and develop key personnel and create effective succession planning strategies; the Company's ability to effectively develop and manage strategic planning and growth processes and the related operational plans; the Company's ability to successfully upgrade and evolve its information technology systems; the Company's ability to successfully protect our information technology systems from cybersecurity risks; the occurrence of a significant business interruption; the Company's ability to maintain the health and safety of its workers; the Company's ability to integrate acquisitions; and the Company's ability to develop and commercialize new innovative products and services. We caution that forward-looking statements must be considered carefully and that actual results may differ in material ways due to risks and uncertainties both known and unknown. Information about factors that could materially affect the Company’s results can be found in our 2023 Form 10-K. Shareholders, potential investors and other readers are urged to consider these factors in evaluating forward-looking statements and are cautioned not to place undue reliance on such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law. Investors are advised to consult any further disclosures by the Company in its filings with the Securities and Exchange Commission and in other written statements on related subjects. It is not possible to anticipate or foresee all risk factors, and investors should not consider any list of such factors to be an exhaustive or complete list of all risks or uncertainties.



Agenda

TENNANT COMPANY

Introduction



Lorenzo Bassi
Vice President, Finance & Investor Relations

Company Overview and Strategy



Dave Huml
President & Chief Executive Officer

Accelerating Growth



Rusty Zay
Senior Vice President & Chief Commercial Officer

Innovating for Profitable Growth



Pat Schottler
Senior Vice President, Chief Marketing and Technology Officer

Integrated Sustainability



Reilly Goodwin
Senior Director, Sustainability and ESG & Vice President Tennant Foundation

Unlocking Value



Fay West
Senior Vice President & Chief Financial Officer

Company Overview and Strategy

Dave Huml
President and Chief Executive Officer



Who We Are

Our vision is to
create a cleaner, safer, healthier world

Our mission is to
leverage innovation to reinvent how our customers clean

Tennant Company's

Investment Thesis

Global Leader in an Expanding Market
with a Differentiated Product Portfolio & Service Offering

World-Class Service Model
provides Strong Competitive Advantage

Compelling Growth Opportunities
underpinned by Global Megatrends

Innovation
that drives the Future of Mechanized Cleaning

Growth Strategy Enabled by Strong Financial Position
to Maximize Shareholder Value

Reliable, Innovative Equipment at Core of Success

TENNANT COMPANY

Scrubbers | Sweepers | AMR | Small Space | Vacuums | Pressure Washers | Aftermarket

Scrubbers



AMR



Pressure Washers & Vacuums



Sweepers



Small Space



Aftermarket



High-Quality Equipment | **Strong Cleaning Performance** | **Image-Enhancing Shared Space**

A Global Leader in the Mechanized Cleaning Space

TENNANT COMPANY

TNC Market Share*

~14%

Addressable Global Market*

~$8.6B

*Refer to endnotes for definitions of certain terms used in this presentation.

Americas 	**~25%** Market Share	**~$3.4B** Market	Leverage brand, channels and service strength
EMEA 	**~10%** Market Share	**~$3.4B** Market	Expand direct coverage
APAC 	**~5%** Market Share	**~$1.8B** Market	Focus on shift to mechanized cleaning

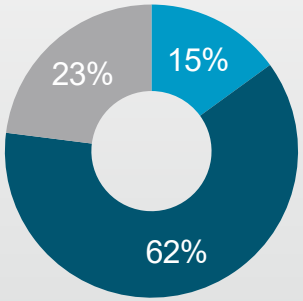
Solid positions in major geographies with significant growth upside

Multi-Channel Strategy Maximizes Growth Opportunities

TENNANT COMPANY

2023 Net Sales by Product Category

$USD



- Service & Other
- Equipment
- Parts & Consumables

Multi-Channel Approach

DIRECT

DISTRIBUTOR

RENTAL

SERVICE

E-COMMERCE

Diverse Core Vertical Markets

#1 Contract Cleaners

#2 Retail

#3 Manufacturing

#4 Logistics

#5 Healthcare

Provides growth upside and insulation from cyclicity

Tiered Brands & Channel Mix Provide Growth Opportunity

Americas



TENNANT — PREMIUM

IPC BY TENNANT COMPANY — MID-TIER

81%	19%
Direct	Distribution

EMEA



TENNANT — PREMIUM

IPC BY TENNANT COMPANY — MID-TIER

49%	51%
Direct	Distribution

APAC



TENNANT — PREMIUM

IPC BY TENNANT COMPANY / GAOMEI BY TENNANT COMPANY — MID-TIER

45%	55%
Direct	Distribution

Leveraging Brands and Expanding Channels to Drive Growth

Service as a Competitive Advantage

TENNANT COMPANY

Differentiated Offering

Local

900+

Field Service Techs

Experienced

9+ Years

Average Tenure

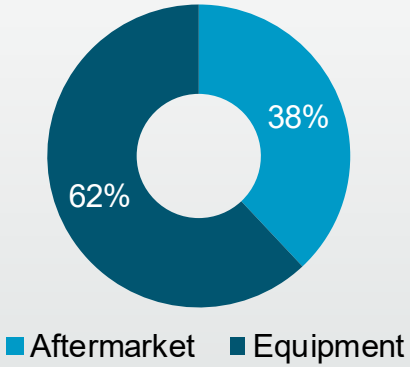
Efficient

Mobile capable and AI-driven virtual service



Attractive Recurring Revenue

2023 Net Sales ($USD)



Aftermarket Opportunity

~80%

Aftermarket value = 80% of equipment price over machine life

Upside Potential

70%

capture of aftermarket

Drives recurring, profitable revenue and creates competitive moat

Executed Structural Change to Position for Growth

2019-2023

TENNANT COMPANY

Strategic Pillars

Win where we have a competitive advantage

Reduce complexity & build scalable processes

Innovate for profitable growth



Results

	Targets		Actual	
Revenue*	2-3%	»	~3%	✓
EBITDA	6-10%	»	~9%	✓
EBITDA %	15%	»	15%+	✓
Years	5	»	4	✓

*Net sales excludes divestiture of coatings business in Q1 2021

Expanded margins and provided solid foundation for scalable growth

Megatrends Driving Enhanced Innovation and Growth Opportunities

TENNANT COMPANY

Automation	Labor availability and cost challenges driving automation
Modernization	Shift to mechanized cleaning in developing countries
Electrification	Customer-led push for internal combustion engines to battery-powered mechanized cleaning
Sustainability	Increased desire for more environmentally friendly solutions



Strategically positioning Tennant to capitalize on growth trends

Elevate Growth Strategy

Our Strategic Pillars

GROWTH

- Pricing Excellence
- Product Innovation
- New Channels & Markets
- New Business Models
- Strategic Acquisitions

PERFORMANCE

- Enterprise Resource Planning
- Sustainability

PEOPLE

- Employee Value Proposition

Future of Mechanized Cleaning:
Autonomous Mobile Robots

TENNANT COMPANY

AMR

Addresses customer challenges



Solve Labor Challenges
Employee focus on other higher-value responsibilities and help bridge staffing issues

Proof of Performance
Capture real-time data and provide proof of clean

Enhance Experience
Clean floors enhance overall customer and employee experiences

Become a Technology Leader
Positive optics of the investment in robotic innovation to clean shared spaces

Return on Investment
Less than 3-year payback for typical customer

Leading the AMR Disruption in the Cleaning Industry

TENNANT COMPANY

2017

Brain Corp Partnership announced

2018

T7AMR introduced



2020

T380AMR introduced



2021

T16AMR introduced



2022

Lithium-Ion Technology introduced for longer runtime and opportunity charging

2024

Exclusive Technology Agreement with Brain Corp's Gen 3 navigation software

Selling process streamlined to drive adoption

Share of recurring autonomous services received

First X4 ROVR shipped, Tennant's first purpose-built AMR product designed for small spaces

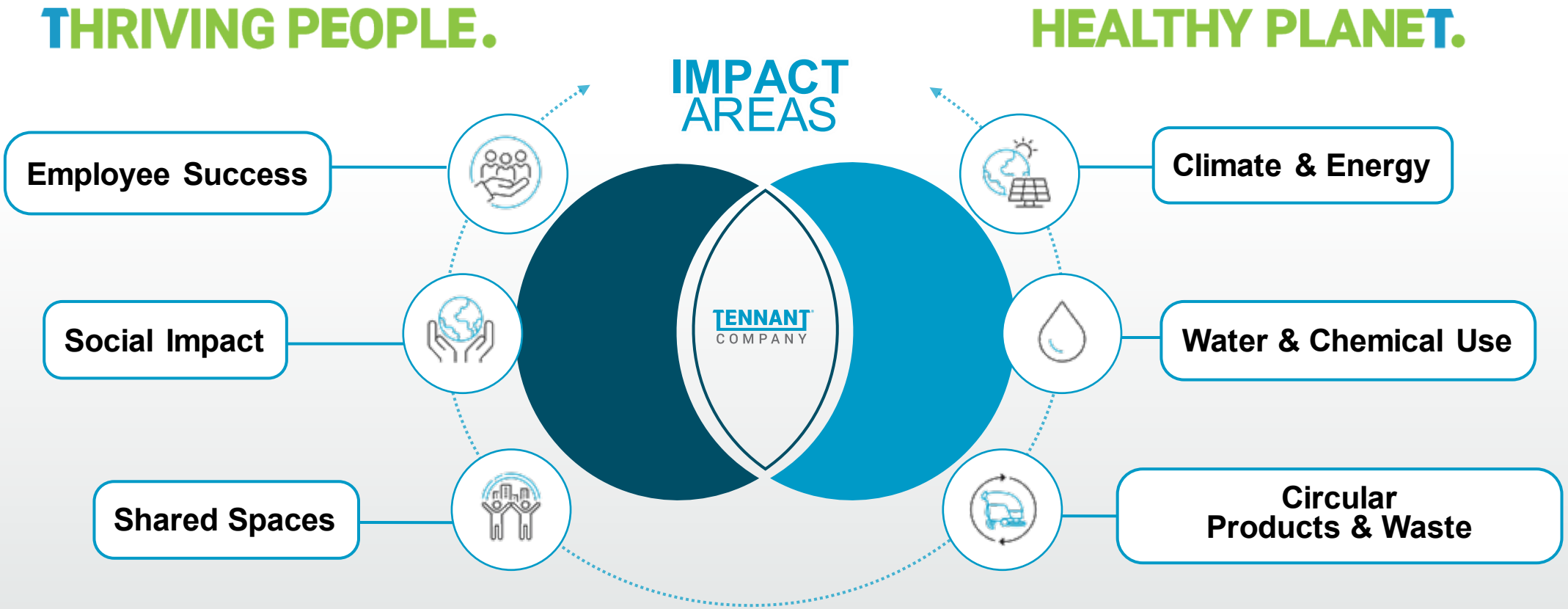


AMR by the Numbers

*2019-2023

- **4** Models
- **700+** Unique Customers*
- **$200M+** Revenue*
- **6,800+** Units Sold*
- **3X** Pricing
- **~3 Year** Payback

Our Sustainability Approach



Sustainability is at the core of Tennant Operations

Strategic M&A Priorities Aligned to Enterprise Strategy

TENNANT COMPANY

1 Defend & Grow Cleaning Core

Maintain and Enhance Strong Margins & Growth

TCS

~$8.6B Market

2 Drive Value Through Connected Autonomy

Gain Share and Increase Recurring Revenue Models

brain corp

~$3-4B Market

3 Expand Portfolio into Mobile Equipment Adjacencies

Diversify & Grow Addressable Market

~$6B Market

Sustained Value-Add

Expand Margins

Accelerate Growth

Enhance Resilient Revenue

Grow TAM

Refer to endnotes for definitions of certain terms used in this presentation.

Attractive Long-Term Model

TENNANT COMPANY

3-5%

Net Sales
Organic Growth

50-100bps

Expand Adjusted
EBITDA Margin

100%

Net Income to Free
Cash Flow Conversion

Profitable Growth from M&A Strategy

~$150 million

Net Sales Added Over 3 Years

Significant Value Creation



Key Takeaways

Drive long-term, above-market growth
through premium product and service offerings that deliver strong customer ROI

Multi-channels to market
drives leading market positions

Broad vertical market customers
provide growth potential, insulation from cyclical/sector downturns

Market-leading aftermarket service
enables strong recurring aftermarket business

Disciplined capital deployment,
including a focused M&A growth strategy

Dedicated and Experienced Team to Execute Growth Strategy and Drive Shareholder Value

TENNANT COMPANY



Dave Huml
President & CEO



Barb Balinski
SVP, CTO



Brock Christianson
SVP, CHRO



Kristin Erickson
SVP, General Counsel & Corporate Secretary



Pat Schottler
SVP, CMTO



Fay West
SVP, CFO



Richard Zay
SVP, CCO

Accelerating Growth

Richard "Rusty" Zay
Senior Vice President & Chief Commercial Officer

Elevate Growth Strategy

Our Strategic Pillars

GROWTH

- Pricing Excellence
- Product Innovation
- New Channels & Markets
- New Business Models
- Strategic Acquisitions

PERFORMANCE

- Enterprise Resource Planning
- Sustainability

PEOPLE

- Employee Value Proposition

Growth is a key part of elevating our leadership position

Pricing Excellence Supports Resilient Growth

TENNANT COMPANY

Our Pricing Approach

Market Driven

Offsets Inflation

- Discount Discipline
- New Product Development
- Proprietary Value



Maximizing market position to capture growth and value we deliver

Product Innovation Focused on High Growth

TENNANT COMPANY

AMR

Lead the adoption of robotic cleaning

Small Space

Lead the mechanization of small-space cleaning

Product Line Extensions

Leverage acquired platforms to expand market reach



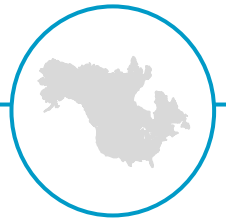
Right to Win

Go-to-Market Coverage | Channel Strength | Brand Portfolio

Investments in market segments with high growth potential

Capitalize on Channel & Market Strengths

TENNANT COMPANY



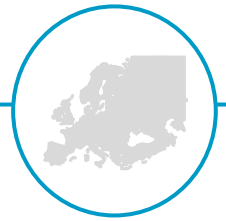
N. AMERICA

Strength

Go-to-market coverage leadership

Focus

Leverage strong brand and channel to grow new products and services



EMEA

Strength

Broad coverage across region

Focus

Expand direct channel go-to-market coverage in all of Europe



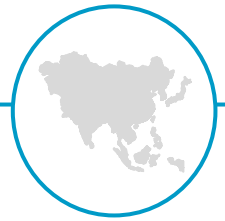
L. AMERICA

Strength

Go-to-market coverage leadership in Brazil & Mexico

Focus

Drive shift to mechanized cleaning utilizing developed eco-system



APAC

Strength

Go-to-market coverage leadership in ANZ

Solid base in China & India

Focus

Expand go-to-market coverage with brand and product portfolio

Tailored regional growth strategies to capitalize on market strengths

North America

Addressable Market
~$3.0B

Market Share
~26%



Refer to endnotes for definitions of certain terms used in this presentation.

Opportunity

Drive AMR Adoption
Invest in customer success teams for increased adoption

Connected Services
Increase field service capacity and capability through virtual service, remote diagnostics and predictive AI services

Maximize Distribution
Leverage brand portfolio to drive broad vertical coverage

Expand E-commerce
Increase capability to support customer shift to e-commerce in B2B

Enhance Rental Channel
Develop capability to serve via fleet, services and remanufacturing

Leverage strong brand and channel to grow new products and services

EMEA

Addressable Market
~$3.4B

Market Share
~10%



Opportunity

Drive AMR Adoption

Invest in customer success teams for increased adoption

Increase Industrial Go-to-Market Coverage

Add capacity and capability to increase presence in Western Europe

Enhance IPC Go-to-Market Coverage

Invest in sales capacity to expand channel reach

Expand Direct Geographic Coverage

Increase our market coverage to support customer acquisition (Italy & CEE)

Refer to endnotes for definitions of certain terms used in this presentation.

Expand direct channel go to market coverage in all of Europe

Latin America

Addressable Market
~$400M

Market Share
~15%



Opportunity

Drive Mechanization
Leverage Equipment as a Service to drive adoption of mechanized cleaning

Expand IPC Go-To Market Coverage
Broaden vertical market coverage in Brazil & Mexico



Case Study

EaaS in Brazil

Majority share of top BSC companies

40% of TNC fleet business

High-margin model

Drive shift to mechanized cleaning utilizing developed eco-system

Refer to endnotes for definitions of certain terms used in this presentation.

APAC

Addressable Market
~$1.8B

Market Share
~5%



Refer to endnotes for definitions of certain terms used in this presentation.

Opportunity

Expand Go-to-Market Coverage

ANZ
Develop IPC channel and leverage product extensions to expand Tennant market reach

China
Increase Gaomei channel coverage and leverage product extensions to expand Tennant market reach

India
Expand IPC channel coverage and develop Tennant go-to-market presence

Expand go-to-market coverage with brand and product portfolio

New Business Opportunities

Equipment as a Service

Recurring revenue opportunity

Robotics as a Service

Increase AMR adoption rates and recurring revenue

Connected Services

Utilize predictive AI to increase customer value



Differentiated service capability enables strong recurring revenue stream with upside market opportunity



Key Takeaways

Pricing Excellence
supports resilient growth

Product Innovation
focused on high growth

Capitalize on Channel & Market Strengths
with tailored growth strategy in each region

New Business Opportunities
driven by differentiated service capability

Well-positioned to achieve 3-5% long-term growth targets

BREAK

10 Minutes

TENNANT COMPANY

TNC LISTED NYSE

TENNANT COMPANY

Welcome Back



TNC LISTED NYSE

Innovating for Profitable Growth

Pat Schottler
Senior Vice President, Chief Marketing and Technology Officer

Our Vision for Reinventing How the World Cleans

TENNANT COMPANY

A global fleet of connected cleaning robots that operate 100% autonomously

1. **Autonomous Robots**
   World's best cleaning machines operating 100% autonomously
2. **Navigation Software**
   Sensing, mapping and navigating new spaces
3. **Electrification**
   Reducing greenhouse gas emissions and environmental impacts
4. **Connected Data**
   Two-way telemetry data for improved customer experience
5. **AI Enabled**
   Delivering incremental value by leveraging AI insights
6. **Pay For Clean**
   Customers paying for a proven clean, shared space

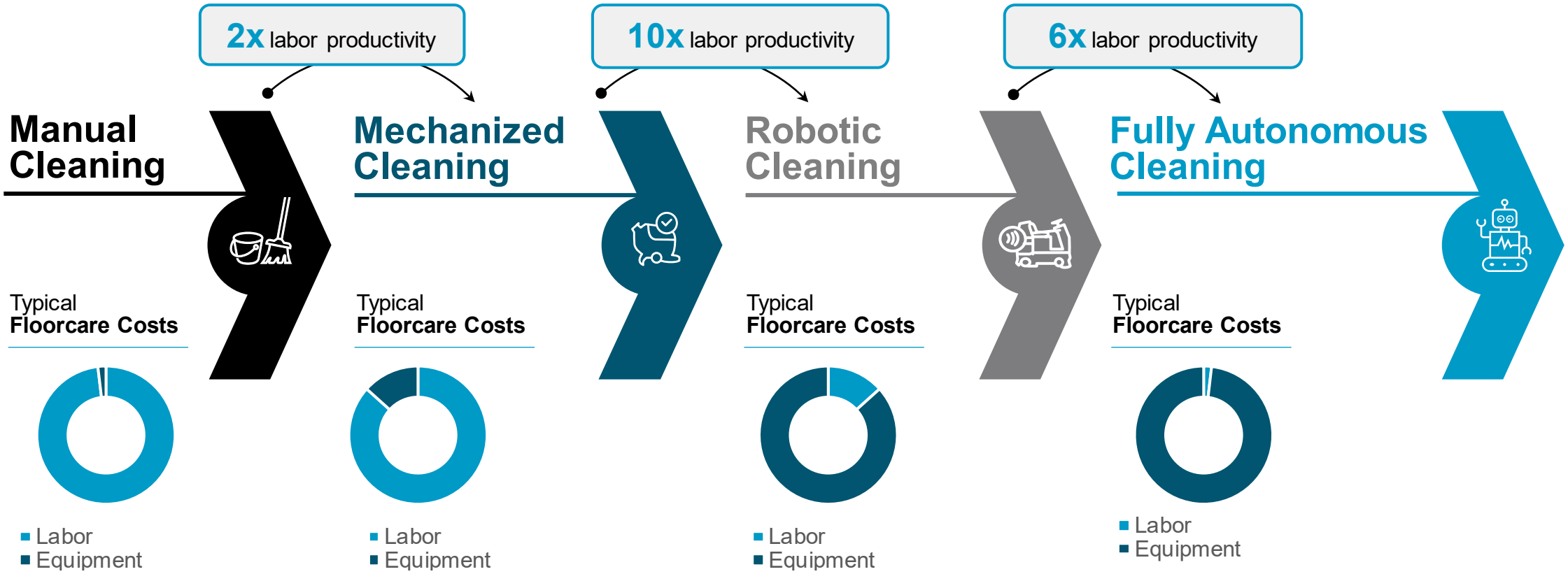


Customers with SHARED SPACES

- Manufacturing
- Warehouses
- Restaurants
- Schools
- Retail
- Airports
- Offices
- Hotels
- Hospitals

TNC Is Automating Cleaning to Create and Capture Value

TENNANT COMPANY



Product Innovation

Contribution to Growth

1.5% - 2.0%
Annually

Objective

To drive a sustained increase in revenue growth by deploying product innovations in targeted market opportunities where we are competitively advantaged

Focus Areas

AMR
Lead the adoption of robotic cleaning

- Estimated annual segment growth of 16%
- TNC GTM, product, and technology competitive advantage

Small Space
Lead the mechanization of small-space cleaning

- Estimated annual segment growth of 10%
- Winning partnership with TNC & i-Team

Product Line Extensions
Leverage acquired platforms to grow

- Large portion of the market is in the mid-tier
- Deploy China & Italy platforms to take share

AMR

Fastest-Growing Floorcare Segment

Market Size
~$360M

Growth Rate
~16%



Refer to endnotes for definitions of certain terms used in this presentation.

Our Strategy

Target existing mechanized cleaning geographies in **NA and Europe**

Target **retail, logistics, warehousing, manufacturing, education and healthcare verticals**

Leverage our **GTM Leadership** position to **drive customer adoption**

Our Opportunity

Launch **new products** targeting retail customers to increase customer ROI

Expand AMR portfolio targeting industrial customers

Deliver a **single point-of-contact** customer experience

AMR: Brain Corp Partnership

TENNANT COMPANY

Objective

Accelerate the transition

to robotic cleaning & the growth of AMR revenue

brain corp

The Approach

Exclusive **technology agreement**

Optimized **go-to-market** approach

Expanded pipeline of **new AMR products**

Enhanced coordination between TNC & Brain Corp

X4 ROVR positioned to win in the market

Participating in Recurring Revenue



The enhanced relationship creates the conditions necessary for Tennant to achieve its growth objectives

X4 ROVR

Drives a step change in customer ROI

Expected to yield a dramatic acceleration in adoption

A key growth engine for TNC



Optimized for maneuverability in smaller spaces

Automatically reroutes around obstacles with 3D LiDar

New BrainOS® CleanSuite Software exclusive to TNC

New Site Map functionality

Expected 75% reduction in operator assists

Small Space

Rapidly Growing Floorcare Segment

Market Size
~$300M

Growth Rate
~10%



Refer to endnotes for definitions of certain terms used in this presentation.

Our Strategy

Target new spaces and **penetrate new vertical markets**

Leverage brand portfolio with new i-mop® solutions and products

Capitalize on global GTM strengths with strong product portfolio

Our Opportunity

Target new spaces and **mop-and-bucket conversion**

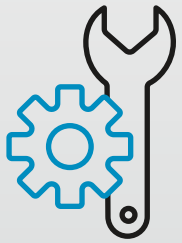
Introduce full i-mop® portfolio into international TNC channels

Significant global growth potential

Product Line Extensions

Market Size
~$2.8B

Growth Rate
~2%



Refer to endnotes for definitions of certain terms used in this presentation.

Our Strategy

Leverage acquired brands and platforms and selling through existing channels

Increase share of wallet with current customers and distributors

Expand our ability to cover a larger segment of the floorcare market and offer value to new customers

Our Opportunity

Develop new products which will fill portfolio gaps

Expand product portfolio to win incremental business

Leverage acquired product platforms to sell profitably at more competitive price points

Our Innovation Process

TENNANT COMPANY

Curate & Cultivate

Customer empathy-based idea generation

Product Roadmaps

Sweepers
Scrubbers
Vacuums
High-pressure washers
Cleaning tools
Parts & consumables
Service

Innovation Vectors

Robotics
Sustainability
Data
Sensing
Ease of use

New products & technologies that drive customer and TNC value

Highly Experienced Innovation Team

R&D Employees	Product & Program Mgrs.	Industrial Designers
220	**25**	**7**

Differentiated Portfolio of Technologies

Patents (active & pending)
275

iris · ec H2O · READY SPACE · X4 ROVR

Global Engineering Footprint

China | Italy | Netherlands | Brazil | USA

Innovating for Profitable Revenue Growth

TENNANT COMPANY

Investment

3-4%
of Sales

50%
Increase in allocation of R&D investment into AMR in 2024

$32M
Investment in Brain Corp to accelerate AMR adoption

R&D
Partnerships and acquired platforms to create R&D leverage



Returns

1.5% to 2%
Target for revenue growth from new products

+20%
New Product IRR targets that exceed 20% with accretive gross margins

Creating Recurring Revenue Streams
with AMR and Connected Services

Leadership positions
in rapidly growing segments



Key Takeaways

We are leading the **Cleaning Market Evolution** toward autonomous cleaning

Our **Innovation Is Focused** on solving our customers' largest problems

We are driving an acceleration in **Robotic Cleaning Growth**

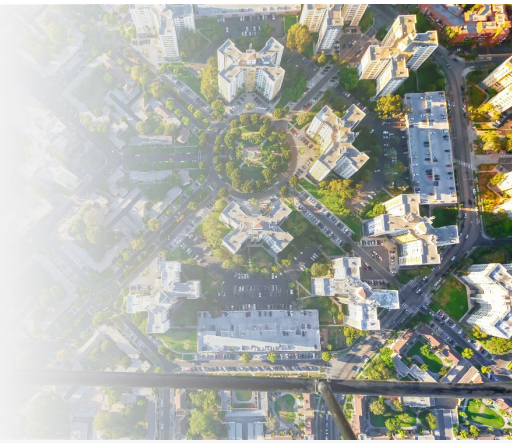
Our innovation investments yield compelling returns of over **20% IRR**

Product innovation is a key growth driver targeting to deliver **1.5% to 2.0% Revenue Growth Annually**

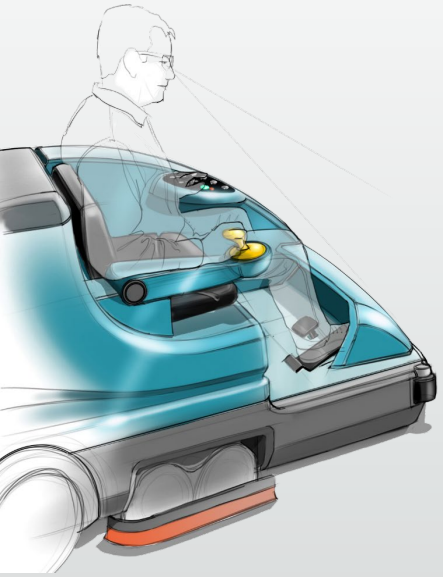
Integrated Sustainability

Reilly Goodwin
Senior Director of Sustainability and ESG
& Vice President, Tennant Foundation

Our Sustainability Vision



At Tennant, sustainability is inspired by our vision to **create a cleaner, safer, healthier world**

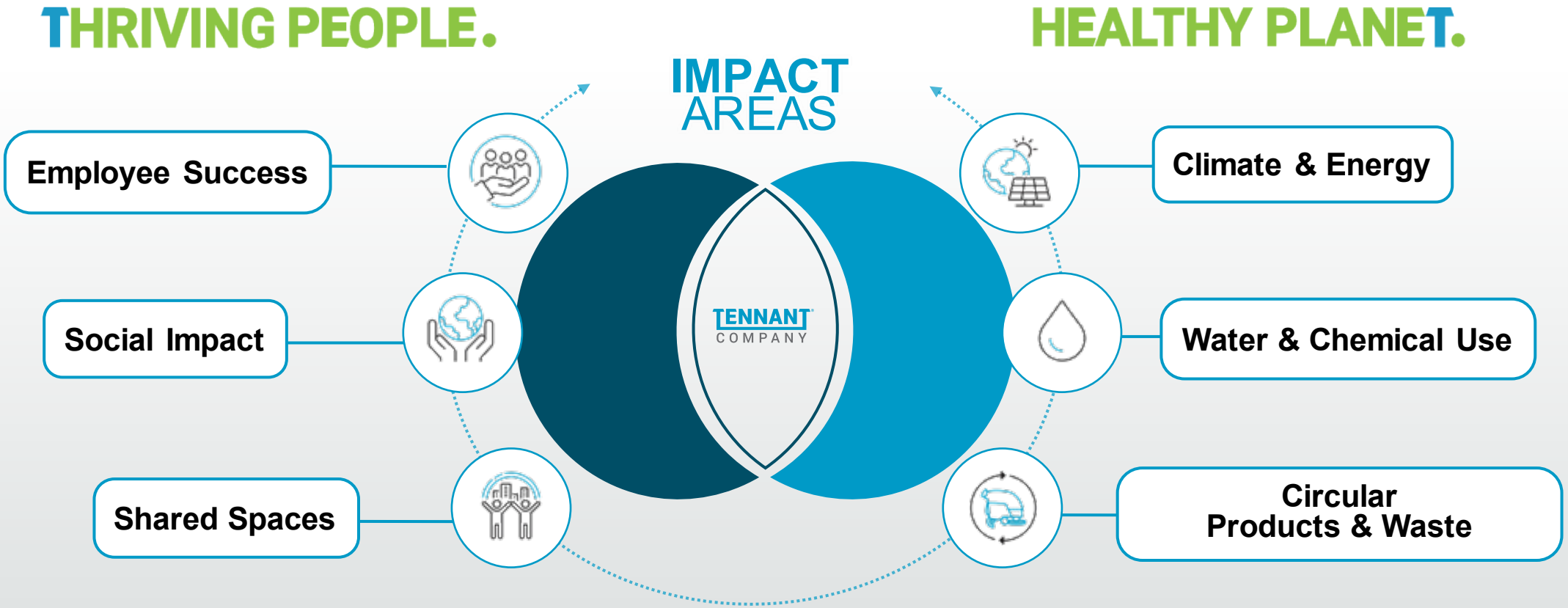


We recognize our unique opportunity, and our responsibility, to drive positive change creating sustainable value for our business, our customers, and society.



Our Approach: Thriving People, Healthy Planet

We believe that by working toward ambitious commitments together with our stakeholders, we can help people thrive, and contribute to a healthier planet.



Our Roadmap to Net-zero

TENNANT COMPANY

Establishing Leadership

2018

SBTi approved 2030 GHG* emissions reduction targets

2020

Achieved 2030 operational targets
Reduced emissions from our operations** 25%*** and emissions from Tennant Legacy^^ machines 32%***

2023

Embedding Net-Zero

Set new SBTi-approved goals to be net zero by 2040

- Reduce emissions from the use of our sold products by 45%^
- Source 100% of our electricity from renewable sources
- Reduce emissions from our global vehicle fleet by 40%^
- Expand sustainability inspired innovation within product strategy and design
- Invest in energy efficiency initiatives across our operations
- Increase our portfolio of electrified and low-emissions products

2030

Accelerating Progress

45% reduction in GHG emissions by 2030^

- Reduce emissions from our operations** 90%^
- Reduce emissions from our global vehicle fleet 100%^
- Reduce emissions from the use of our sold products, and across our supply chain 90%^

Collaborate and partner to develop sustainable innovations that lead the industry toward a cleaner future

2040

Net Zero
1.5°C ambition aligned

*Greenhouse gas emissions | ** Scopes 1 and 2 | *** 2016 baseline year | ^2021 baseline year | ^^ Tennant Legacy is defined as Tennant Company before the IPC acquisition in 2017 and Gaomei acquisition in 2019
* From a 2016 base year / ** From a 2021 base year

Activating Sustainability
Shifting the Traditional Operating Model

Siloed
Teams

Sustainability
Innovation
Operations



Embedded
sustainability across the business, from operations to products

Enabling a Culture of Sustainability

Delivering Against Our Customers' Sustainability Challenges

TENNANT COMPANY

Customer Concerns

Energy Usage
Emissions
Water
Plastic Waste
End of Life
Operator Experience
Compliance Requirements
Workforce and Labor

Efficient Solutions

Electrified Equipment
Water Management
Chemical-Reducing Technology
Ease-of-Use Innovations
AMR
Design for Operator Experience



Actioning sustainability-inspired innovation

Incorporating Net Zero Goals into Product Strategies

TENNANT COMPANY



Bringing forward a more electric product portfolio

To help our customers reach their own climate and sustainability goals



Embedded net-zero goals and emissions reduction into product strategies

Electrification

Lower emission technologies

Other efficiencies

Advancing our business and helping our customers achieve their sustainability goals

THRIVING PEOPLE.
HEALTHY PLANET.

Platform in Action

Holistic Approach to Sustainability Across the ESG Spectrum

TENNANT COMPANY

Industry-Leading Climate Goals



Commitment to net-zero by 2040

Our path to net-zero includes reducing our emissions (across Scopes 1, 2, and Scope 3, use of sold product emissions) 45% by 2030*

Embedding Sustainability into Products

5 key sustainability dimensions

Embedded across our product innovation process to help solve our customers' challenges

Meaningful DEI Ambitions



Increase Women in Leadership 50% by end of 2030

Increase BIPOC employees 30% by end of 2030**

Corporate Philanthropy

Invest 2% pre-tax earnings back into our communities annually

Through volunteerism, product donations and the Tennant Foundation

Delivering Our Purpose

Ambition to help our customers clean 63.5 trillion sq feet across our shared spaces by 2030*

To help more people benefit from shared spaces that are cleaned in sustainable, innovative and better ways



*From a 2021 baseline year | ** Black, Indigenous and People of Color; U.S. Based Employees | *** From a 2022 baseline year



Key Takeaways

We will continue our leadership
setting goals, solving our customers' challenges, and moving the industry forward with sustainable cleaning innovations

---

We are committed to transparency, compliance, and strong corporate governance
share our annual progress and ESG scorecard

Tracking emerging issues and preparing for the future
building resiliency and innovating the sustainable solutions of tomorrow

Unlocking Value

Fay West
Senior Vice President and Chief Financial Officer

Well-Positioned to Create Significant Long-Term Value

TENNANT COMPANY



☑ Organic Net **SALES GROWTH**

☑ Margin **EXPANSION**

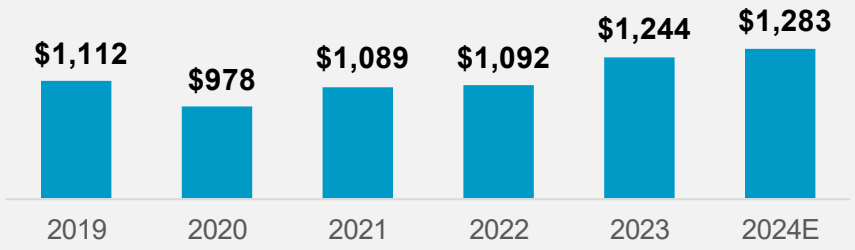
☑ Strong **FREE CASH FLOW**

☑ Growth Through **ACQUISITIONS**

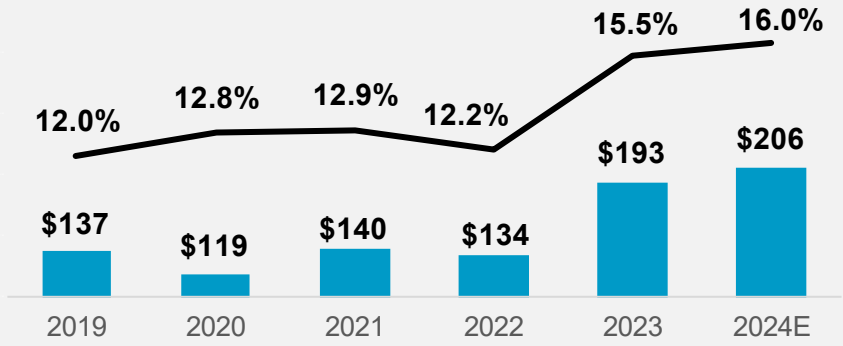
Strong Track Record of Financial Performance

TENNANT COMPANY

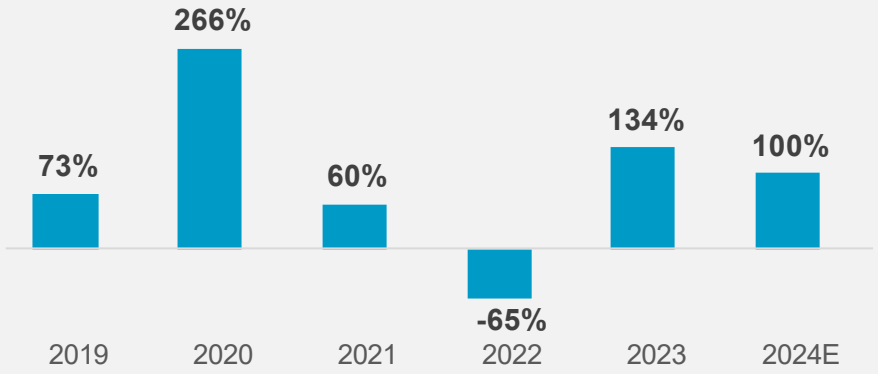
Net Sales ($M)*



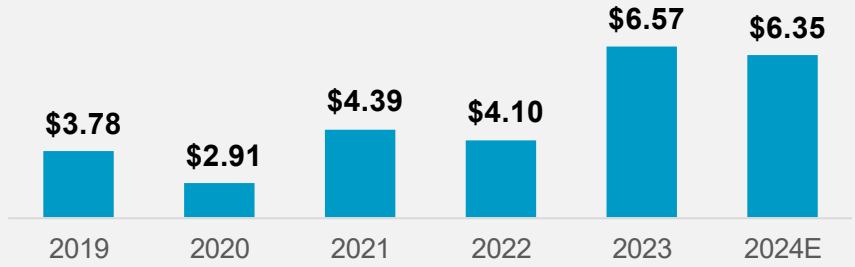
Adjusted EBITDA ($M) & Margin (%)



Adjusted Net Income-to-FCF Conversion



Adjusted EPS ($)

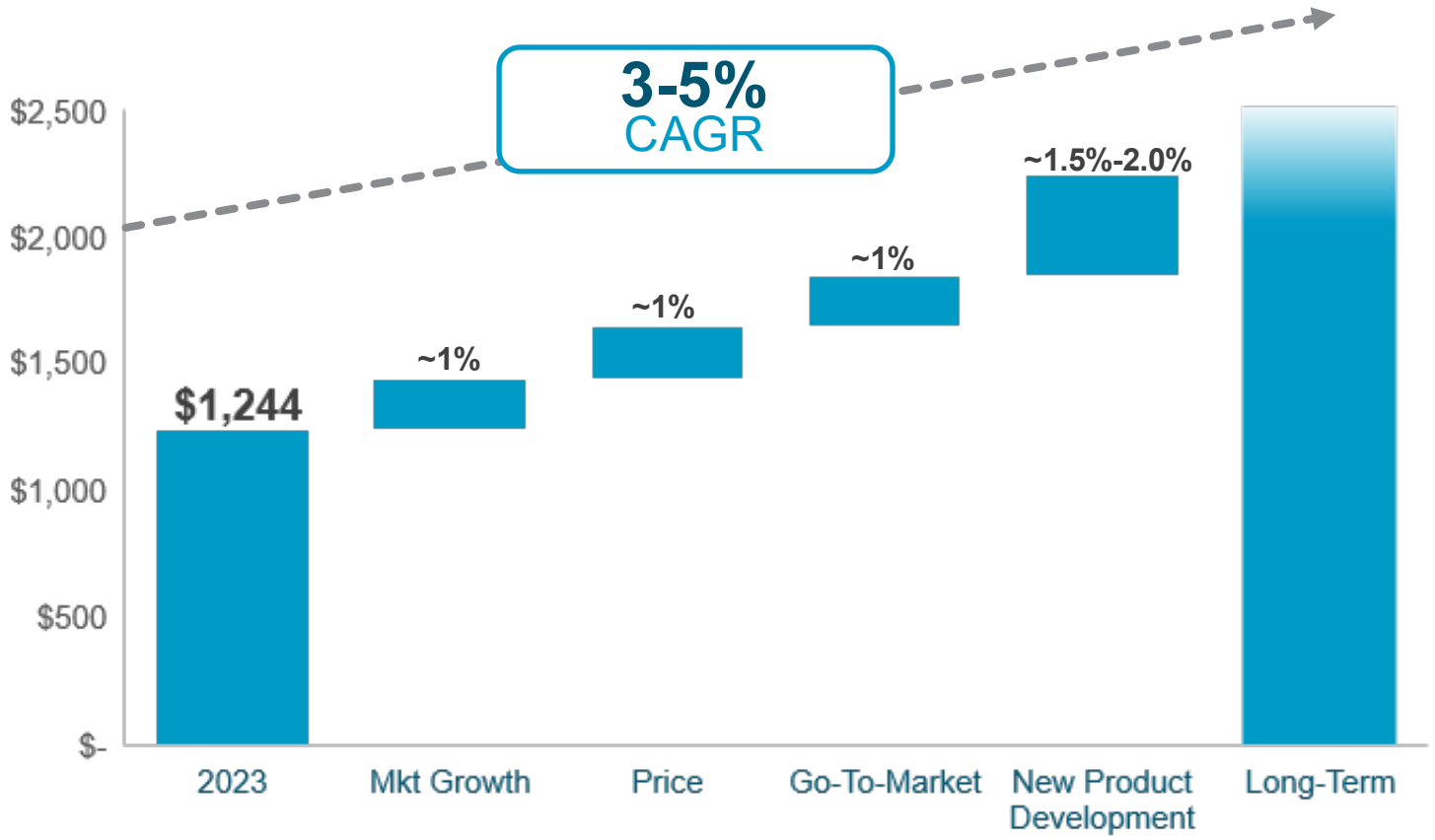


*Net sales excludes divestiture of coatings business in Q1 2021

Strategic Focus on Driving Organic Net Sales Growth

TENNANT COMPANY

Net Sales $M



Drivers

Favorable **Megatrends**

Pricing Excellence

New **Channels & Markets**

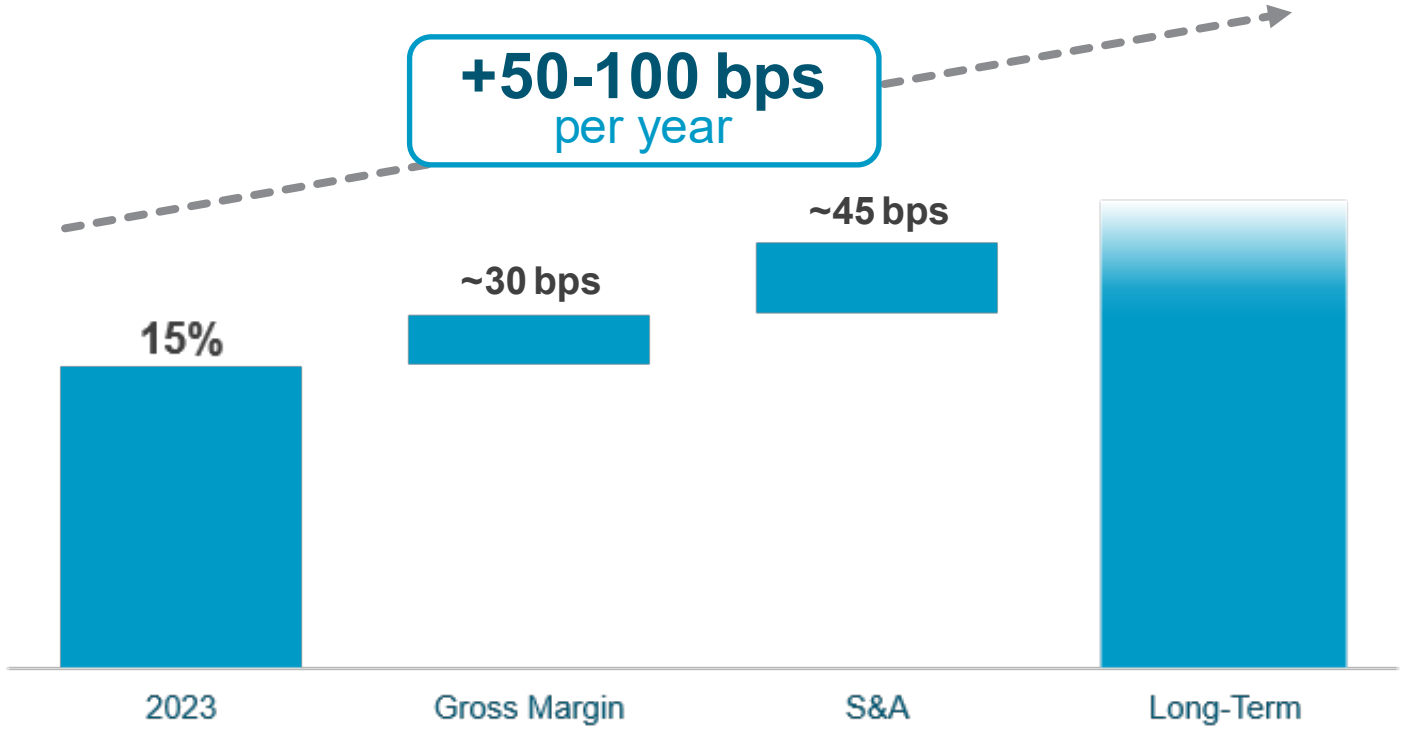
New **Business Models**

Product **Innovation**

Operational Excellence Powering Margin Expansion

TENNANT COMPANY

Adjusted EBITDA Margin



Drivers

Focused **Supply-Chain** Strengthening

Efficient Operations and Manufacturing

Integrated Innovation Process

Enterprise **Resource Planning**

S&A Leverage and Ongoing **Cost Initiatives**

Strong FCF Provides Foundation & Flexibility for Growth-Focused Capital Allocation

TENNANT COMPANY

Capital Allocation Strategy

Invest in the business and organic growth

- New product innovation
- Manufacturing optimization
- Capex $20-$25m per year

Strong Balance Sheet

- Strong FCF generation
- Net leverage ratio of 1x – 2x Adjusted EBITDA
- Provides M&A capacity

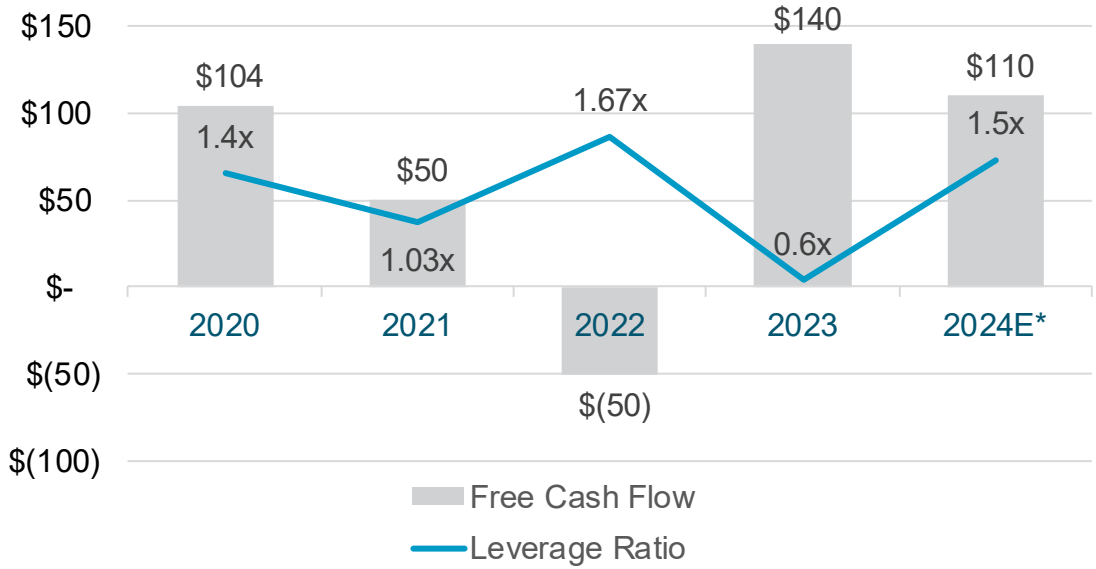
Acquisitions

- Leverage core competencies into adjacencies

Shareholder Return

- Strong dividend history (50+ years of increases)
- Opportunistic share repurchases to offset dilution

FCF and Net Leverage



Well-Positioned for Growth from M&A

TENNANT COMPANY



Financially Strong

Streamlined business, scalable & poised for growth

Significant cash generation

Strong margins, growth and balance sheet



Compelling Value Proposition

Leading cleaning brand

Strong customer relationships

Global service footprint



Winning Business Model

High-quality, low-volume equipment manufacturing

Multi-channel presence

Profitable aftermarket

Large installed base

Strategic M&A Priorities Aligned to Enterprise Strategy

TENNANT COMPANY

1 Defend & Grow Cleaning Core

Maintain and Enhance Strong Margins & Growth

TCS

~$8.6B Market

2 Drive Value Through Connected Autonomy

Gain Share and Increase Recurring Revenue Models

brain corp

~$3-4B Market

3 Expand Portfolio into Mobile Equipment Adjacencies

Diversify & Grow Addressable Market

~$6B Market

Sustained Value-Add

Expand Margins

Accelerate Growth

Enhance Resilient Revenue

Grow TAM

Refer to endnotes for definitions of certain terms used in this presentation.

Enhancing Value Creation Through Disciplined M&A



Strategic Discipline

Strengthens Leadership Position

Geographic Expansion/Penetration

Expands into Attractive Adjacencies

Financial Discipline

Accelerates Growth

Accretive to Margins

IRR > Cost of Capital

Integration Discipline

Acquirer of Choice

Cultural Fit

Potential Synergies

Attractive Long-Term Model

TENNANT COMPANY

3-5%

Net Sales
Organic Growth

50-100bps

Expand Adjusted
EBITDA Margin

100%

Net Income to Free
Cash Flow Conversion

Profitable Growth from M&A Strategy

~$150 million

Net Sales Added Over 3 Years

Significant Value Creation



TENNANT COMPANY

Key Takeaways

Proven Track Record
of Strong Financial Performance

Visible Pathway
to Sales Growth and Margin Expansion

Robust FCF
to Fund Growth-focused Capital Allocation Strategy

Strategic M&A Strategy
to Complement and Enhance Growth

Attractive Long-term Goals

BREAK

5 Minutes

TENNANT COMPANY

TNC LISTED NYSE

TENNANT COMPANY

Q&A

TNC
LISTED
NYSE



Closing Remarks

Dave Huml
President and Chief Executive Officer

70



Takeaways From The Day

Drive long-term, above-market growth
through premium product offerings, trusted brands & aftermarket services that deliver strong customer ROI

Multi-channels to market
drives leading market positions

Broad vertical market customers
provides growth potential, insulation from cyclical/sector downturns

Market-leading aftermarket service
capabilities enables strong recurring aftermarket business

Disciplined capital deployment,
including a focused M&A growth strategy

Thank You

TENNANT COMPANY

TNC LISTED NYSE

Appendix

Endnotes

TNC's estimated market share and the estimated **total addressable market** include mechanized cleaning equipment and other adjacencies (scrubbers, sweepers, AMR, vacuums & extractors, floor machines & burnishers, specialty equipment, industrial vacs, high-pressure washers, tools, outdoor, and aftermarket products). Market share estimated as of 2023. Information is based on information (self-reported and voluntary) from certain trade groups and associations and market research conducted by third party (commissioned by Tennant) and are estimates only.

AMR, small space, and product line extensions market sizes are estimated as of 2023. Information based on information (self-reported and voluntary) from certain trade groups and associations and market research conducted by third party (commissioned by Tennant) and are estimates only.

CAGR estimates are based on input from industry experts and their understanding of the current state of business and future growth expectations; therefore, subject to change.

Cleaning core, connected autonomy, and mobile equipment adjacencies market sizes are estimates based on market research conducted by third party (commissioned by Tennant). Sources include market reports, S&P CapIQ, Orbis, Company websites. **Cleaning core** market refers to total addressable market of mechanized cleaning equipment and other adjacencies. **Connected autonomy** market refers to the autonomy technology software stack including robotics. Mobile equipment adjacencies refers to compact ergonomic equipment, non-cleaning industrial autonomous vehicles, and other viable, non B2C equipment spaces.

Appendix

Non-GAAP Reconciliations

Reported to Net Sales Excluding Divestitures

	2019	2020	2021	2022	2023
Net Sales	$ 1,137.6	$ 1,001.0	$ 1,090.8	$ 1,092.2	$ 1,244.0
Less:					
Coatings divestiture	(25.7)	(22.7)	(1.5)	-	-
Net Sales excluding divestitures	$ 1,111.9	$ 978.3	$ 1,089.3	$ 1,092.2	$ 1,244.0

Appendix

Non-GAAP Reconciliations

Reported Net Income to Adjusted EBITDA

	2019	2020	2021	2022	2023
Net Income - as reported	$ 45.9	$ 33.7	$ 64.9	$ 66.3	$ 109.5
Less:					
Interest expense, net	17.8	17.4	7.3	7.1	13.5
Income tax expense	8.1	7.4	9.2	13.2	14.3
Depreciation expense	32.2	32.6	33.1	32.8	36.4
Amortization expense	22.2	20.8	20.0	15.9	14.7
EBITDA	$ 126.2	$ 111.9	$ 134.5	$ 135.3	$ 188.4
Adjustments:					
Discontinuation of product lines	3.3	1.7	-	-	-
Gain on sale of assets	-	-	-	(3.7)	-
Restructuring-related charge (Cost of sales)	0.3	1.5	0.8	0.3	0.7
Restructuring-related charge (S&A expense)	4.5	6.1	2.7	1.8	2.2
Inventory step-up	0.9	-	-	-	-
Acquisition and integration costs (S&A expense)	3.0	-	-	-	-
Acquisition and integration costs (Other income, net)	(1.8)	-	-	-	-
Note Receivable Write-down	2.7	-	-	-	-
Professional services	0.1	0.3	-	-	-
ERP modernization (S&A expense)	-	-	-	-	1.6
Acquisition-contingent consideration agreement	(2.3)	(0.4)	0.7	-	-
Gain on sale of business	-	-	(9.8)	-	-
Acquisition-related liability adjustment	-	(1.7)	-	-	-
Loss on extinguishment of debt	-	-	11.3	-	-
EBITDA - as adjusted	$ 136.9	$ 119.4	$ 140.2	$ 133.7	$ 192.9
EBITDA margin - as adjusted	*12.0%*	*11.9%*	*12.9%*	*12.2%*	*15.5%*

Appendix

Non-GAAP Reconciliations

Reported to Adjusted Net Income

	2019	2020	2021	2022	2023
Net income attributable to Tennant Company- as reported	$ 45.8	$ 33.7	$ 64.9	$ 66.3	$ 109.5
Adjustments:					
Discontinuation of product lines	2.7	1.3	-	-	-
Gain on sale of assets	-	-	-	(2.8)	-
Restructuring-related charge (Cost of sales)	0.2	1.1	0.6	0.2	0.5
Restructuring-related charge (S&A expense)	3.2	4.4	2.0	1.3	1.6
Inventory step-up	0.7	-	-	-	-
Acquisition and integration costs (S&A expense)	2.4	-	-	-	-
Acquisition and integration costs (Other income, net)	(1.8)	-	-	-	-
Note Receivable write-down	2.7	-	-	-	-
Professional services	0.1	0.2	-	-	-
ERP modernization (S&A expense)	-	-	-	-	1.2
Acquisition-contingent consideration agreement	(2.3)	(0.4)	0.2	-	-
Gain on sale of business	-	-	(7.5)	-	-
Acquisition-related liability adjustment	-	(1.3)	-	-	-
Loss on extinguishment of debt	-	-	8.6	-	-
Amortization expense	16.2	15.1	14.5	11.5	10.6
Net Income attributable to Tennant Company - as adjusted	$ 69.9	$ 54.1	$ 83.3	$ 76.5	$ 123.4

Reported Operating Cash Flows to Free Cash Flows

	2019	2020	2021	2022	2023
Operating cash flow - as reported	$ 71.9	$ 133.8	$ 69.4	$ (25.1)	$ 188.4
Capital expenditures	(38.4)	(29.9)	(19.4)	(25.0)	(22.8)
Free cash flow	$ 33.5	$ 103.9	$ 50.0	$ (50.1)	$ 165.6

Appendix

Non-GAAP Reconciliations

Reported to Adjusted Net Income Per Diluted Share

	2019	2020	2021	2022	2023
Net income per diluted share - as reported	$ 2.48	$ 1.81	$ 3.44	$ 3.55	$ 5.83
Discontinuation of product lines	0.15	0.07	-	-	-
Gain on sale of assets	-	-	-	(0.15)	-
Restructuring-related charge (Cost of sales)	0.01	0.06	0.03	0.01	0.03
Restructuring-related charge (S&A expense)	0.17	0.24	0.10	0.07	0.09
Inventory ste-up	0.04	-	-	-	-
Acquisition and integration costs (S&A expense)	0.12	-	-	-	-
Acquisition and integration costs (Other income, net)	(0.10)	-	-	-	-
Note Receivable write-down	0.15	-	-	-	-
Professional services	-	0.01	-	-	-
ERP modernization (S&A expense)	-	-	-	-	0.06
Acquisition-contingent consideration agreement	(0.12)	(0.02)	-	-	-
Gain on sale of business	-	-	(0.40)	-	-
Acquisition-related liability adjustment	-	(0.07)	-	-	-
Loss on extinguishment of debt	-	-	0.45	-	-
Amortization expense	0.88	0.81	0.77	0.62	0.56
Net income per diluted share - as adjusted	$ 3.78	$ 2.91	$ 4.39	$ 4.10	$ 6.57