



Reinventing
how the
world cleans.

INVESTOR PRESENTATION

November 2021



[TENNANTCO.COM](https://www.tennantco.com)



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 we serve. Particular risks and uncertainties presently facing us include: geopolitical and economic uncertainty throughout the world; uncertainty surrounding the impacts and duration of the COVID-19 pandemic; our ability to comply with global laws and regulations; our ability to adapt to customer pricing sensitivities; the competition in our business; fluctuations in the cost, quality or availability of raw materials and purchased components; our ability to adjust pricing to respond to cost pressures; unforeseen product liability claims or product quality issues; our ability to attract, retain and develop key personnel and create effective succession planning strategies; our ability to effectively develop and manage strategic planning and growth processes and the related operational plans; our ability to successfully upgrade and evolve our information technology systems; our ability to successfully protect our information technology systems from cybersecurity risks; the occurrence of a significant business interruption; our ability to maintain the health and safety of our workers; our ability to integrate acquisitions; and our 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 our results can be found in our 2020 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 us in our 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.





PROFILE:

A Global Leader in Mechanized Cleaning



\$1.0B

2020 Revenue



\$119.4M / 11.9%

2020 Adjusted EBITDA*

MULTIPLE

Initiatives to improve profitability

INNOVATIONS

That deliver value for Tennant and our customers

SOLID

Balance sheet and cash flow

PROFIT-ORIENTED

Growth Model



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*Note: See the Supplemental Non-GAAP Financial Table within the Q4'20 Earnings Release for details.

The Leader in the Cleaning Market



\$5B

MARKET SIZE

Includes only Tennant-like categories
Excludes power washers and tools

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Tennant | IPC | Gaomei | Nobles | Alfa



20%

Market Share

MARKET LEADER

TENNANT
COMPANY



The RIGHT PRODUCTS and SERVICES

5

Our Core Brands

Throughout its history, Tennant has focused on advancing our industry by aggressively pursuing new technologies and creating a culture that values innovation.

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**Innovation
Leader**

Unmatched
Service

Industry-
leading
Quality



**Mid-tier
Market**

Distributor
Based

Expanded
Product
Offering



**China
Market**

Mid-tier China
Market



The RIGHT PRODUCTS and SERVICES

6

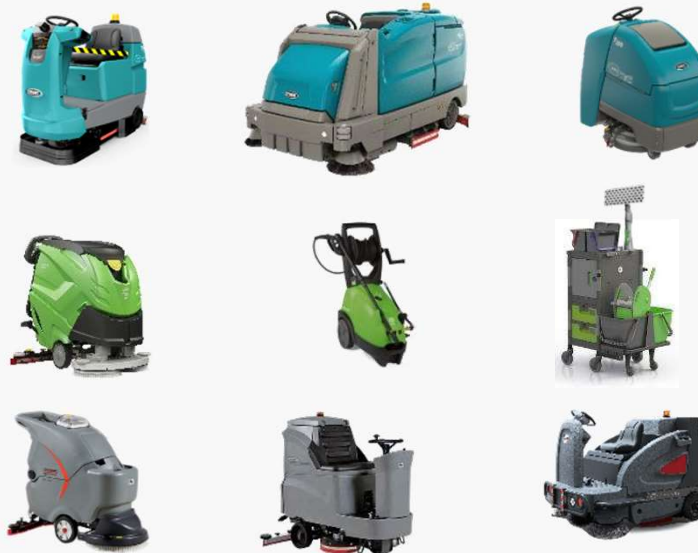
A Broad Portfolio of Solutions

Equipment and technologies that help increase cleaning productivity

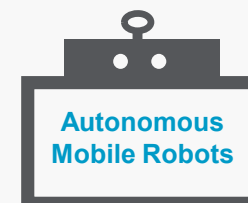
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Products

Commercial | Industrial | Vacuums | Pressure Washers | Aftermarket | Tools



Technologies





The RIGHT CUSTOMERS

7

A Targeted Go-to- Market Approach

CHANNELS



Strategic
Accounts



Direct
Sales



Distributor



Service



e-Commerce

65% Direct (500+ reps) | 35% Distribution (80+ countries)

MARKETS



Contract Cleaners



Manufacturing



Education



Retail



Logistics & Warehousing



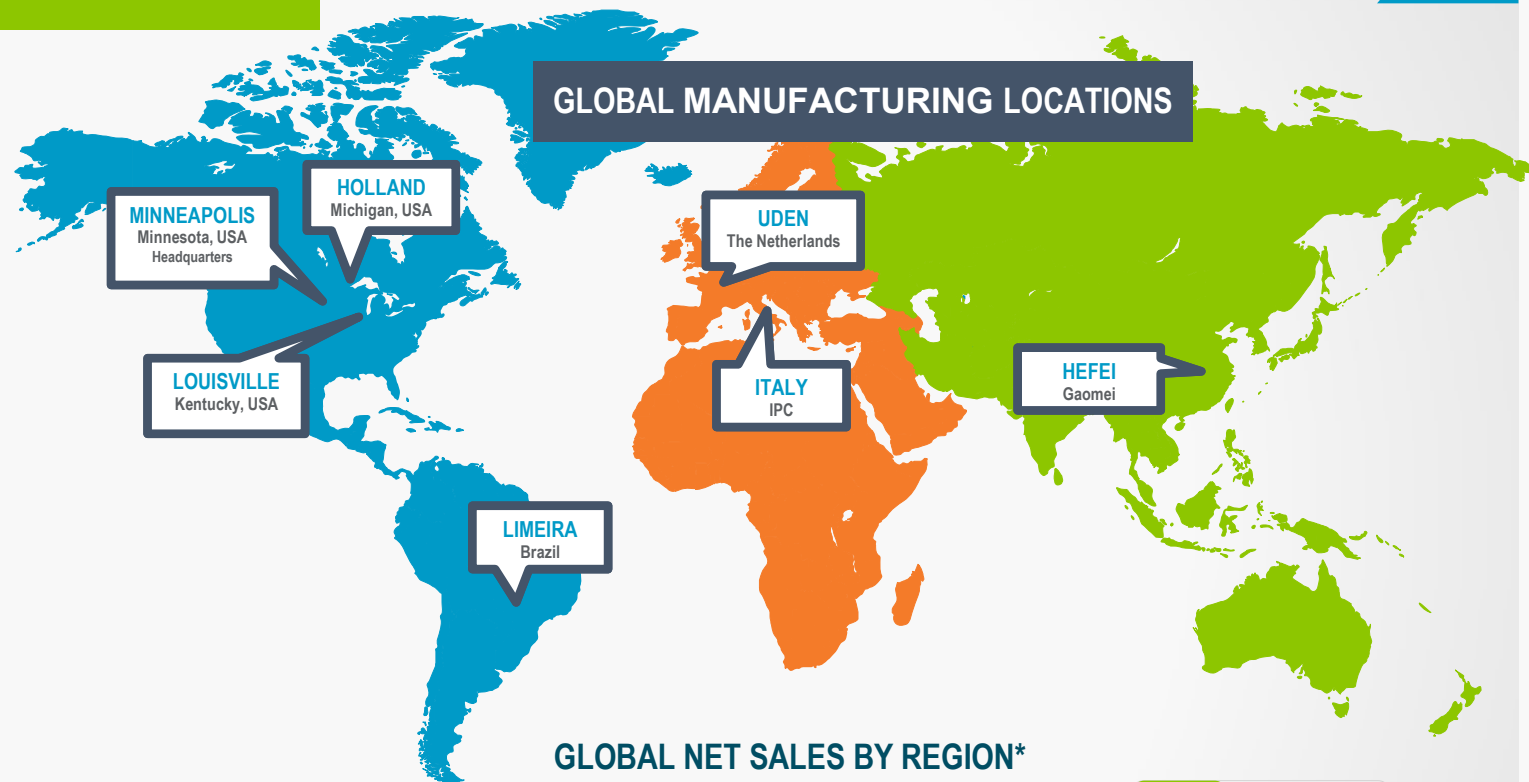
Healthcare



The RIGHT GEOGRAPHIES

8

Global Presence with Local Touch



GLOBAL NET SALES BY REGION*



TENNANT BY THE NUMBERS



~4,300

EMPLOYEES

11

MFG PLANTS

40,000+

CUSTOMERS

500+

SALES REPS

400+

DISTRIBUTORS

100+

COUNTRIES

*Approximate rounded rates based on 2020.

Our Competitive Advantage

#1



**HOLISTIC
BUSINESS
MODEL**

#2



**INNOVATIONS
THAT DRIVE
VALUE**

#3



**BREADTH OF
BRAND
OFFERINGS**

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Holistic Business Model

COMPETITIVE ADVANTAGE #1

Serving Customers Through the Entire Product Lifecycle

Our ecosystem meets customers' evolving needs and positions Tennant to capture highly profitable business



NEW AND PRE-OWNED EQUIPMENT

Commercial and Industrial

63% of Revenue

GLOBAL DIRECT SERVICE

900+ Employees

14% of Revenue

PARTS AND CONSUMABLES

Batteries, Brushes, Squeegees, etc.

21% of Revenue

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*Above percentages exclude coatings, which is approximately 2% of revenue and was also divested in Q1 2021.

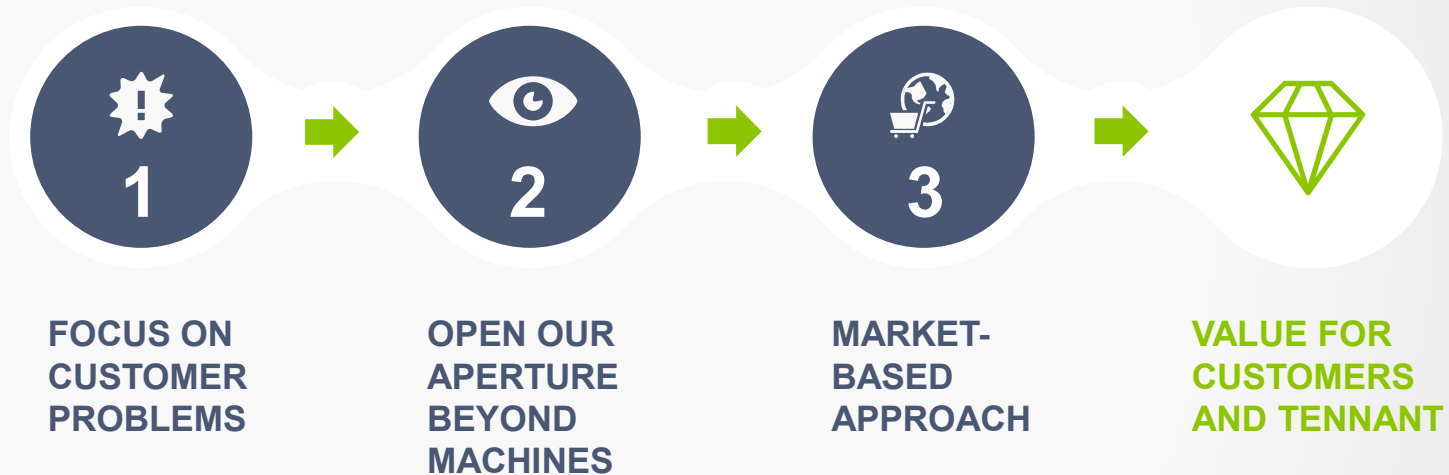
Solving Customer Challenges Through Innovation

COMPETITIVE ADVANTAGE #2

11

Our New Innovation Process

Well-positioned to take advantage of digital disruption



A Track Record of Monetizing Innovation

A CLOSER LOOK AT INNOVATION



Bringing the AMR Robotic Floor Scrubbers Quickly to Market

Tennant quality and performance with Brain navigation software offers unmatched value proposition to address customer labor needs



APR 2018

Announced agreement with Brain Corp



OCT 2018

Officially launched the T7AMR



NOV 2018

First unit shipped



APR 2019

Walmart agreement announced



OCT 2020

Launched robotic floor scrubber for small spaces (T380AMR)



FEB 2021

Launched industry's first robotic floor scrubber for industrial applications (T16AMR)

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Strong Brand Presence in Markets We Serve

COMPETITIVE ADVANTAGE #3



**PREMIUM &
MID-TIER
PRODUCTS**
for each region
to meet
customer needs



AMERICAS



PREMIUM | MID-TIER



EMEA



PREMIUM | MID-TIER



APAC



GAOMEI

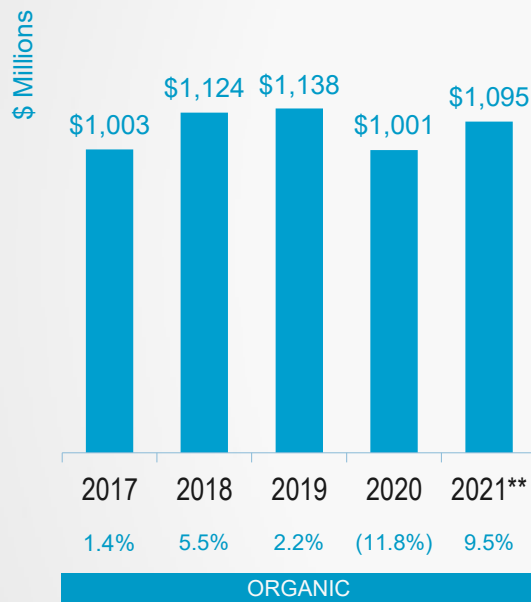


PREMIUM | MID-TIER

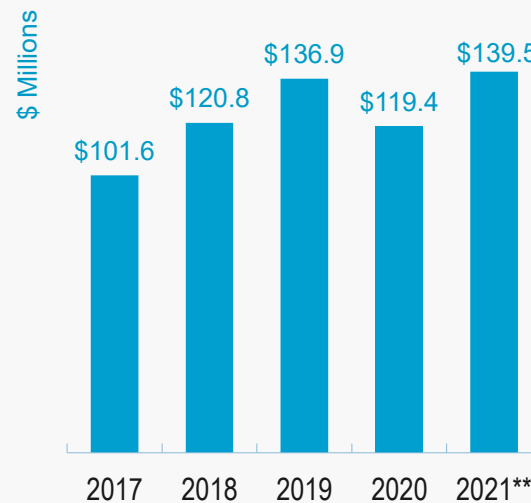
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Reasonable Growth with Improved Profitability

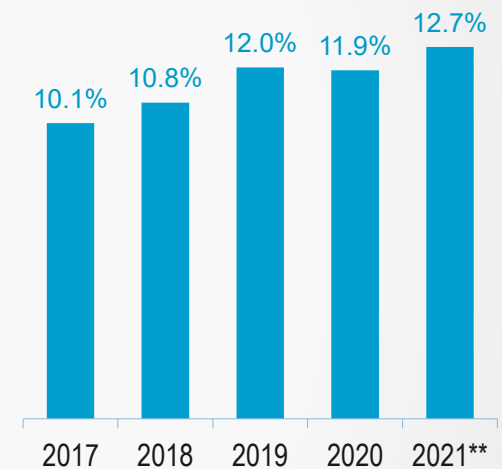
Revenue



EBITDA (adjusted)*



EBITDA % (adjusted)*



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*Note: See the Supplemental Non-GAAP Financial Table within the Q4'20 Earnings Release for details.

**Note: Mid-Point of Guidance.

Momentum is building

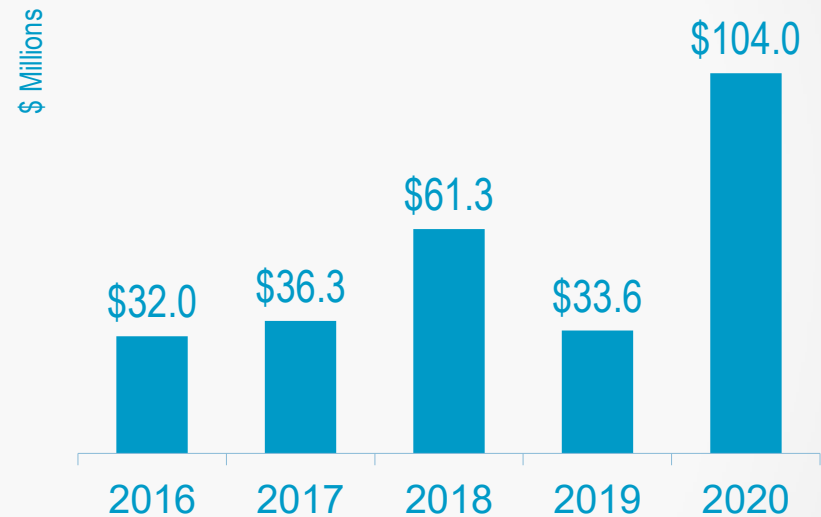
Leveraging Strong Cash Position to Drive Shareholder Returns



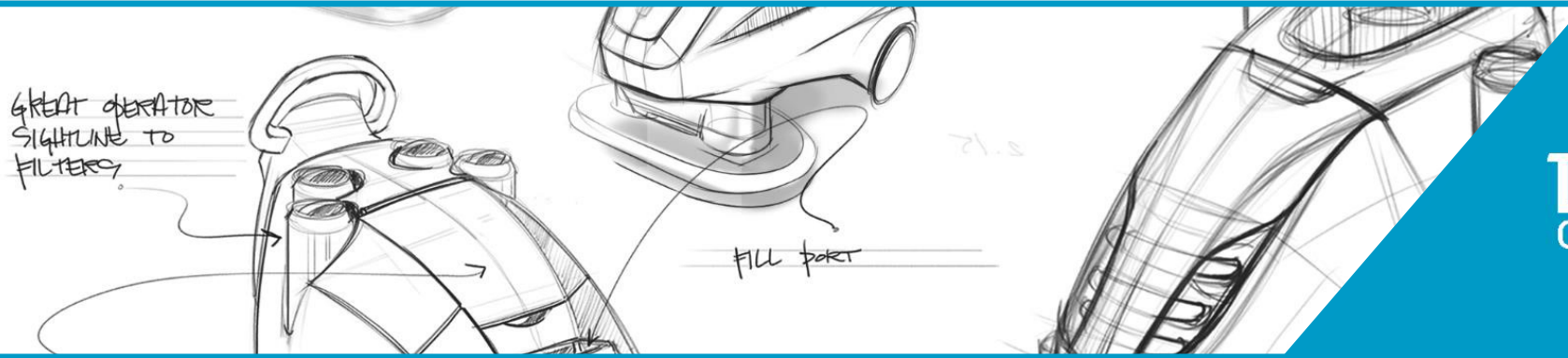
Priorities for Cash

- ▶ Invest in the business
- ▶ Manage debt
1.5 to 2.5 leverage
- ▶ Dividends – 76 years
- ▶ Opportunistic M&A
- ▶ Share Repurchase

Free Cash Flow



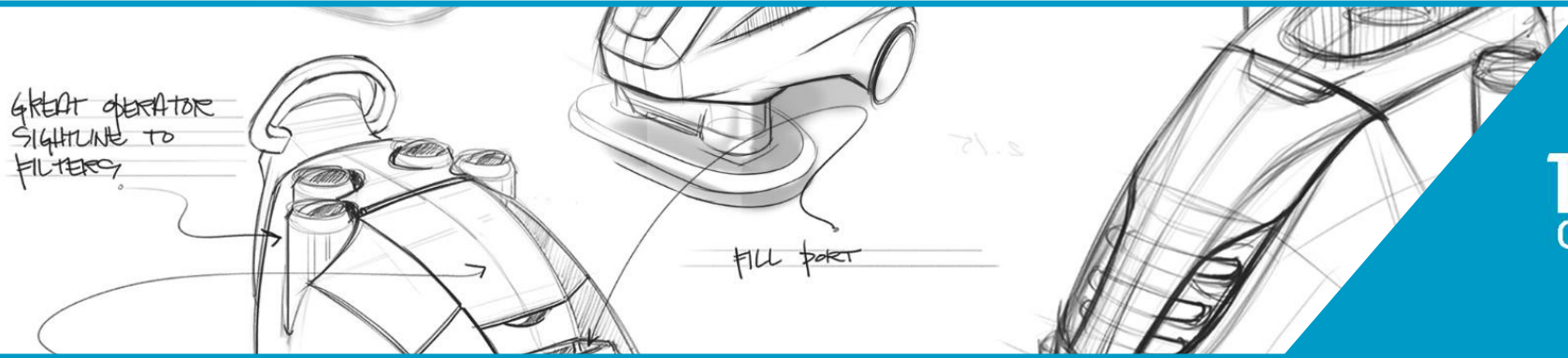
Operating Cash Flow	\$57.9	\$54.2	\$80.0	\$71.9	\$133.8
CapEx	(\$25.9)	(\$17.9)	(\$18.7)	(\$38.3)	(\$29.8)



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Questions

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APPENDIX

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Our Vision

We will lead our global industry in sustainable cleaning innovation that empowers our customers to create a cleaner, safer and healthier world.



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Market
Leader



Strong
Financial
Health



Executing
on our
Strategy

“

“Tennant really made us feel like a valued partner. They took the lead in finding a solution, using their hard-earned experience and expertise to position us to succeed.”

”

TIM RUPARD

PRESIDENT AND CHIEF OPERATING
OFFICER OF MARSDEN SOUTH



Our Business Model



The RIGHT
**PRODUCTS AND
SERVICES**



The RIGHT
CUSTOMERS



The RIGHT
GEOGRAPHIES

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Market Trends Drive Demand for Our Solutions

#1



AUTOMATION

Acute labor challenges among commercial and industrial customers

#2



HEALTH & SAFETY

Stricter standards and critical needs in a COVID-19 world

#3



DIGITAL DISRUPTION

Internet of Things (IoT) opens new frontiers

3-Pillar Enterprise Strategy to Unlock Our Full Potential

Our Focus Going Forward

Tennant's Long-Term Enterprise Strategy



Win where we have a competitive advantage



Reduce complexity & build scalable processes



Innovate for profitable growth

Win where we have a competitive advantage

OUR LONG-TERM ENTERPRISE STRATEGY



Simplifying our Product Portfolio

Streamlining, rationalizing and investing in our product portfolio to enhance customer value

Today	Reductions Achieved
290	35% 20%
Core TNC Models	SKUs Options

Strengthening Local Advantage

Differentiated strategies to drive EBITDA and assess our market position vs. the competition

Today	Addressing
~140	12
Markets Served Globally	Markets by 2024

Optimizing Go-to-Market

Aligning customer experience with customer value expectations

Applying
80/20
Principles

Reduce complexity & build scalable processes

OUR LONG-TERM ENTERPRISE STRATEGY



Leveraging Our Platform Product Design

Platform approach to simplify operations, improve quality and reduce costs

Today
Value
Engineering

Sub-System
Architecture

Upcoming
Commodity
Components

Product
Architecture

Operations: In Region, For Region

Win locally by delivering superior customer experience: delivery, quality, cost

Source Locally

Win Locally

Manufacture Locally

Capturing Operating Model Efficiencies

Strategically scaling from “big” small company to “small” big company

Gaining Leverage with Scale

Assess inefficiencies
Standardize processes that can scale
Enable with automation & IT

Innovate for profitable growth

OUR LONG-TERM ENTERPRISE STRATEGY



**Thinking Differently to Maximize
Value for Customers and Tennant**



**Customer-
Driven
Insights**



**New
Innovation
Approach**



**Unlocking Value
for Customers
and Tennant**

Capitalizing on the Strategy:

2024 Annual Growth Targets

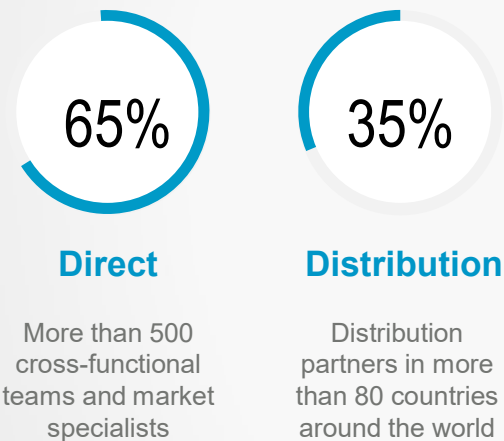


Consistent and predictable results to drive total shareholder return

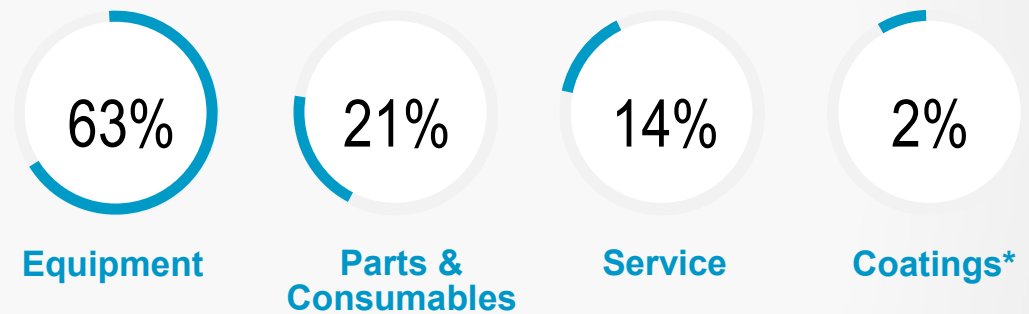
*Note: See the Supplemental Non-GAAP Financial Table within the Q4'20 Earnings Release for details.

Global Revenue

Global Revenue by **SALES CHANNEL**



Net Sales by **PRODUCT GROUP**



*Coatings was divested in Q1 2021.

Market Leader in \$5B Cleaning Market

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Tennant | IPC | Gaomei Nobles | Alfa

Market Share

20%

Nilfisk
trusted since 1906

Nilfisk | Advance | Clarke | Viper

18%

KÄRCHER

Karcher | Windsor | TecServ | ProChem

12%

Hako

Hako | Minuteman | PowerBoss

9%

TASKI
Diversey

Taski

3%



38%

of the market
consists of
firms with
market share
of 3% or less

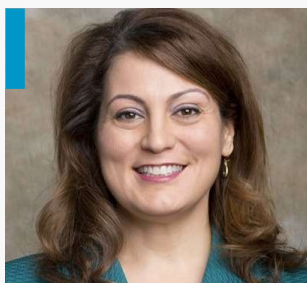
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Experienced Leadership Team



Dave Huml

President and CEO



Fay West

SVP and Chief Financial Officer



Rusty Zay

SVP, Chief Commercial Officer



Dan Glusick

SVP, Global Operations



Carol McKnight

SVP and Chief Administrative Officer



Barb Balinski

SVP of Innovation & Technology



Kristin Stokes

SVP, General Counsel & Corporate Secretary

Experience at
World-Leading Companies

Honeywell

PENTAIR

Whirlpool
CORPORATION

ATK

Pillsbury

EMERSON

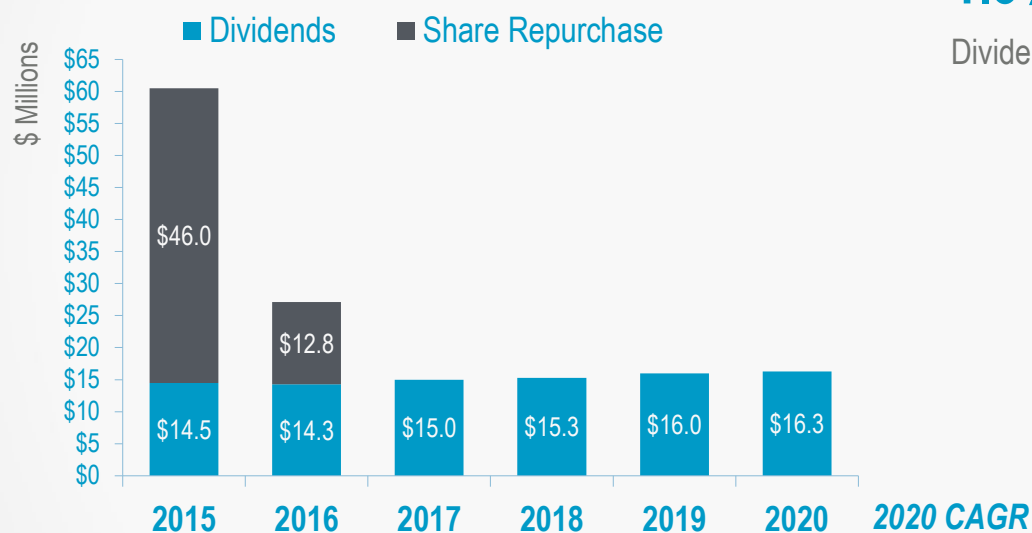
Häagen-Dazs

GM

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Shareholder Return

Tennant Dividends & Share Repurchases



Dividends Per Share	\$0.80	\$0.81	\$0.84	\$0.85	\$0.88	\$0.89	2020 CAGR
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1.3%

Dividend Yield*

76

Consecutive years of cash dividends

49

Consecutive years of increase in annual cash dividend payout

2017 to 2019 Focus on Debt Reduction

Remaining Share Repurchase Authorization (1.3M shares)

*Note: Dec. 31, 2020, share price of \$70.17.

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Sales | EBITDA | EPS

Organic: FY '20 of -11.8%, FY '21 Guidance 9.0% to 10.0%

	FY '20	FY '19	CHANGE	FY '21**	FY '20	CHANGE
Sales	\$ 1.00 B	\$ 1.14 B	-12.0%	\$ 1.095 B	\$ 1.00 B	+10.0%
Adjusted EPS*	\$2.91	\$3.78	-23.0%	\$4.30	\$2.91	+47.8%
Adjusted EBITDA*	\$119.4 M	\$136.9 M	-12.8%	\$139.5 M	\$119.4 M	+21.4%
Adjusted EBITDA Margin*	11.9%	12.0%	-10 bps	12.7%	11.9%	+130 bps

*Note: See the Supplemental Non-GAAP Financial Table within the Q4'20 Earnings Release for details.

**Note: Mid-Point of Guidance.

2021 Guidance

	<u>Guidance</u>
Revenue	\$1.09B to \$1.10B
Organic %	9.0% to 10.0%
GAAP EPS	\$3.50 to \$3.70
Adjusted EPS*	\$4.20 to \$4.40
Adjusted EBITDA*	\$137M to \$142M
Capital Expenditures	Approximately \$20M
Adj. Effective Tax %*	Approximately 15%

*Excludes certain non-operational items and amortization expense.