



# Q1 2026 Results

Earnings Release Call

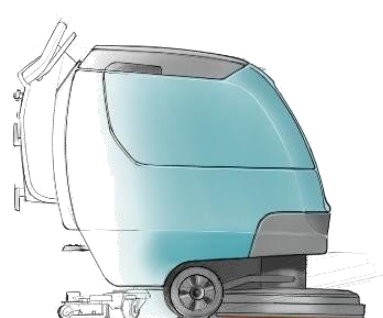
May 5, 2026

[www.investors.tennantco.com](http://www.investors.tennantco.com)

Tennant Company

# 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: geopolitical and economic uncertainty throughout the world; our ability to comply with global laws and regulations; changes in foreign currency exchange rates; 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; complications with our new ERP system; the occurrence of a significant business interruption; our ability to maintain the health and safety of our workers; our ability to integrate acquisitions; our ability to develop and commercialize new innovative products and services; and risks related to our business transformation and strategic initiatives. 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 2025 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.



# First Quarter Highlights

## Order Momentum Continues

- ▶ Orders grew 10% during the first quarter, demonstrating strong and broad-based demand momentum
- ▶ Backlog grew \$32 million in the first quarter, as robust order entry outpaced shipments during the quarter

## Profitability Improvements

- ▶ Gross margin and Adjusted EBITDA strengthened sequentially from the fourth quarter of 2025, as ERP stabilization drove improved throughput and operational execution

## Return Capital to Shareholders

- ▶ Returned capital to shareholders through dividends totaling \$5.5 million and share repurchases for \$60 million during the first quarter, representing ~5% of outstanding shares at the start of the year

## First Quarter 2026 Results

### Net Sales

**\$297.9M**

-1.9% Organic Decline

### Adj. EBITDA\*

**\$29.1M**

9.8% Adj. EBITDA Margin

### Adj. Diluted EPS\*

**\$0.58/share**

\$1.12/share in Q1 2025

Tennant Company

# ERP North America Recovery

*North America ERP Recovery on Track; Shifting from Stabilization to Optimization*



## Stabilization Complete

- ▶ Core workflows (order management, production scheduling, fulfillment) operating reliably at scale by quarter end
- ▶ Operational performance improved sequentially each month through Q1



## Shift to Optimization

- ▶ Focus moved from fixing functionality to driving throughput, labor productivity, and system-enabled performance
- ▶ Active work to phase out remaining manual workarounds and address friction points identified during stabilization



## Path to Margin Recovery

- ▶ Enterprise-level gross margin exit rate of approximately 40% in March supports confidence in continued recovery
- ▶ Steady Q1 improvement reinforces trajectory of progressive gross margin expansion through the year



## EMEA Phase Deferred

- ▶ EMEA implementation intentionally pushed beyond 2026 to keep focus on North America recovery
- ▶ Lessons learned from North America informing approach to future regional rollouts

Tennant Company

# TNC Robotics Momentum

*Acting Decisively to Capture the Robotic Cleaning Inflection Point*

## Proven Scale and Leadership

- ▶ Profitable, U.S.-based robotics business; 11,500+ robots shipped cumulatively since 2018
- ▶ Q1 AMR sales (equipment and autonomy service fees) of approximately \$27M, or 9% of total net sales

## TNC Robotics Venture Activated

- ▶ Dedicated venture operating with the speed and urgency of an entrepreneurial startup
- ▶ Accelerated by the full power of the core business: proven portfolio, preferred brands, channel reach, and 1,000+ field service technicians

## Brain Corp Partnership Extended

- ▶ Exclusivity arrangement extended three additional years, securing exclusive BrainOS® access in our category
- ▶ BrainOS® Clean 2.0 and SelfPath™ AI delivering 22% better floor coverage, 55% more autonomous operation, and 3x faster fleet deployment in early real-world use

## New Products, New Channels

- ▶ Launched X16 SWEEP (industrial robotic sweeper) and X2 ROVR (small-format scrubber); plan to bring 10 new AMR products to market over the next 24 months
- ▶ Expanding channel reach via BSCs and distribution partners; on track to deliver \$250M in AMR revenue by 2028



Tennant Company

# Capital Allocation Framework

*Disciplined Capital Allocation Driving Long-Term Shareholder Value*



## Invest in the Business

- ▶ Prioritize organic growth, R&D, and operational improvements
- ▶ Target ~3.0% to 3.5% of sales in R&D; \$20M to \$25M annual capex

## Maintain Balance Sheet Strength

- ▶ Targeted net leverage of 1x to 2x adjusted EBITDA
- ▶ Expect leverage to trend toward lower end of range by year-end 2026

## Pursue Strategic M&A

- ▶ Evaluate opportunities that meet strategic and financial criteria
- ▶ Recent EMEA distributor acquisitions strengthened portfolio and capabilities

## Return Capital to Shareholders

- ▶ Share repurchases

**\$60M** Deployed **~950K** Shares **\$63** Avg Price **~5%** of Shares Outstanding

*Q1 2026 share repurchases: high-conviction response to event-driven dislocation*

- ▶ Continued disciplined dividend growth



# FINANCIAL RESULTS

## First Quarter 2026

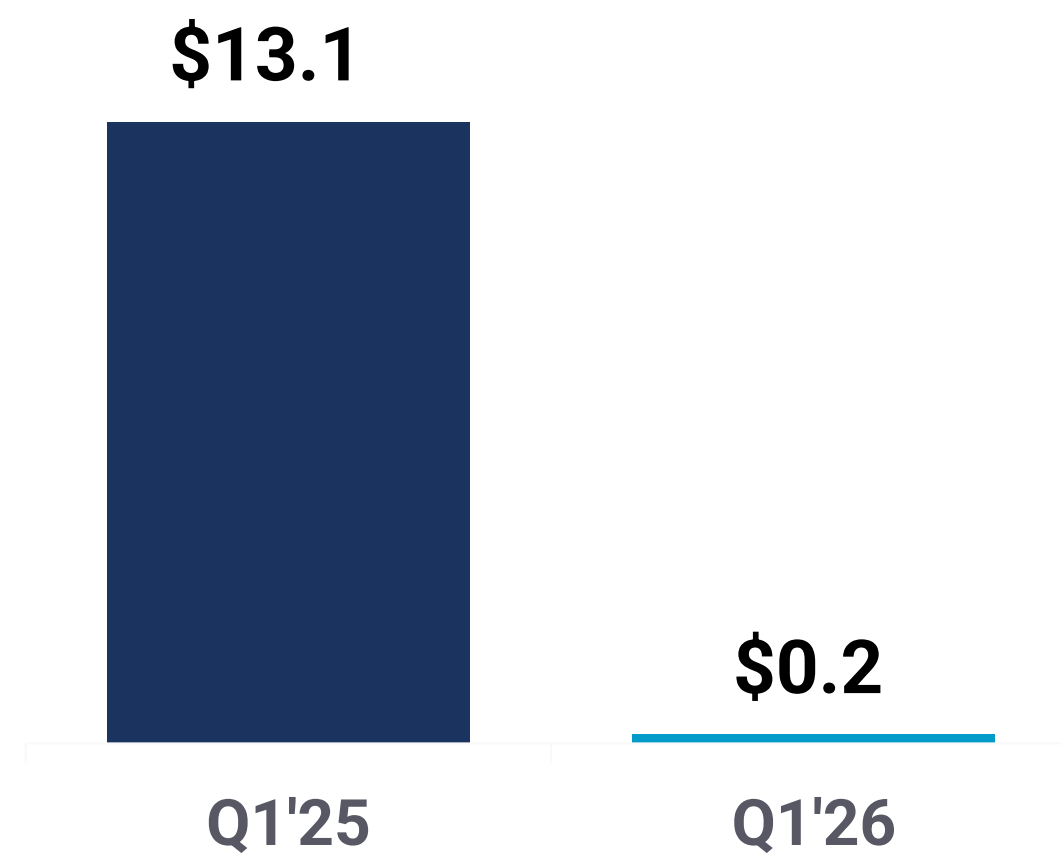
Tennant Company Earnings Release Call | First Quarter 2026

[www.investors.tennantco.com](http://www.investors.tennantco.com)

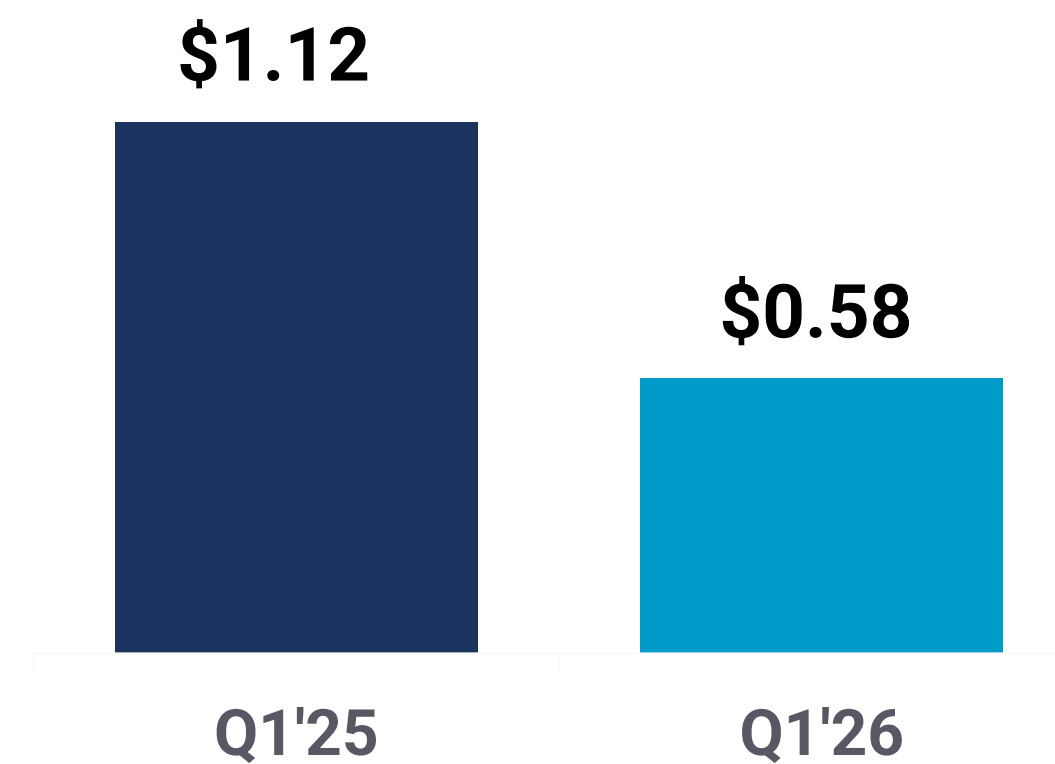
Tennant Company

# First-Quarter 2026 Financial Performance

## Net Income In millions of USD



## Adjusted EPS\*



### First-quarter net income of \$0.2M, compared to \$13.1M in the prior year

- ▶ Gross margin compression associated with ERP recovery efforts and shifting customer mix, coupled with higher operating and interest expense
- ▶ Effective tax rate increased to 80.5% from 23.8% due to an increase of discrete tax costs associated with share-based compensation

### First-quarter adjusted EPS\* of \$0.58 per diluted share

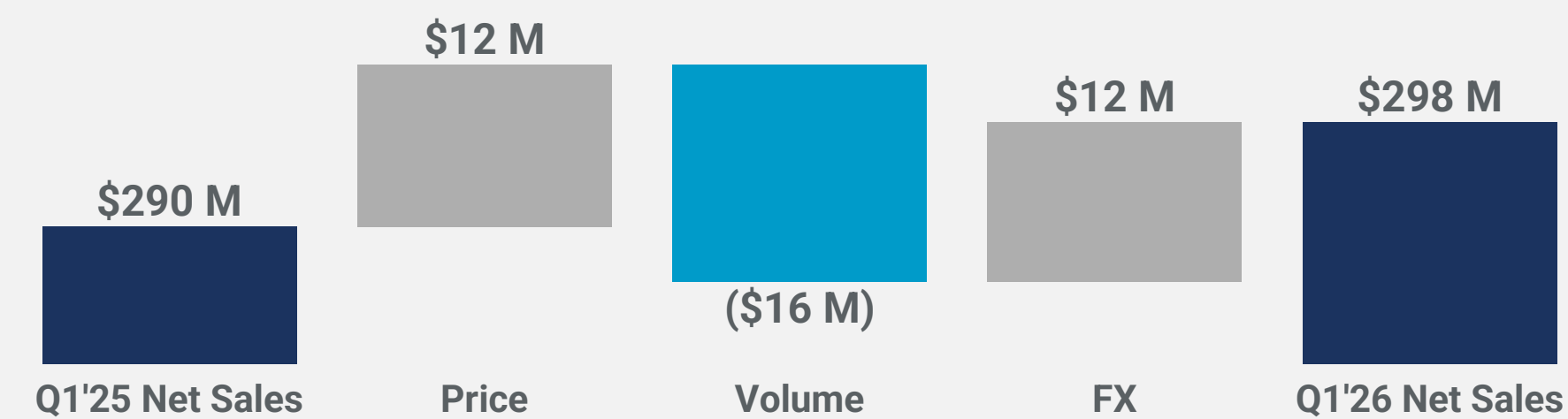
- ▶ Reflects lower operating performance from ERP recovery activities and ongoing operational stabilization efforts in the quarter
- ▶ Excludes amortization expense, ERP modernization costs, ERP amortization costs, legal contingency costs, legal and financial advisory costs, and restructuring-related charges

\*Non-GAAP Measures: refer to the Appendix of this presentation for additional information and reconciliation

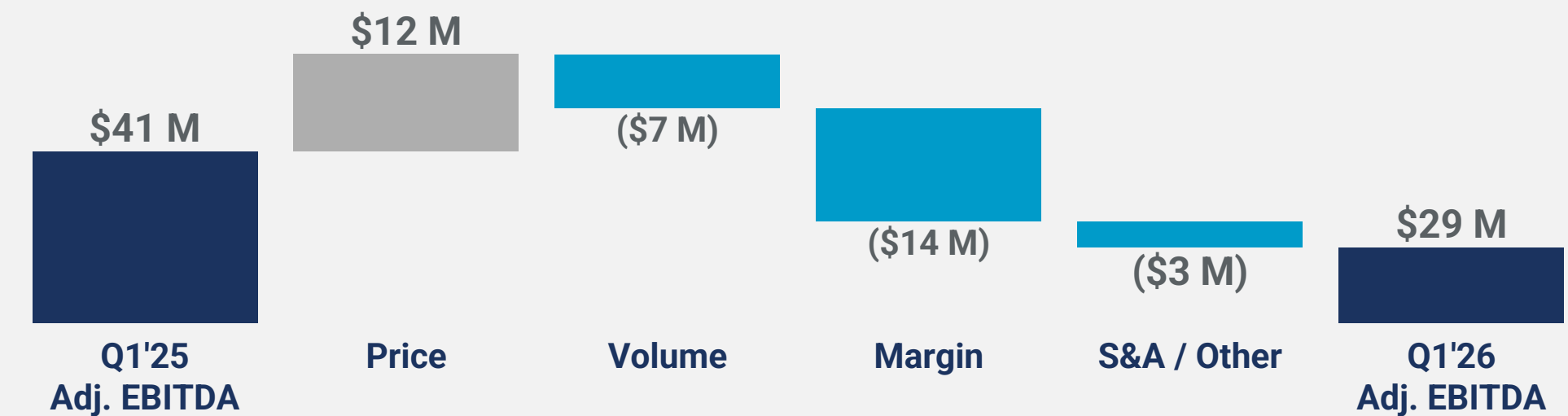
Tennant Company

# First-Quarter 2026 Results

## Net Sales



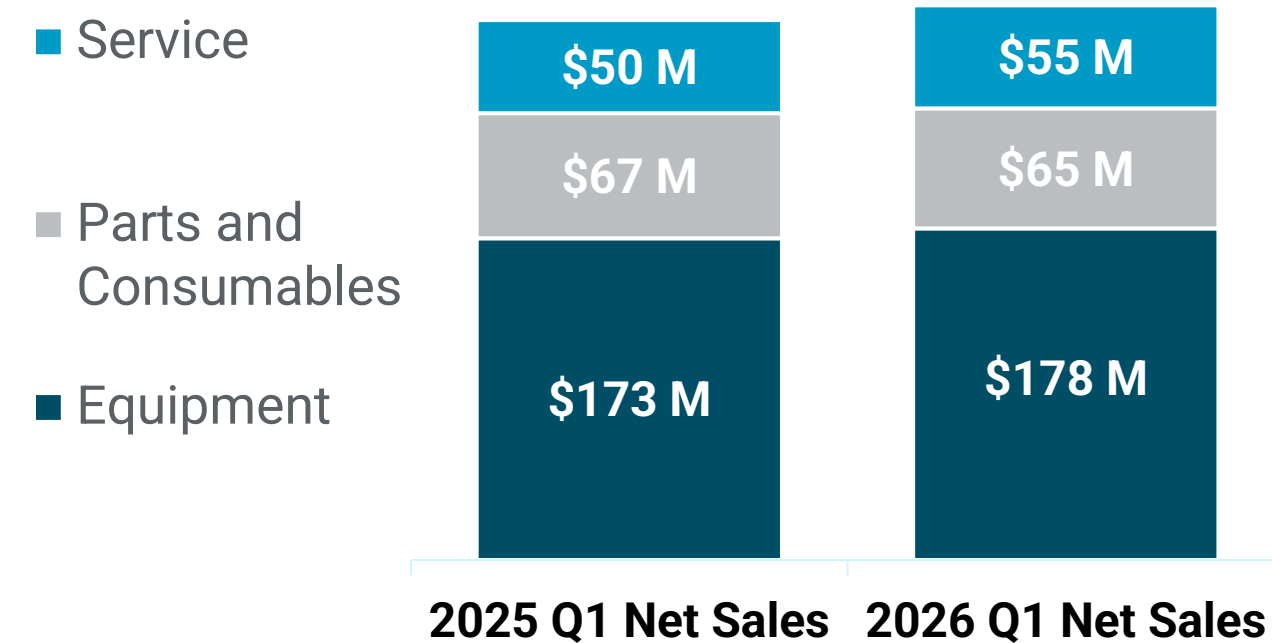
## Adjusted EBITDA\*



## By Region\*\*

|       |              |
|-------|--------------|
| -3.0% | Americas     |
| +1.0% | EMEA         |
| -2.0% | APAC         |
| -1.9% | <b>Total</b> |

## Product Categories



## Gross Margin decreased 330 bps to 38.1%

- ▶ Driven primarily by incremental labor, freight and expedited costs associated with our ERP recovery efforts earlier in the quarter
- ▶ Decline was further impacted by mix, while pricing and cost fully offset tariffs and other inflationary pressures

## Adjusted S&A\* as a percent of net sales increased 90 bps to 29.6%

- ▶ Driven by higher compensation and benefits, and higher software fees, compounded by lower North America volumes

## Adjusted EBITDA Margin\* decreased 430 bps to 9.8%

- ▶ Driven by gross margin compression related to ERP recovery costs and tariff-related inflation, coupled with deleverage in S&A expense

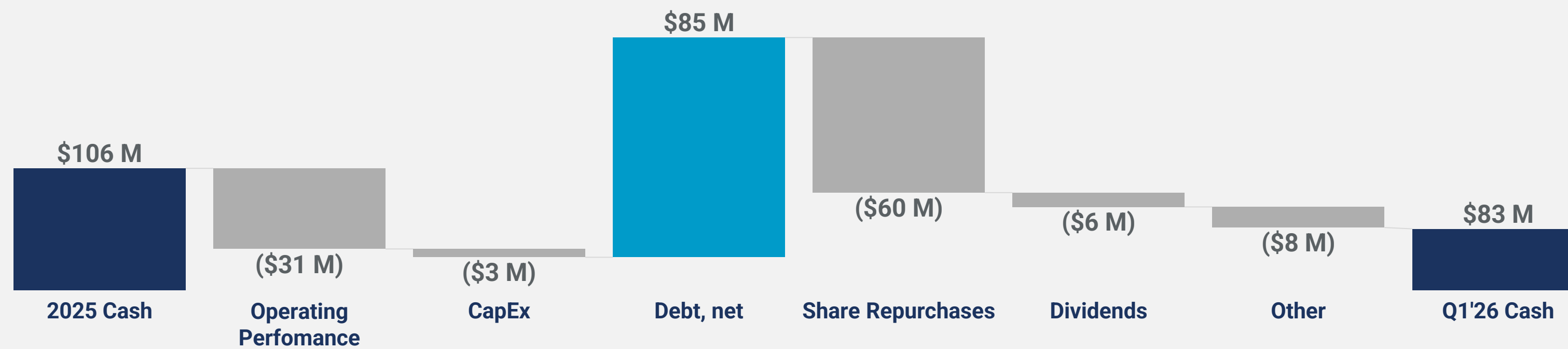
\*Non-GAAP Measures: refer to the Appendix of this presentation for additional information and reconciliation

\*\*Organic net sales (decline) growth

Tennant Company

# Capital Deployment

## Cash Flow



|                              | YE 2025  | Q1 2026  |
|------------------------------|----------|----------|
| <b>Total Debt</b>            | \$273.6M | \$358.7M |
| <b>Net Debt</b>              | \$167.2M | \$276.1M |
| <b>Net Leverage*</b>         | 1.00x    | 1.78x    |
| <b>Revolver Availability</b> |          | \$289.3M |

## Capital Allocation Priorities

### Invest in the Business

- ▶ \$3M of capital expenditures
- ▶ \$8M spent on ERP modernization
  - \$6M on Income Statement
  - \$2M on Balance Sheet
- ▶ \$11M spent on R&D investments

### Shareholder Return

- ▶ \$6M of Dividends
- ▶ \$60M on repurchases of ~950k shares of common stock

\*Based on trailing twelve months Adjusted EBITDA

# 2026

## Full-Year Guidance

**TENNANT**<sup>®</sup>  
COMPANY

<sup>(1)</sup> Non-GAAP Measures: refer to the Appendix of this presentation for additional information and reconciliation

**\$1.240B - \$1.280B**

Net Sales

**3.0% - 6.5%**

Organic Net Sales Growth

**\$4.05 - \$4.65**

Diluted EPS

**\$4.70 - \$5.30**

Adjusted Diluted EPS<sup>(1)</sup>

**\$175M - \$190M**

Adjusted EBITDA<sup>(1)</sup>

**14.1% - 14.8%**

Adjusted EBITDA Margin<sup>(1)</sup>

**~\$25M**

Capital Expenditures

**24% - 29%**

Adjusted Effective Tax Rate<sup>(1)</sup>



# Q & A



[www.investors.tennantco.com](http://www.investors.tennantco.com)

# THANK YOU



[www.investors.tennantco.com](http://www.investors.tennantco.com)





# APPENDIX

## First Quarter 2026

Tennant Company Earnings Release Call | First Quarter 2026

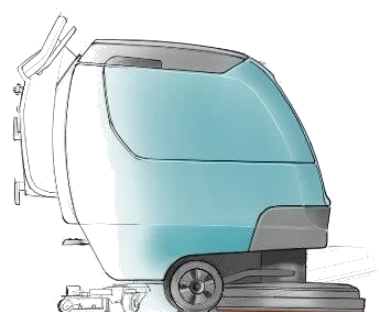
[www.investors.tennantco.com](http://www.investors.tennantco.com)

Tennant Company

# Non-GAAP Financial Measures

This presentation and the related conference call include presentation of Non-GAAP measures that include or exclude special items of a nonrecurring and/or nonoperational nature (hereinafter referred to as “special items”). Management believes that the Non-GAAP measures provide useful information to investors regarding the Company’s results of operations and financial condition because they permit a more meaningful comparison and understanding of Tennant Company’s operating performance for the current, past or future periods. Management uses these Non-GAAP measures to monitor and evaluate ongoing operating results and trends and to gain an understanding of the comparative operating performance of the Company.

The Company believes that disclosing S&A expense – as adjusted, S&A expense as a percent of net sales – as adjusted, operating income – as adjusted, operating margin – as adjusted, income before income taxes – as adjusted, income tax expense – as adjusted, net income – as adjusted, net income per diluted share – as adjusted, EBITDA – as adjusted, and EBITDA margin – as adjusted (collectively, the “Non-GAAP measures”), excluding the impacts from special items, is useful to investors as a measure of operating performance. The Company uses these measures to monitor and evaluate operating performance. The Non-GAAP measures are financial measures that do not reflect United States Generally Accepted Accounting Principles (GAAP). The Company calculates the Non-GAAP measures by adjusting for legal contingency costs, ERP modernization costs, ERP amortization costs, legal and financial advisory costs, restructuring-related costs, transaction-related costs and amortization expense. The Company calculates income tax expense – as adjusted by adjusting for the tax effect of these Non-GAAP measures. The Company calculates net income per diluted share – as adjusted by adjusting for the after-tax effect of these Non-GAAP measures and dividing the result by the diluted weighted average shares outstanding. The Company calculates EBITDA margin – as adjusted by dividing EBITDA – as adjusted by net sales.



Tennant Company

# SUPPLEMENTAL NON-GAAP FINANCIAL TABLES

**TENNANT COMPANY**  
**SUPPLEMENTAL NON-GAAP FINANCIAL TABLES**
**Reported to Adjusted Net Income and Net Income Per Share**
*(In millions, except per share data)*

|  | Three Months Ended March 31, |         |
|--|------------------------------|---------|
|  | 2026                         | 2025    |
| <b>Net income - as reported</b>  | \$ 0.2                       | \$ 13.1 |
| <b>Adjustments:</b>  |                              |         |
| Amortization expense   | 2.6                          | 2.5     |
| Restructuring-related charge (S&A expense) <sup>(2)</sup>              | 0.4                          | 1.1     |
| ERP modernization costs (S&A expense) <sup>(3)</sup>                   | 4.1                          | 4.5     |
| ERP amortization costs (S&A expense) <sup>(4)</sup>                    | 0.5                          | —       |
| Transaction and integration-related costs (S&A expense) <sup>(5)</sup> | 0.1                          | —       |
| Legal contingency costs (S&A expense) <sup>(6)</sup>                   | 0.2                          | —       |
| Legal and financial advisory costs (S&A expense) <sup>(7)</sup>        | 2.2                          | —       |
| <b>Net income - as adjusted</b>  | \$ 10.3                      | \$ 21.2 |
| <b>Net income per share - as reported:</b>                             |                              |         |
| Diluted  | \$ 0.01                      | \$ 0.69 |
| <b>Adjustments:</b>  |                              |         |
| Amortization expense   | 0.14                         | 0.13    |
| Restructuring-related charge (S&A expense) <sup>(2)</sup>              | 0.02                         | 0.06    |
| ERP modernization costs (S&A expense) <sup>(3)</sup>                   | 0.24                         | 0.24    |
| ERP amortization costs (S&A expense) <sup>(4)</sup>                    | 0.03                         | —       |
| Legal contingency costs (S&A expense) <sup>(6)</sup>                   | 0.01                         | —       |
| Legal and financial advisory costs (S&A expense) <sup>(7)</sup>        | 0.13                         | —       |
| <b>Net income per diluted share - as adjusted</b>                      | \$ 0.58                      | \$ 1.12 |

<sup>(2)</sup> Restructuring expenses represent the execution of a multi-year enterprise strategy to drive increased productivity throughout our operations.

<sup>(3)</sup> Enterprise Resource Planning (ERP) modernization initiative investment. Represents the expense component of our broader ERP investment, excluding capitalized costs. This investment is expected to drive future operational efficiencies across the organization.

<sup>(4)</sup> Amortization of ERP modernization costs represent the amortization of capitalized implementation costs related to cloud computing arrangements, which primarily relate to our implementation of a new ERP system.

<sup>(5)</sup> Due diligence and integration costs associated with the acquisition of Reinigungstechnik 4 You and Clean Machine Falkenberg AB and Repax AB.

<sup>(6)</sup> Incremental expense associated with the legal settlement accrual related to the Oxygenator Water Technologies, Inc. (OWT) intellectual property dispute regarding ec-H2O™ technology, as described in Note 13, *Commitments and Contingencies*, of the Form 10-Q for the quarter ended March 31, 2026.

<sup>(7)</sup> Represents third-party legal and advisory fees incurred in connection with the negotiation and execution of a cooperation agreement with Vision One, a shareholder of the Company, and excludes ordinary-course investor relations activities and routine legal expenses.

Tennant Company

# SUPPLEMENTAL NON-GAAP FINANCIAL TABLES

## Reported Net Income to Adjusted Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA)

*(In millions)*

|  | Three Months Ended March 31, |                |
|--|------------------------------|----------------|
|  | 2026                         | 2025           |
| <b>Net income - as reported</b>  | \$ 0.2                       | \$ 13.1        |
| <b>Less:</b>   |                              |                |
| Interest expense, net  | 3.4                          | 2.3            |
| Income tax expense   | 0.7                          | 4.1            |
| Depreciation expense   | 11.4                         | 10.6           |
| Amortization expense   | 3.5                          | 3.4            |
| <b>EBITDA</b>  | <b>19.2</b>                  | <b>33.5</b>    |
| <b>Adjustments:</b>  |                              |                |
| Restructuring-related charge (S&A expense) <sup>(2)</sup>              | 0.5                          | 1.5            |
| ERP modernization costs (S&A expense) <sup>(3)</sup>                   | 5.6                          | 6.0            |
| ERP amortization costs (S&A expense) <sup>(4)</sup>                    | 0.6                          | —              |
| Transaction and integration-related costs (S&A expense) <sup>(5)</sup> | 0.1                          | —              |
| Legal contingency costs (S&A expense) <sup>(6)</sup>                   | 0.2                          | —              |
| Legal and financial advisory costs (S&A expense) <sup>(7)</sup>        | 2.9                          | —              |
| <b>EBITDA - as adjusted</b>  | <b>\$ 29.1</b>               | <b>\$ 41.0</b> |
| <i>EBITDA margin - as adjusted</i>                                     | <i>9.8 %</i>                 | <i>14.1 %</i>  |

Tennant Company

# SUPPLEMENTAL NON-GAAP FINANCIAL TABLES

## Reported to Adjusted Selling and Administrative Expense (S&A expense) and Operating Income

(In millions)

|  | Three Months Ended March 31, |         |
|--|------------------------------|---------|
|  | 2026                         | 2025    |
| <b>S&amp;A expense - as reported</b>                                   | \$ 98.1                      | \$ 90.7 |
| <i>S&amp;A expense as a percent of net sales - as reported</i>         | 32.9 %                       | 31.3 %  |
| <b>Adjustments:</b>  |                              |         |
| Restructuring-related charge (S&A expense) <sup>(2)</sup>              | (0.5)                        | (1.5)   |
| ERP modernization costs (S&A expense) <sup>(3)</sup>                   | (5.6)                        | (6.0)   |
| ERP amortization costs (S&A expense) <sup>(4)</sup>                    | (0.6)                        | —       |
| Transaction and integration-related costs (S&A expense) <sup>(5)</sup> | (0.1)                        | —       |
| Legal contingency costs (S&A expense) <sup>(6)</sup>                   | (0.2)                        | —       |
| Legal and financial advisory costs (S&A expense) <sup>(7)</sup>        | (2.9)                        | —       |
| <b>S&amp;A expense - as adjusted</b>                                   | \$ 88.2                      | \$ 83.2 |
| <i>S&amp;A expense as a percent of net sales - as adjusted</i>         | 29.6 %                       | 28.7 %  |
| <b>Operating income - as reported</b>                                  | \$ 4.9                       | \$ 19.6 |
| <i>Operating margin - as reported</i>                                  | 1.6 %                        | 6.8 %   |
| <b>Adjustments:</b>  |                              |         |
| Restructuring-related charge (S&A expense) <sup>(2)</sup>              | 0.5                          | 1.5     |
| ERP modernization costs (S&A expense) <sup>(3)</sup>                   | 5.6                          | 6.0     |
| ERP amortization costs (S&A expense) <sup>(4)</sup>                    | 0.6                          | —       |
| Transaction and integration-related costs (S&A expense) <sup>(5)</sup> | 0.1                          | —       |
| Legal contingency costs (S&A expense) <sup>(6)</sup>                   | 0.2                          | —       |
| Legal and financial advisory costs (S&A expense) <sup>(7)</sup>        | 2.9                          | —       |
| <b>Operating income - as adjusted</b>                                  | \$ 14.8                      | \$ 27.1 |
| <i>Operating margin - as adjusted</i>                                  | 5.0 %                        | 9.3 %   |

Tennant Company

# SUPPLEMENTAL NON-GAAP FINANCIAL TABLES

## Reported to Adjusted Income Before Income Taxes and Income Tax Expense

*(In millions)*

|  | Three Months Ended March 31, |         |
|--|------------------------------|---------|
|  | 2026                         | 2025    |
| <b>Income before income taxes - as reported</b>                        | \$ 0.9                       | \$ 17.2 |
| <b>Adjustments:</b>  |                              |         |
| Amortization expense   | 3.5                          | 3.4     |
| Restructuring-related charge (S&A expense) <sup>(2)</sup>              | 0.5                          | 1.5     |
| ERP modernization costs (S&A expense) <sup>(3)</sup>                   | 5.6                          | 6.0     |
| ERP amortization costs (S&A expense) <sup>(4)</sup>                    | 0.6                          | —       |
| Transaction and integration-related costs (S&A expense) <sup>(5)</sup> | 0.1                          | —       |
| Legal contingency costs (S&A expense) <sup>(6)</sup>                   | 0.2                          | —       |
| Legal and financial advisory costs (S&A expense) <sup>(7)</sup>        | 2.9                          | —       |
| <b>Income before income taxes - as adjusted</b>                        | \$ 14.3                      | \$ 28.1 |
| <b>Income tax expense - as reported</b>                                | \$ 0.7                       | \$ 4.1  |
| <i>Effective tax rate - as reported</i>                                | 80.5 %                       | 23.8 %  |
| <b>Adjustments <sup>(8)</sup>:</b>                                     |                              |         |
| Amortization expense   | 0.9                          | 0.9     |
| Restructuring-related charge (S&A expense) <sup>(2)</sup>              | 0.1                          | 0.4     |
| ERP modernization costs (S&A expense) <sup>(3)</sup>                   | 1.5                          | 1.5     |
| ERP amortization costs (S&A expense) <sup>(4)</sup>                    | 0.1                          | —       |
| Legal and financial advisory costs (S&A expense) <sup>(7)</sup>        | 0.7                          | —       |
| <b>Income tax expense - as adjusted</b>                                | \$ 4.0                       | \$ 6.9  |
| <i>Effective tax rate - as adjusted</i>                                | 28.9 %                       | 24.6 %  |

<sup>(8)</sup> In determining the tax impact, we applied the statutory rate in effect for each jurisdiction where income or expenses were generated.

Tennant Company

# SUPPLEMENTAL NON-GAAP FINANCIAL TABLES

## Net Leverage Ratio Based on TTM Adjusted EBITDA

### Adjusted Net Debt

*(In millions)*

|                                   | March 31, 2026  | December 31, 2025 |
|-----------------------------------|-----------------|-------------------|
| Long-term debt                    | \$ 358.3        | \$ 273.2          |
| Current portion of long-term debt | 0.4             | 0.4               |
| Cash and cash equivalents         | (82.6)          | (106.4)           |
| <b>Adjusted net debt</b>          | <b>\$ 276.1</b> | <b>\$ 167.2</b>   |

### Net Leverage Ratio

The following table shows the calculation of the net leverage ratio (in millions, except for the net leverage ratio).

|  | March 31, 2026 | December 31, 2025 |
|--|----------------|-------------------|
| Adjusted net debt (numerator)                    | \$ 276.1       | \$ 167.2          |
| TTM adjusted EBITDA (denominator) <sup>(9)</sup> | 155.5          | 167.4             |
| <b>Net leverage ratio</b>                        | <b>1.78</b>    | <b>1.00</b>       |

<sup>(9)</sup> TTM Adjusted EBITDA is defined as Adjusted EBITDA for the most recent twelve-month period.