

INVESTOR PRESENTATION

August 2023



OUR PURPOSE:

Lead the evolution to more resilient, efficient, and sustainable energy solutions.

GENERAC[®]

INVESTOR RELATIONS

GENERAC[®]

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FORWARD LOOKING STATEMENTS

Certain statements contained in this presentation, as well as other information provided from time to time by Generac Holdings Inc. or its employees, may contain forward-looking statements that involve risks and uncertainties that could cause actual results to differ materially from those in the forward-looking statements. Forward-looking statements give Generac's current expectations and projections relating to the Company's financial condition, results of operations, plans, objectives, future performance and business. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as "anticipate," "estimate," "expect," "forecast," "project," "plan," "intend," "believe," "confident," "may," "should," "can have," "likely," "future," "optimistic" and other words and terms of similar meaning in connection with any discussion of the timing or nature of future operating or financial performance or other events.

Any such forward-looking statements are not guarantees of performance or results, and involve risks, uncertainties (some of which are beyond the Company's control) and assumptions. Although Generac believes any forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect Generac's actual financial results and cause them to differ materially from those anticipated in any forward-looking statements, including:

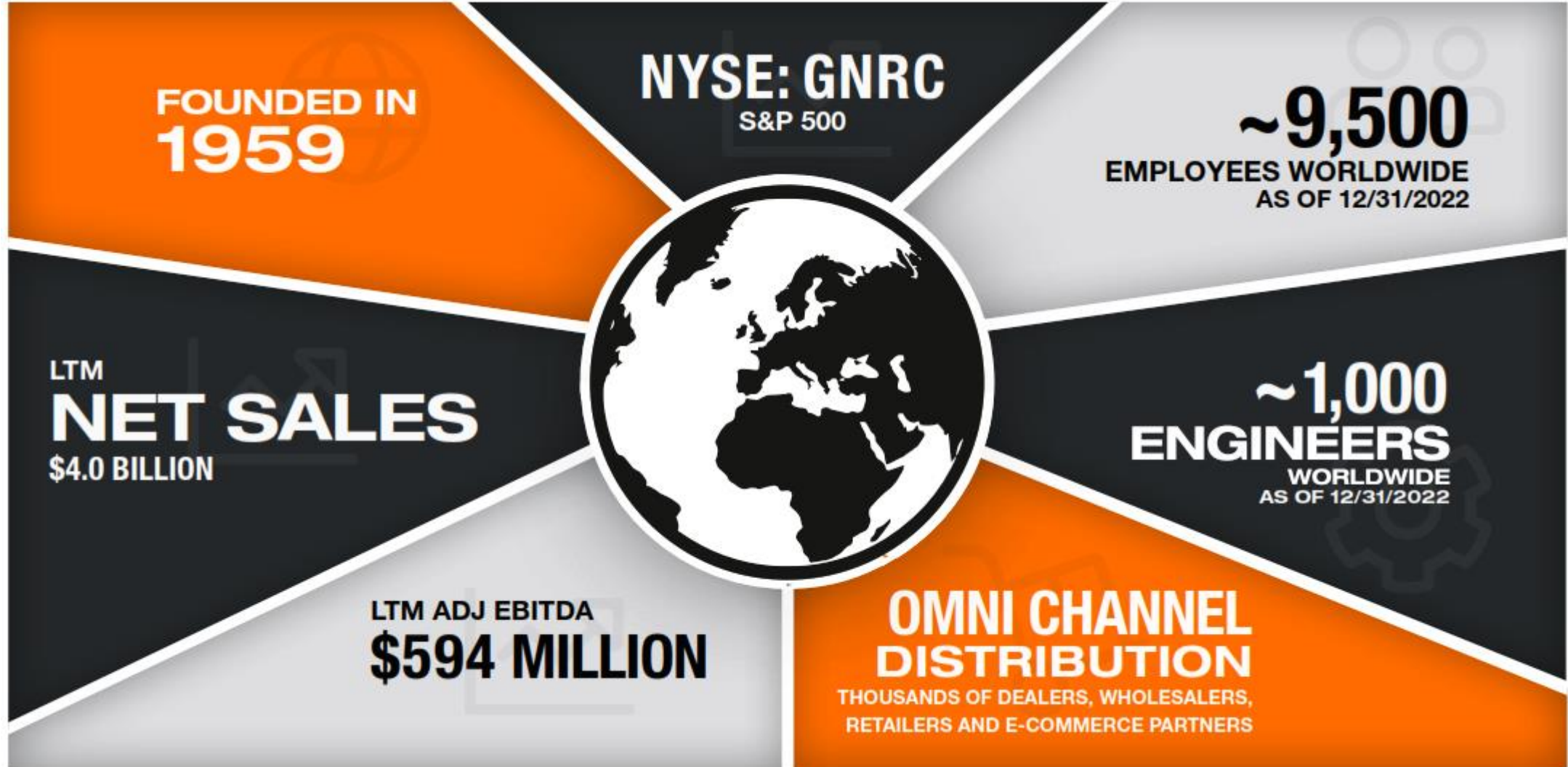
- frequency and duration of power outages impacting demand for our products;
- fluctuations in cost and quality of raw materials required to manufacture our products;
- availability of both labor and key components from our manufacturing operations and global supply chain, including single-sourced components and contract manufacturers, needed in producing our products;
- the possibility that the expected synergies, efficiencies and cost savings of our acquisitions will not be realized, or will not be realized within the expected time period;
- the risk that our acquisitions will not be integrated successfully;
- the impact on our results of possible fluctuations in interest rates, foreign currency exchange rates, commodities, product mix, logistics costs and regulatory tariffs;
- difficulties we may encounter as our business expands globally or into new markets;
- our dependence on our distribution network;
- our ability to remain competitive by investing in, developing or adapting to changing technologies and manufacturing techniques, as well as protecting our intellectual property rights;
- loss of our key management and employees;
- increase in product and other liability claims or recalls;
- failures or security breaches of our networks, information technology systems, or connected products;
- changes in laws and regulations regarding environmental, health and safety, product compliance, or international trade that affect our products, operations, or customer demand;
- significant legal proceedings, claims, lawsuits or government investigations; and
- changes in durable goods spending by consumers and businesses or other macroeconomic conditions, impacting demand for our products.

Should one or more of these risks or uncertainties materialize, Generac's actual results may vary in material respects from those projected in any forward-looking statements. In the current environment, some of the above factors have materialized and may cause actual results to vary from these forward-looking statements. A detailed discussion of these and other factors that may affect future results is contained in Generac's filings with the U.S. Securities and Exchange Commission ("SEC"), particularly in the Risk Factors section of the 2022 Annual Report on Form 10-K and in its periodic reports on Form 10-Q. Stockholders, potential investors and other readers should consider these factors carefully in evaluating the forward-looking statements.

Any forward-looking statement made by Generac in this presentation speaks only as of the date on which it is made. Generac undertakes no obligation to update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

GENERAC AT A GLANCE

GENERAC[®]



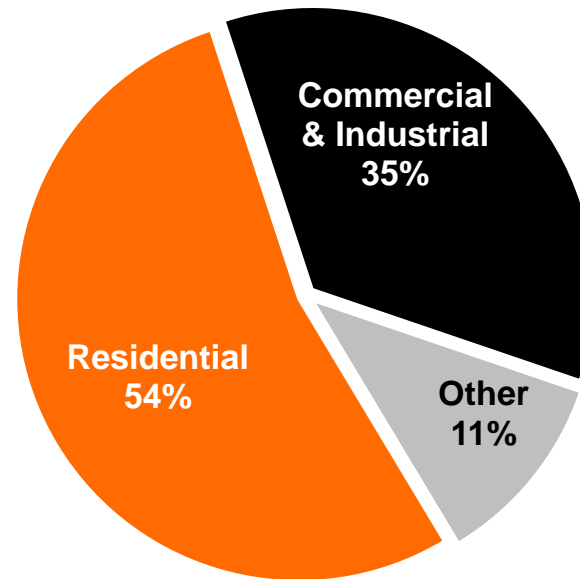
Residential

Home Standby, Clean Energy, Portables, Chore Products



LTM Net Sales

Domestic 80% | International 20%



Other

Aftermarket Parts, Product Accessories, Extended Warranty, Grid Services, Remote Monitoring

Concerto™ Mobile Link™



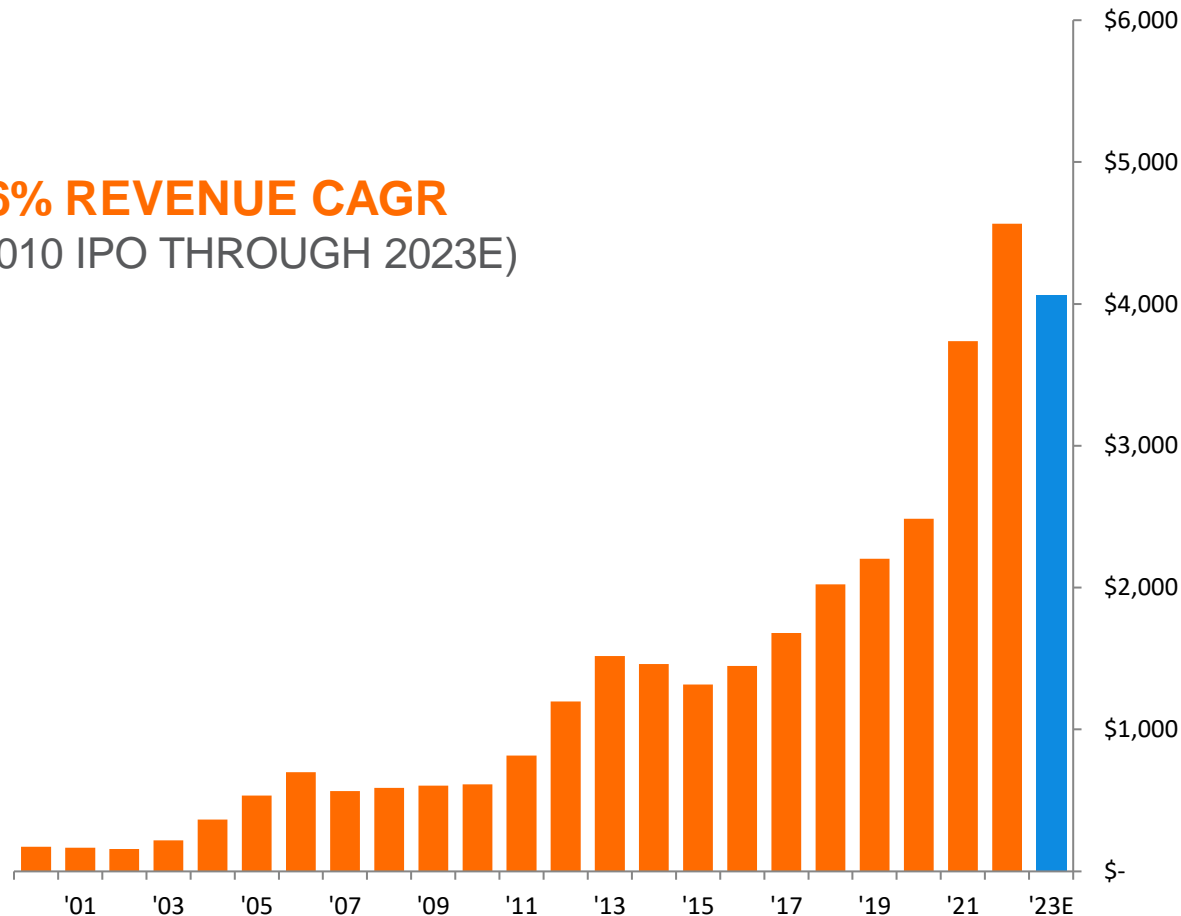
Commercial & Industrial

Stationary Gens, Telecom, Mobile & Storage



TRACK RECORD OF GROWTH

16% REVENUE CAGR
(2010 IPO THROUGH 2023E)



Note: \$ amounts in millions. Represents gross sales excluding freight revenue. Figures include results from acquisitions completed during 2011–present. CAGR measures revenue growth through 2023E off 2010 base. 2023E figure assumes midpoint of guidance given on August 2, 2023.

STRATEGIC GROWTH THEMES

- Power Quality Issues Continue to Increase
- Home Standby Penetration Opportunity is Significant
- Solar, Storage, & Energy Management Markets Developing Quickly
- Grid Services & Energy-as-a-Service Open New Revenue Streams
- Natural Gas Generators Driving Strong Growth
- Rollout of 5G Will Require Improved Network Reliability

MEGA-TRENDS REVIEW

GENERAC[®]



"Grid 2.0" - Evolution of the traditional electrical utility model

Decarbonization, digitization, and decentralization of the grid and migration towards distributed energy resources will create Clean Energy and Grid Services opportunities



Impact of Climate Change

Expectation of more volatile and severe weather driving increased power outage activity



Natural Gas as an important transition fuel of the future

Natural gas will remain in demand as a source of reliable power generation for backup power and beyond standby applications



Legacy infrastructure needs major investment cycle

Rebuilding and upgrading of aging networks and systems including transportation, water & power



Telecommunications infrastructure shifting to next generation

5G will enable new technologies requiring significant improvement in network uptime through backup power solutions

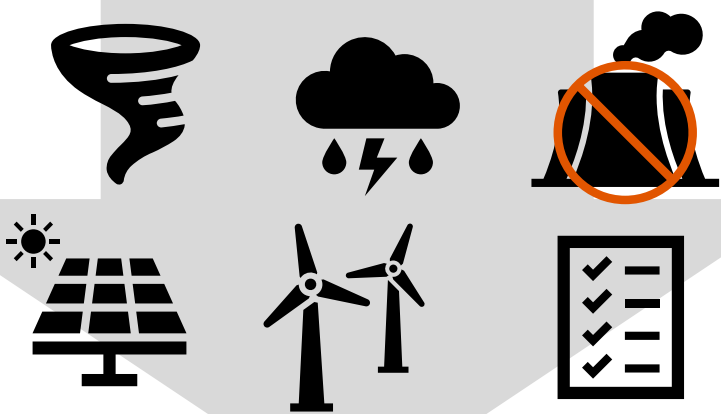


Home as a Sanctuary

Trend of more people working, shopping, entertaining, aging in place, and in general, spending more time at home, increasing sensitivity to power outages



GROWING ELECTRICITY SUPPLY/DEMAND IMBALANCE



Supply Reliability Deteriorating

- Climate change impacts – more severe and volatile weather
- One-way system – capacity constrained and reliant on fossil fuels
- Infrastructure underinvestment – susceptible to power outages
- Penalties for carbon intensity – incentivizing more intermittent renewables
- Increasing intermittency – higher potential grid instability and rolling blackouts

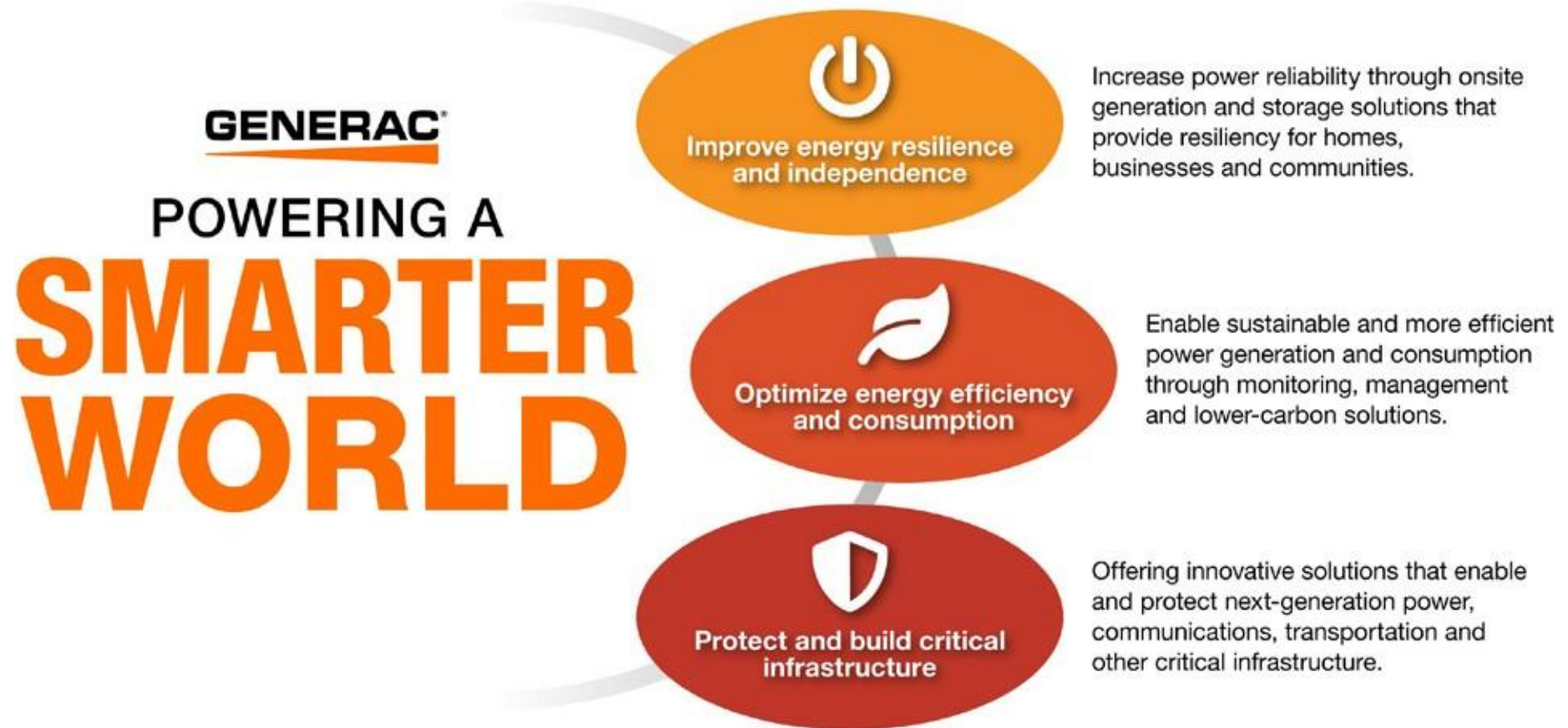
Demand Rapidly Increasing

- Electrification of everything – dramatic increase in electricity demand
- Transportation – EV adoption & charging
- Homes & businesses – electrification of HVAC, water heating, appliances
- Home as a Sanctuary – Higher 9s of reliability
- Overall higher sensitivity to power outages



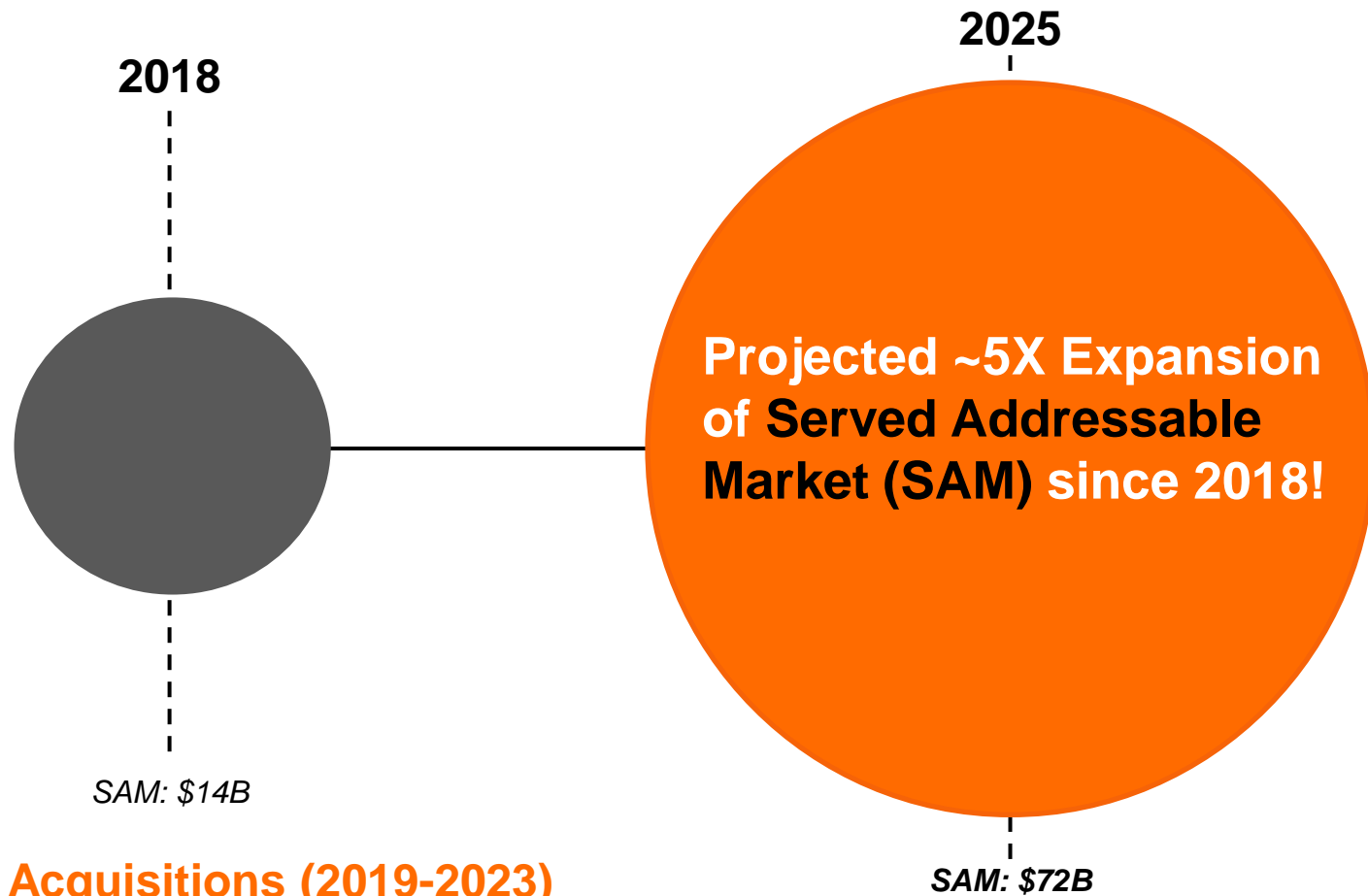
25% of Americans are at high risk of resource adequacy shortfalls during normal seasonal peak conditions in the 2023-2027 period¹

1. 2022 NERC Long Term Reliability Assessment Report



OUR PURPOSE: Lead the evolution to more resilient, efficient, and sustainable energy solutions.

STRATEGY EVOLUTION UNLOCKS MASSIVE & GROWING SAM



Key drivers of increase in SAM...

- ✓ Clean Energy – Residential and C&I storage, rooftop MLPEs, hydrogen / hybrid gens, EV chargers
- ✓ Connected Devices – Smart thermostats, monitoring & management devices
- ✓ Energy as a Service / Microgrids
- ✓ Global C&I – Gas gens, telecom, base expansion
- ✓ Grid Services – Hardware + Software + Services
- ✓ Expansion of HSB Market
- ✓ Chore Products Electrification

Source: Company estimates, various third-party sources

Key Acquisitions (2019-2023)



BUILDING ENERGY ECOSYSTEMS AGGREGATING DERs TO SUPPORT NEXT-GEN GRID



RESI ECOSYSTEM



C&I ECOSYSTEM



**GENERATION &
STORAGE ASSETS**

**MONITORING &
MANAGEMENT DEVICES**



User
Interface
Platform



PLATFORM & CONTROLS

"Single Pane of Glass"



System
Level
Controls



**DISTRIBUTED ENERGY RESOURCE
MANAGEMENT SYSTEM (DERMS)**



DECARBONIZATION, DIGITALIZATION, DECENTRALIZATION

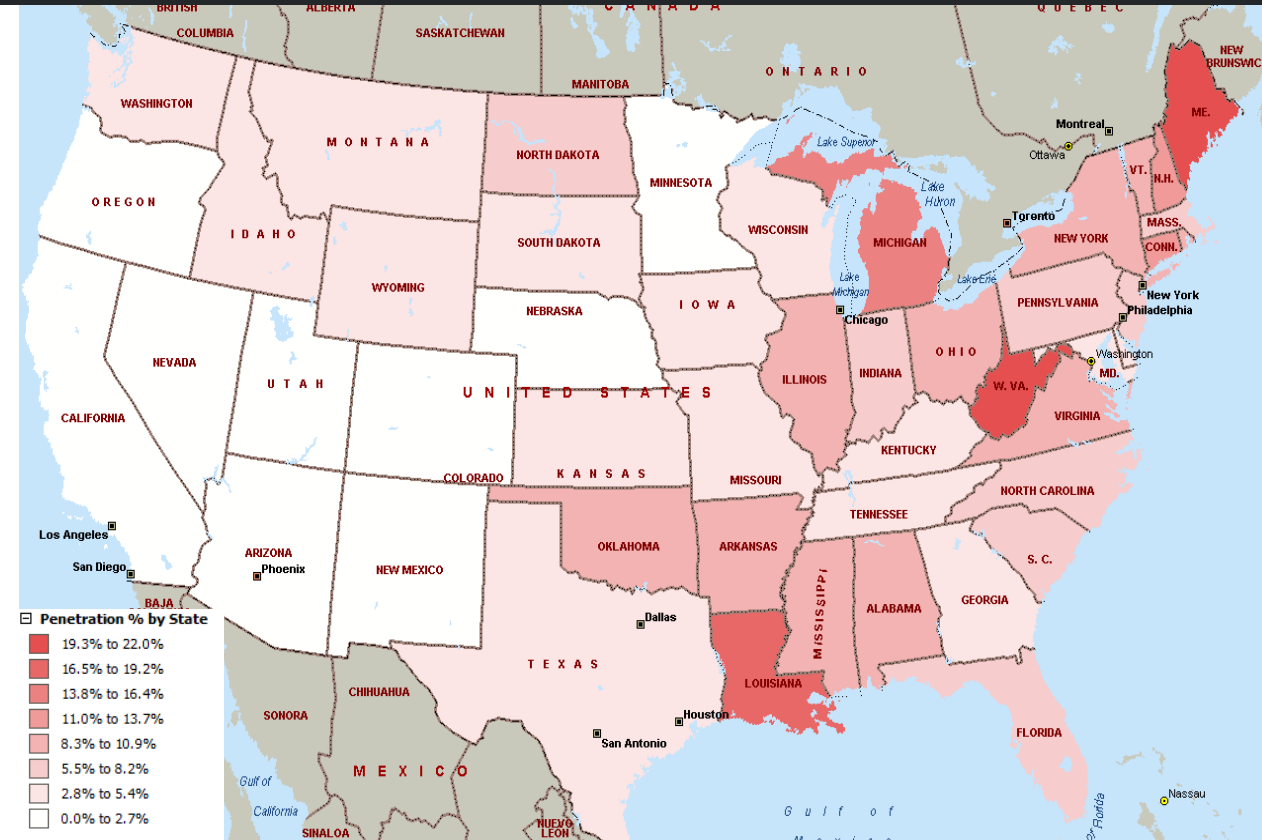
MASSIVE HSB PENETRATION OPPORTUNITY

Widespread growth potential

- Total US penetration rate estimated at ~5.75% as of 2022
- Highest penetrated markets in the U.S. are at 15-20%+ and still growing

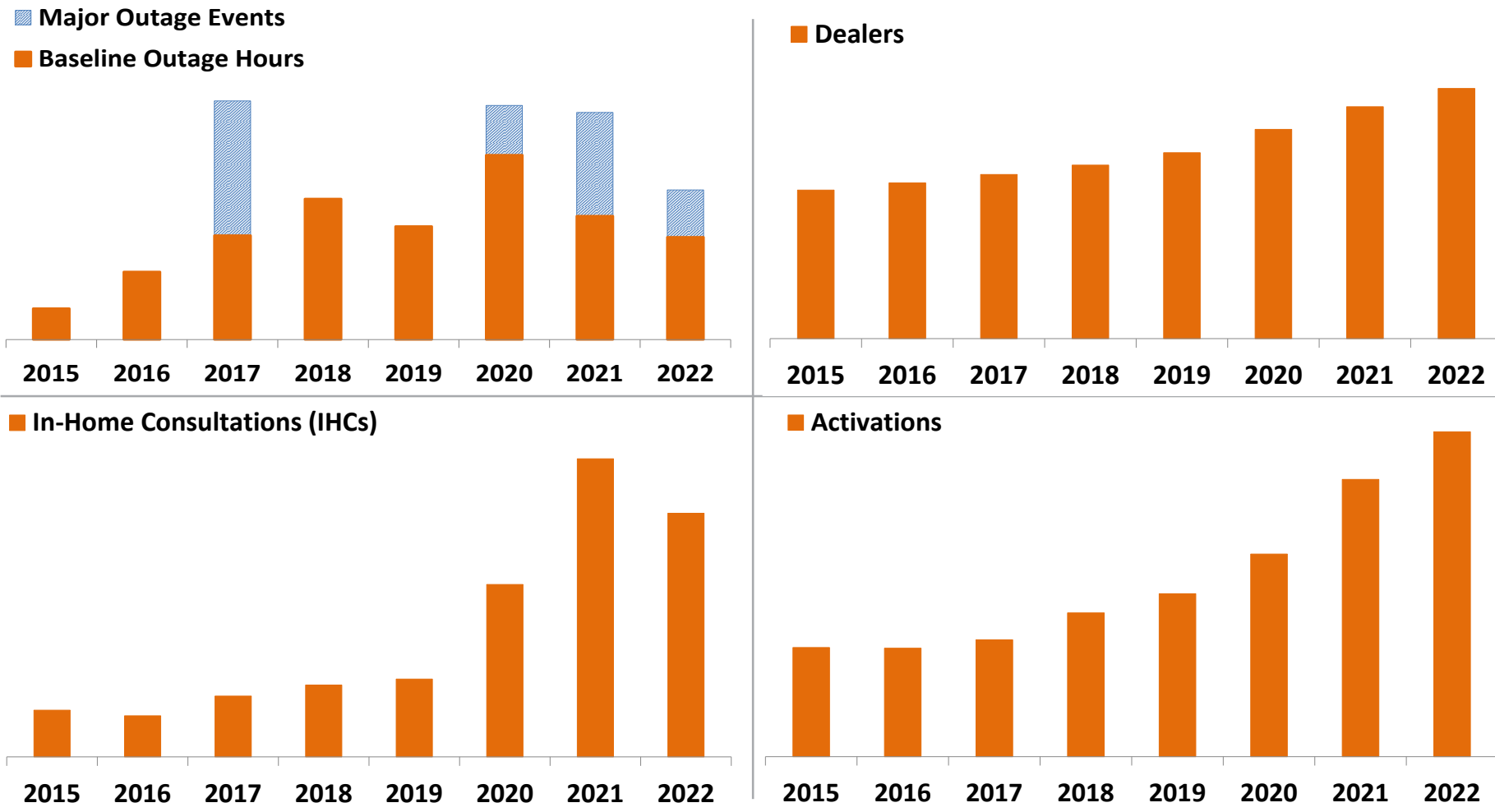
Three powerful mega-trends underpin future growth:

- **Severe & volatile weather** becoming more prominent – four major outage events since 2020
- **Home-as-a-Sanctuary** persists with remote/hybrid work trends intact and aging in place
- **Grid supply/demand imbalances** resulting from accelerated decarbonization/electrification trends



Three largest markets (CA, TX, & FL) combined represent ~25% of addressable HHs, and are significantly underpenetrated at ~3.5%

HSB MEGA-TRENDS DRIVE SUSTAINED NEW & HIGHER BASELINE OF DEMAND



Powerful Mega-Trends Expected to Drive “Next Step” of Growth for HSB Category

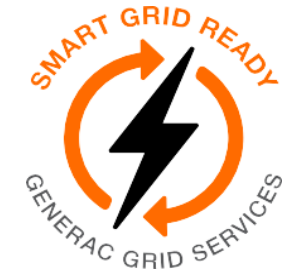
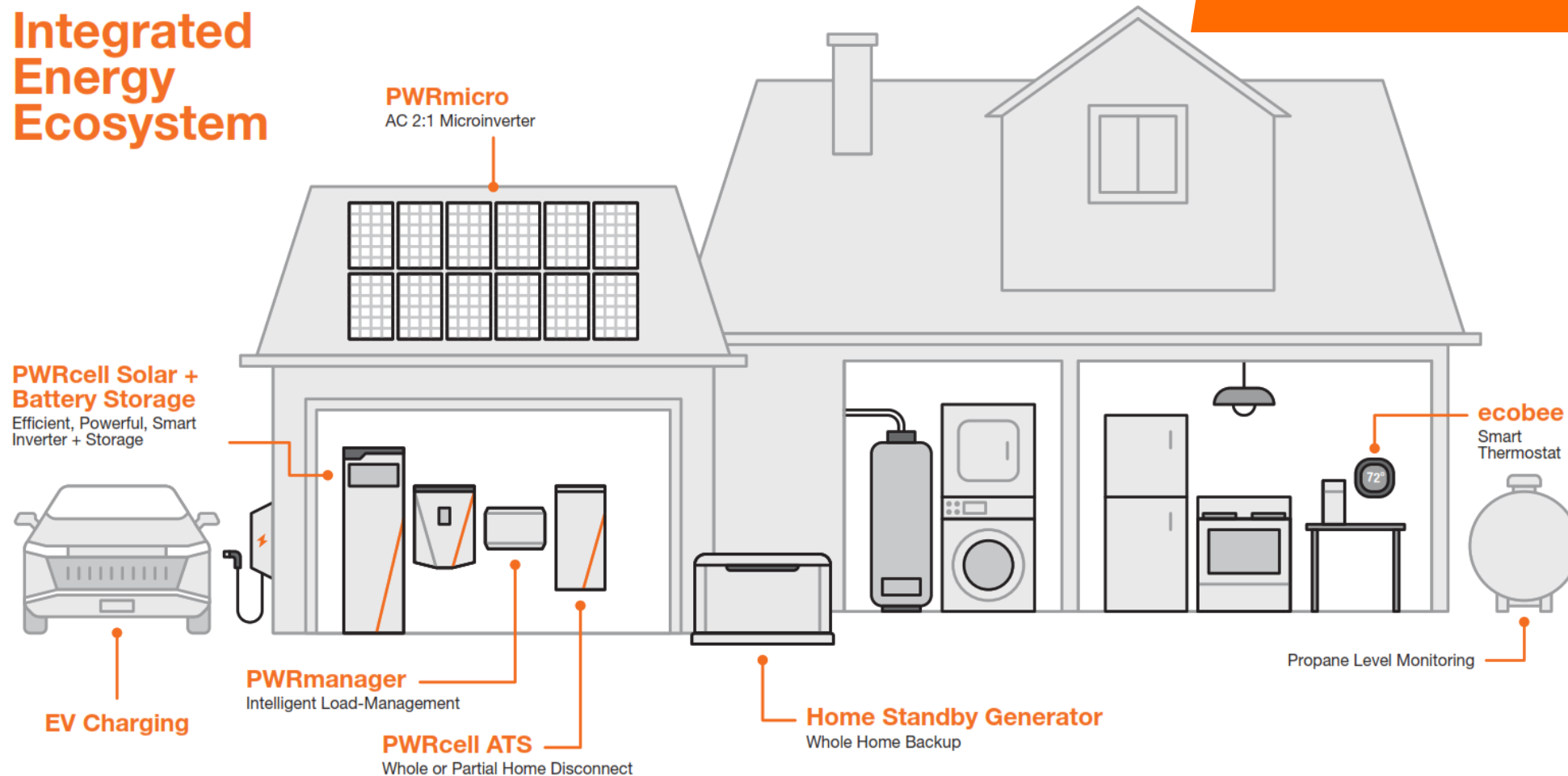
Note: IHC's and Activations reflect U.S. and Canadian markets

BROAD RESIDENTIAL ENERGY TECHNOLOGY PRODUCT OFFERING

GENERAC[®]

\$10+ BILLION DOMESTIC SAM BY 2025

Integrated Energy Ecosystem



COMMERCIAL & INDUSTRIAL GLOBAL ENERGY TECHNOLOGY OPPORTUNITIES

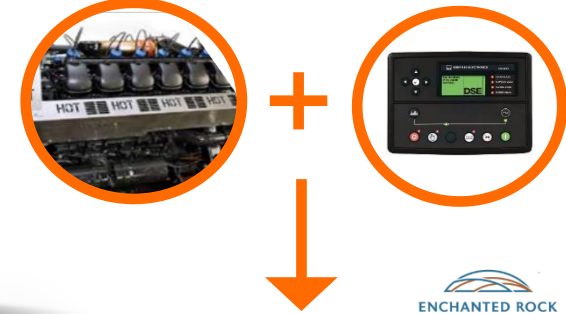
GENERAC[®]

- Beyond Standby use of natural gas generators
- EaaS / Multi purpose microgrids
- Advanced generator & microgrid controls
- C&I energy storage
- Hybrid systems – generators and/or solar + storage
- Hydrogen fueled generators
- Grid Services capabilities revolutionize generator economics



\$5+ BILLION GLOBAL SAM BY 2025

Key Generac proprietary fuel system & control technology

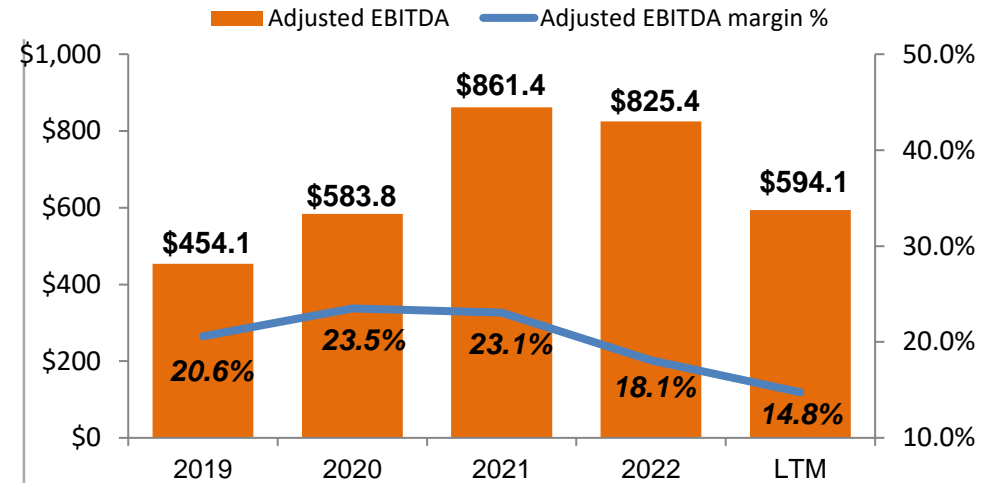
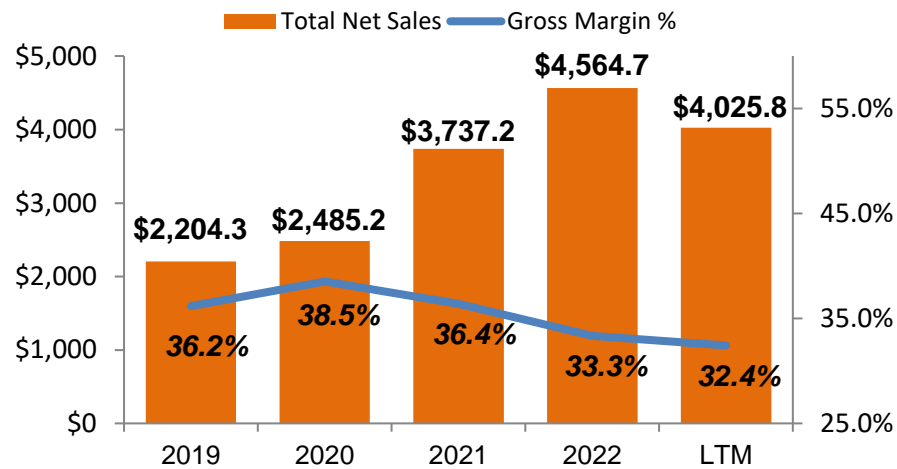


Manufactured by Generac to Enchanted Rock's design criteria

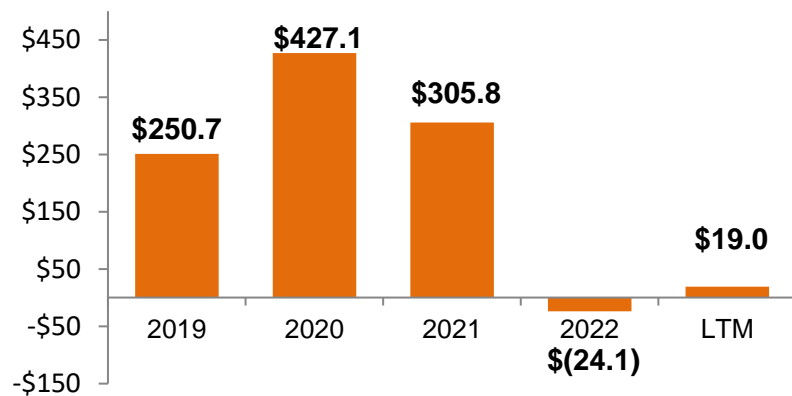
FINANCIAL SUMMARY



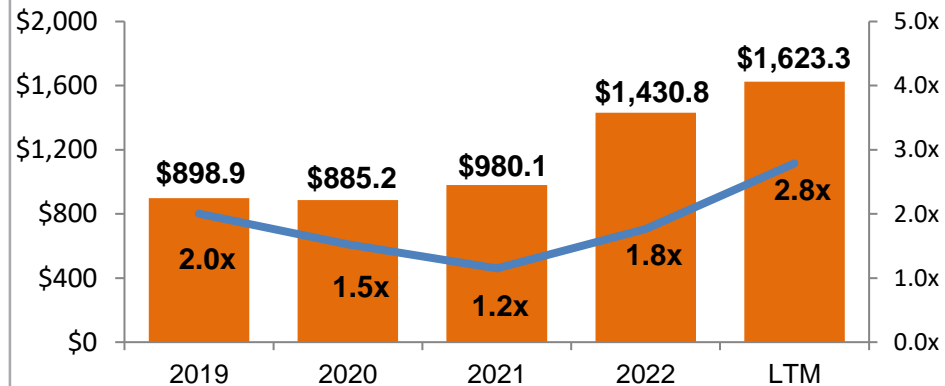
(\$'S IN MILLIONS)



Free Cash Flow



Consolidated Gross Debt and Leverage Ratio



Note: Adjusted EBITDA margin calculated using adjusted EBITDA before deducting for non-controlling interest.

CAPITAL DEPLOYMENT PRIORITIES



1	Organic Growth	<ul style="list-style-type: none"> Asset lite with capex only 2.5% to 3.0% of sales Investment in technology, innovation and R&D capabilities Capacity expansion, global systems, high ROI automation	Asset Lite
2	M&A	<ul style="list-style-type: none"> Robust M&A pipeline Demonstrated ability to execute; 28 deals since 2011 Accelerates "Powering a Smarter World" strategic plan Seek high synergy opportunities with above WACC returns	Accelerate the strategy
3	Pay Down Debt	<ul style="list-style-type: none"> Target 1-2x leverage Term Loan B (\$ +175) matures 2026 Term Loan A and revolver (\$ +125-175) matures 2027 \$500M notional swapped fixed	Maintain Healthy Balance Sheet
4	Return of Capital	<ul style="list-style-type: none"> As future cash flow permits, will evaluate options opportunistically \$278mm remaining on current share repurchase authorization	Opportunistic

Strong balance sheet and long-term cash flow generation allows flexibility to execute on future shareholder-value enhancing opportunities

2023 BUSINESS OUTLOOK

(AS REPORTED ON August 2, 2023)

GENERAC[®]

Consolidated net sales

- Consolidated revenue: decrease between 10% to 12%
- Residential products: decrease in the mid-20% range
- C&I products: increase at mid-teens rate
- 2% net impact from acquisitions and foreign currency

Adjusted EBITDA margins

- Between 15.5% to 16.5%

GAAP effective tax rate

- Approximately 25.0%

Free cash flow

- Conversion of adjusted net income to free cash flow well over 100%



**Expect to Utilize Free Cash Flow
Generation to Increase Shareholder Value**

APPENDIX

GENERAC[®]



SUMMARY OF ACQUISITIONS - SINCE 2017



JAN.
2017

Gaseous-engine control systems and accessories sold to engine OEMs and aftermarket customers

Celle, Germany



JUN.
2018

Larger kW and container gensets; service and remote monitoring platform for Latin America market

Mexico City, Mexico



FEB.
2019

Captiva Energy Solutions, founded in 2010 and headquartered in Kolkata, India specializes in customized industrial generators.

Kolkata, India



MAR.
2019

The leading energy data company focused on metering technology and sophisticated analytics to optimize energy use

Vancouver, BC



APR.
2019

Leading manufacturer of smart storage solutions and smart batteries

Portland, ME



SEP.
2020

Leading manufacturer of an innovative commercial line of battery powered turf care products

Ross, OH



OCT.
2020

Leading provider of distributed energy optimization and control software for the electrical grid

Denver, CO



JUN.
2021

Designer and manufacturer of advanced controls for a range of energy technology applications

Hunmanby, UK



JUL.
2021

Designer and provider of grid-interactive microinverter and monitoring solutions for the solar market

Los Angeles, CA



SEP.
2021

Leading designer and manufacturer of industrial-grade energy storage systems

Rugby, UK



SEP.
2021

Advanced engineering and product design company focused on developing energy technology solutions

Bend, OR



OCT.
2021

Provider of IoT propane tank monitoring solutions that enable the optimization of propane fuel logistics

Boston, MA



DEC.
2021

Leader in sustainable home technology solutions including smart thermostats that deliver significant energy savings, security and peace of mind

Toronto, CA



OCT.
2022

IoT platform developer that designs, deploys, and manages Industrial IoT solutions

Indianapolis, IN



FEB.
2023

Developer and supplier of battery storage hardware products, advanced software, and platform services for the commercial and industrial market

Pfullingen, Germany

Acquisitions used to accelerate 'Powering a Smarter World' strategy

Revenue synergies

- New products, customers, end markets
- Numerous cross-selling opportunities
- Geographic and international expansion

Cost synergies

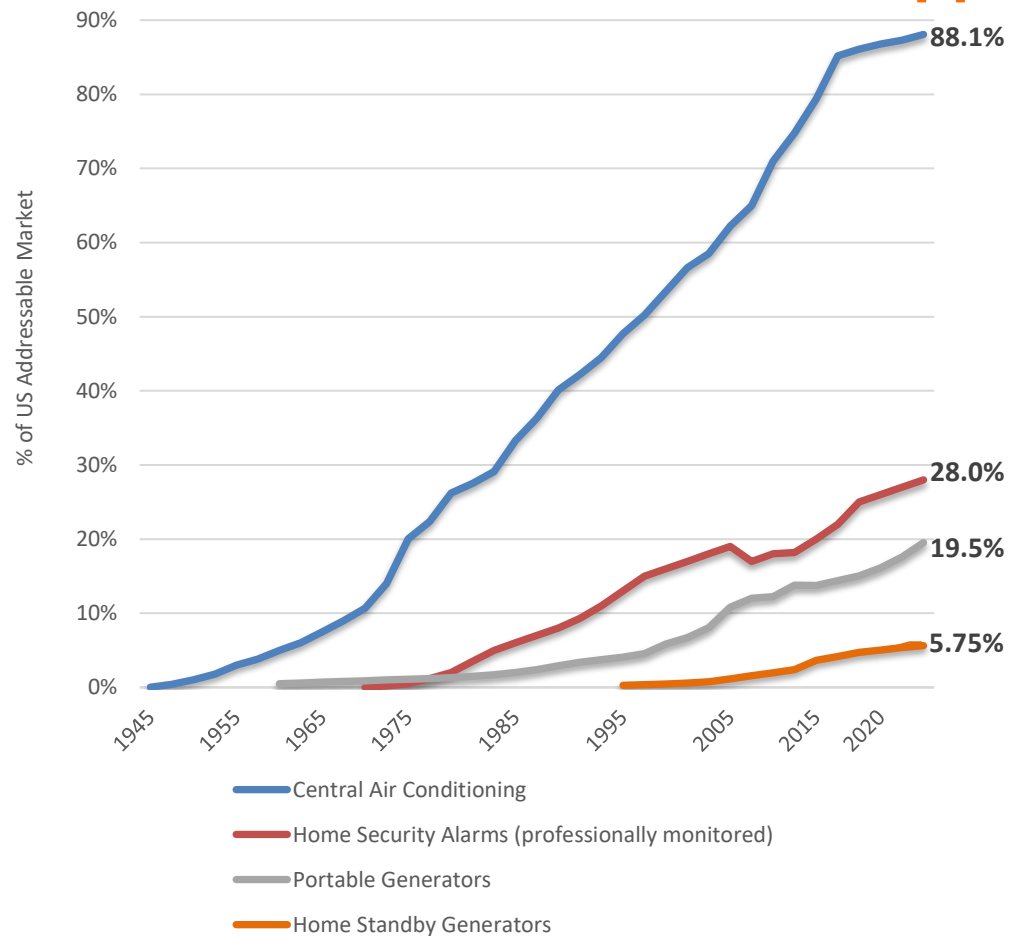
- Strategic global sourcing initiatives
- Innovation and cost-reduction engineering
- Adopt Generac's lean cost culture
- Operational excellence focus

Smaller acquisitions of Pramac America in September 2017 (portable generators – Marietta, GA); Energy Systems in July 2020 (industrial distributor – Stockton, CA); Papé Material Handling in December 2021 (industrial distributor – Los Angeles, CA); Electronic Environments Infrastructure Solutions in July 2022 (industrial distributor – Marlborough, MA)

HSB: A PENETRATION STORY



North American Penetration Opportunity⁽¹⁾



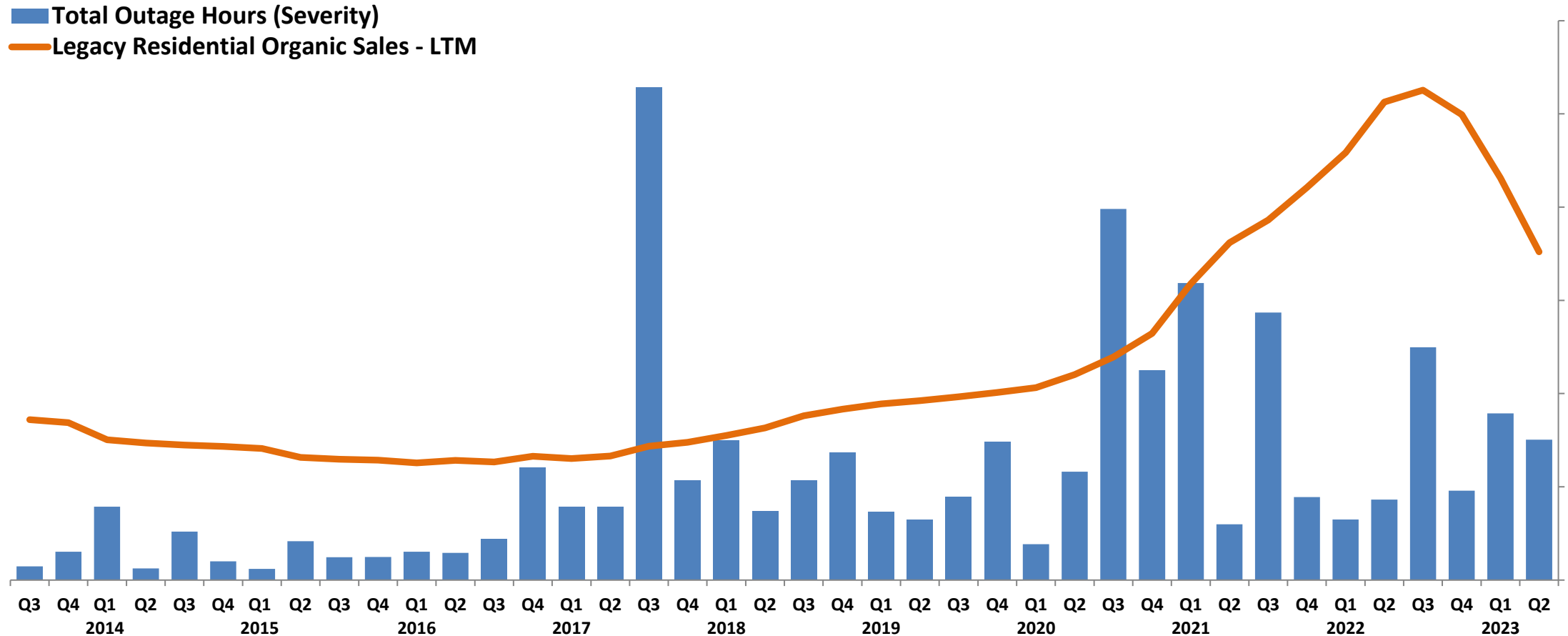
Aging Population Fits Demographic

- ~65% of buyers age 60 and older
- ~Median home value of approximately \$525k
- ~80-85% retro-fit application
- ~\$145K median household income
- Between 6-8% replacement units

**Every 1% of increased penetration equals
~\$3 billion of market opportunity**

(1) Source: Company estimates; based on addressable market for HSB generators consisting of all single-family detached, owner-occupied homes valued > \$150K; portables and central A/C use all single-family homes regardless of value; penetration rate for home security alarms was estimated from a variety of industry sources and focuses on the professionally monitored market.

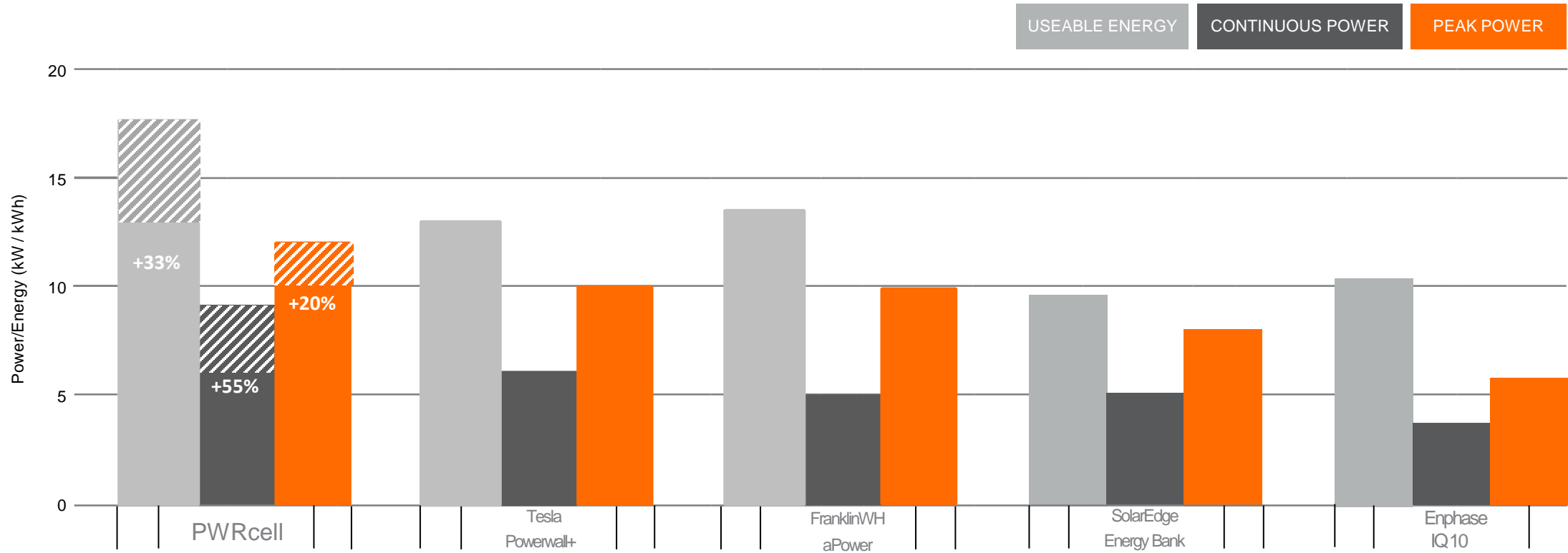
EXPANDING POWER OUTAGE SEVERITY⁽¹⁾



(1) Represents power outage hours for mainland U.S. only

Elevated Baseline Outages + Major Events + Home as a Sanctuary = Catalysts for Growth

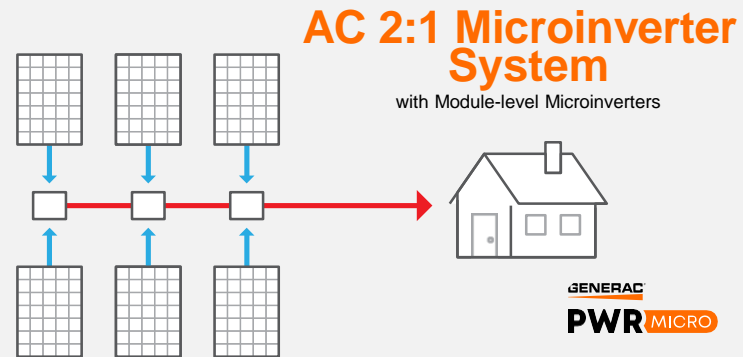
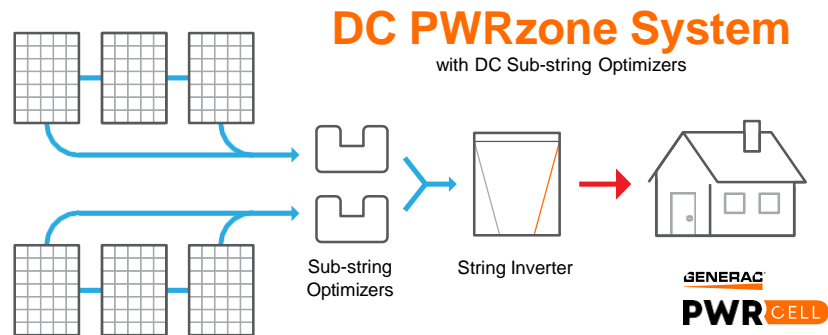
PWRCELL® BATTERY POWER COMPARISON



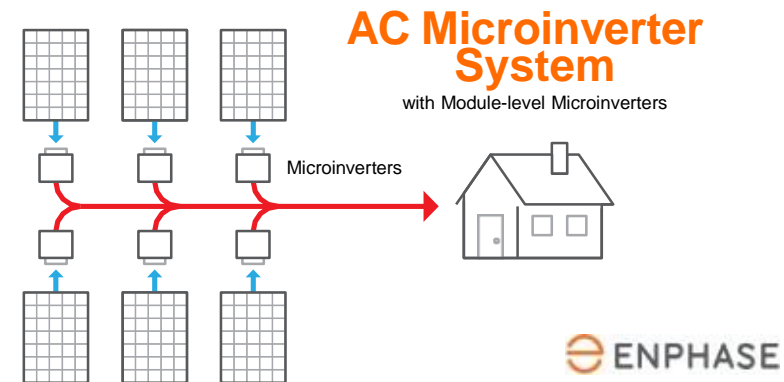
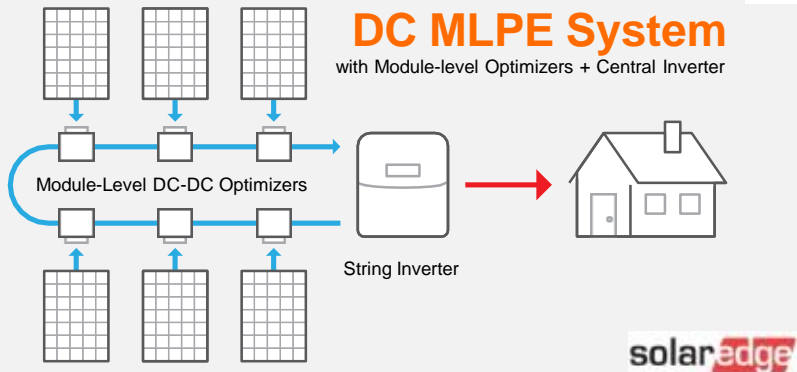
	PWRcell	Tesla	FranklinWH	SolarEdge	Enphase
Useable Energy	18kWh	13.5kWh	13.6kWh	9.7kWh	10.1kWh
Continuous Power	9kW	5.8kW	5kW	5kW	3.8kW
Peak Power (seconds)	12kW	10kW	10kW	7.5kW	5.76kW

Note: Shaded lines represent market leading advantage in terms of power capability, with specific percentages as compared to Tesla

SOLAR INVERTER COMPARISON FOR RESIDENTIAL APPLICATIONS



— AC Power
— DC Power



Performance Comparison

● Ideal Conditions

☀ FULL SUN

☁ PARTIAL SUN

☀ LOW SUN



SECULAR GROWTH TRENDS IN TELECOM ARE GLOBAL



Growing Global Tower Count



- 2026E global tower count of ~5.3M; +30% over 5 years
- US tower count +30% over last 2 years to 416,000

Wireless Networks are Critical Infrastructure



- Network reliability & up-time necessary for a connected world
- Power failure = network failure
- Energy costs & sustainability requirements are accelerating the energy transition

Network Hardening Still Underway



- 50% of US sites yet to be hardened, expected to hit ~75% in 10 years, \$2B opportunity
- Global opportunity expanding with tower count growth and Telecom driven Data Center Edge expansion

Generac Uniquely Positioned to Capture Opportunity



- Global presence and relationships with carriers & tower companies
- ~60% share of US market

Q2 2023 & LTM FINANCIAL OVERVIEW



(\$'S IN MILLIONS)

	Actual Q2 2023 <i>(unaudited)</i>	Y/Y % Change	Actual LTM <i>(unaudited)</i>	Y/Y % Change
Residential	\$ 498.6	(44.4%)	2,156.4	(27.8%)
Commercial & Industrial	384.4	24.2%	1,420.0	25.6%
Other	117.5	36.6%	449.4	40.9%
Net Sales	\$ 1,000.4	(22.5%)	\$ 4,025.8	(9.3%)
Gross Profit	\$ 328.4	(28.1%)	\$ 1,305.2	(13.9%)
% Margin	32.8%		32.4%	
Adjusted EBITDA	\$ 136.5	(49.7%)	\$ 594.1	(33.8%)
% Margin (1)	13.6%		14.8%	
Net Income - GHI	\$ 45.2	(71.1%)	\$ 186.9	(65.7%)
Adjusted Net Income - GHI	\$ 67.5	(63.5%)	332.4	(46.9%)
Adjusted EPS - GHI	\$ 1.08	(62.1%)	\$ 5.24	(46.0%)
Free Cash Flow	\$ 53.9	829.1%	\$ 19.0	(63.9%)
Consolidated Gross Debt			\$ 1,623.3	
Consolidated Gross Debt Leverage Ratio			2.8	

(1) Adjusted EBITDA (margin) calculated using adjusted EBITDA before deducting for non-controlling interest.

ADJUSTED EBITDA RECONCILIATION



(\$'S IN MILLIONS)

	2019	2020	2021	2022	LTM
Net income	\$ 252.3	\$ 347.2	\$ 556.6	\$ 408.9	\$ 194.0
Interest expense	41.5	33.0	33.0	54.8	83.2
Depreciation and amortization	60.8	68.8	92.0	156.1	159.8
Income taxes provision	67.3	99.0	135.0	99.6	48.9
Non-cash write-down and other charges	0.2	(0.3)	(3.1)	(2.1)	(6.2)
Non-cash share-based compensation expense	16.7	20.9	24.0	29.5	33.3
Loss on extinguishment of debt	0.9	-	0.8	3.7	-
Transaction costs and credit facility fees	2.7	2.2	22.4	5.0	4.7
Business optimization, provision for regulatory and clean energy product charges, and other	11.6	13.1	0.8	69.8	76.4
Adjusted EBITDA	\$ 454.1	\$ 583.8	\$ 861.4	\$ 825.4	\$ 594.1
Adjusted EBITDA attributable to noncontrolling interests	(5.0)	(2.4)	(9.4)	(15.1)	(11.6)
Adjusted EBITDA attributable to Generac Holdings, Inc.	\$ 449.2	\$ 581.4	\$ 852.1	\$ 810.3	\$ 582.5

ADJUSTED EBITDA RECONCILIATION



(\$'S IN MILLIONS)

Net income to Adjusted EBITDA reconciliation	Three months ended		LTM Ended June 30,	
	2023	2022	2023	2022
	June 30,		ended June 30,	
	(unaudited)		(unaudited)	
Net income attributable to Generac Holdings, Inc.	\$ 45,198	\$ 156,359	\$ 186,913	\$ 544,682
Net income attributable to noncontrolling interests	317	1,278	7,100	8,566
Net income	45,515	157,637	194,013	553,248
Interest expense	25,160	10,235	83,192	37,298
Depreciation and amortization	41,247	39,098	159,780	130,134
Income taxes provision	15,907	45,826	48,918	127,661
Non-cash write-down and other charges	(4,152)	4,607	(6,218)	(3,560)
Non-cash share-based compensation expense	10,045	7,735	33,298	28,095
Loss on extinguishment of debt	-	3,743	-	3,743
Transaction costs and credit facility fees	1,149	1,592	4,685	18,852
Business optimization, provision for regulatory clean energy product charges, and other	1,673	989	76,444	1,960
Adjusted EBITDA	136,544	271,462	594,112	897,431
Adjusted EBITDA attributable to noncontrolling interests	(520)	(3,742)	(11,573)	(12,311)
Adjusted EBITDA attributable to Generac Holdings, Inc.	\$ 136,024	\$ 267,720	\$ 582,539	\$ 885,120

ADJUSTED NET INCOME AND FREE CASH FLOW RECONCILIATIONS



(\$'S IN MILLIONS)

Net income to Adjusted net income reconciliation

	Three months ended June 30,		LTM Ended June 30,	
	2023 (unaudited)	2022	2023 (unaudited)	2022
Net income attributable to Generac Holdings. Inc.	\$ 45,198	\$ 156,359	\$ 186,913	\$ 544,682
Net income attributable to noncontrolling interests	317	1,278	7,100	8,566
Net income	45,515	157,637	194,013	553,248
Provision for income taxes ⁽¹⁾	-	-	-	53,227
Income before provision for income taxes	45,515	157,637	194,013	606,475
Amortization of intangible assets	26,393	25,876	103,606	81,785
Amortization of deferred financing costs and OID	967	650	3,868	2,581
Loss on extinguishment of debt	-	3,743	-	3,743
Transaction costs and credit facility fees	669	5,710	5,021	13,966
Tax effect of add backs	(7,459)	(8,448)	(42,861)	(17,704)
Business optimization, provision for regulatory charges, and other	1,760	1,590	75,428	2,002
Cash income tax expense ⁽¹⁾	-	-	-	(60,957)
Adjusted net income	\$ 67,844	\$ 186,758	\$ 339,075	\$ 631,891
Adjusted net income attributable to noncontrolling interests	(317)	(1,678)	(6,555)	(5,660)
Adjusted net income attributable to Generac Holdings. Inc.	\$ 67,527	\$ 185,080	\$ 332,520	\$ 626,231

Free Cash Flow Reconciliation

Net cash provided by operating activities	\$ 83,147	\$ 23,835	\$ 109,411	\$ 149,856
Proceeds from beneficial interests in securitization transactions	677	270	3,195	\$ 5,089
Expenditures for property and equipment	(29,923)	(18,303)	(93,585)	(102,273)
Free cash flow	\$ 53,901	\$ 5,802	\$ 19,021	\$ 52,672

1) Amounts prior to the first quarter 2022 are based on an anticipated cash income tax rate due to the existence of the tax shield from the amortization of tax-deductible goodwill and intangible assets from our acquisition by CCMP Capital Advisors, LLC in 2006. Due to the expiration of this tax shield in the fourth quarter of 2021, there is no similar reconciling item for the periods beginning with the first quarter of 2022.