Q2 FY22 EARNINGS RESULTS

April 7, 2022



FORWARD-LOOKING STATEMENTS

Historical financial and operating data in this presentation reflect the consolidated results of WD-40 Company, its subsidiaries and its legal entities. WD-40 Company markets maintenance products ("MP") under the WD-40®, 3-IN-ONE® and GT85® brand names. Currently included in the WD-40 brand are the WD-40 Multi-Use Product and the WD-40 Specialist® and WD-40 BIKE® product lines. WD-40 Company markets the following homecare and cleaning ("HCCP") brands: X-14® automatic toilet bowl cleaners, 2000 Flushes® automatic toilet bowl cleaners, Carpet Fresh® and no vac® rug and room deodorizers, Spot Shot® aerosol and liquid carpet stain removers, 1001® household cleaners and rug and room deodorizers and Lava® and Solvol® heavy-duty hand cleaners.

Except for the historical information contained herein, this presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements reflect the Company's current expectations with respect to currently available operating, financial and economic information. These forward-looking statements are subject to certain risks, uncertainties and assumptions that could cause actual results to differ materially from those anticipated in or implied by the forward-looking statements. Our forward-looking statements are generally identified with words such as "believe," "expect," "intend," "plan," "could," "may," "aim," "anticipate," "target," "estimate" and similar expressions.

Our forward-looking statements include, but are not limited to, discussions about future financial and operating results, including: growth expectations for maintenance products; expected levels of promotional and advertising spending; anticipated input costs for manufacturing and the costs associated with distribution of our products; plans for and success of product innovation, the impact of new product introductions on the growth of sales; anticipated results from product line extension sales; expected tax rates and the impact of tax legislation and regulatory action; the length and severity of the current COVID-19 pandemic and its impact on the global economy and the Company's financial results; changes in the political conditions or relations between the United States and other nations; the impacts from inflationary trends and supply chain constraints; and forecasted foreign currency exchange rates and commodity prices.

The Company's expectations, beliefs and forecasts are expressed in good faith and are believed by the Company to have a reasonable basis, but there can be no assurance that the Company's expectations, beliefs or forecasts will be achieved or accomplished.

Actual events or results may differ materially from those projected in forward-looking statements due to various factors, including, but not limited to, those identified in Part I—Item 1A, "Risk Factors," in the Company's Annual Report on Form 10-K for the fiscal year ended August 31, 2021 which the Company filed with the SEC on October 22, 2021 and in the Company's Quarterly Report on Form 10-Q for the period ended February 28, 2022 which the Company expects to file with the Securities and Exchange Commission on April 7, 2022.

All forward-looking statements included in this presentation should be considered in the context of these risks. All forward-looking statements reflect the Company's expectations as of April 7, 2022, and the Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Investors and prospective investors are cautioned not to place undue reliance on these forward-looking statements.

LEADERSHIP CHANGE

PLANNED LEADERSHIP TRANSITION

- Last month, we began the execution of a planned leadership transition
- Garry Ridge has announced his retirement from the role of CEO effective 8/31/22
- Steve Brass was named as Garry's successor and has been appointed to serve on the Board of Directors
- Steve will become CEO effective 9/1/22
- Garry will remain chairman of the board until 12/12/22
- Thereafter, he will be bestowed with the honorary title of Chairman Emeritus
- Once Garry steps down as CEO, he will continue to serve as a strategic advisor to the Company in a consulting capacity until 6/30/23



Garry Ridge



Steve Brass

STRATEGIC INITIATIVES

STRATEGIC INITIATIVES



1. Build a Business for the Future
Build an enduring business that we will be proud to pass onto the next generation. By using our purpose and values as a decision-making filter, we will make infinite-minded decisions that create and protect long-term stakeholder value.

Desired Outcome[1]

Fully integrate ESG factors into our business



2. Attract, Develop and Engage Outstanding Tribe Members
We know our people make us great. By building and nurturing an inclusive and diverse, purpose-driven, learning and teaching organization, our tribe members will succeed together while excelling as individuals.

Grow employee engagement to greater than 95 percent



3. Strive for Operational Excellence
Foster a culture of continuous improvement in which operational excellence is the responsibility of every tribe member. Operational excellence means optimizing collaboration, resources, systems and processes as well as prioritizing the use of our time, talent, treasure and technology.

Execute the 55/30/25 business model



4. Grow WD-40® Multi-Use Product
Grow the WD-40 Multi-Use Product line through continued geographic and digital expansion, increased market penetration, educating end-users about new uses, and the development of new and unique delivery systems that make the product easier to use.

Grow WD-40 Multi-Use Product to ~$525 million in net sales by 2025



5. Grow the WD-40 Specialist® Product Line
Leverage the WD-40® Brand by developing new products and categories which build and reinforce the core brand positioning and create growth through continued geographic and digital expansion.

Grow WD-40 Specialist to ~$125 million in net sales by 2025



6. Expand and Support Portfolio Opportunities that Help Us Grow
Expand 3-IN-ONE, GT85 or future maintenance brands with portfolio opportunities that fit well within our unique multi-channel distribution network. Support homecare and cleaning brands that provide healthy profit returns.

Grow to ~$50 million in net sales by 2025

1) See note (1), page 14.

2022 EMPLOYEE ENGAGEMENT SURVEY RESULTS

Question	Result
Average of all questions	**93.5**
I love to tell people that I work for WD-40 Company.	98.3
I understand how my job contributes to achieving WD-40 Company's goals.	98.1
I feel my opinions and values are a good fit with the WD-40 Company culture.	97.2
I respect my coach.	97.0
I am clear on the company's goals.	96.7
I know what results are expected of me.	96.3
WD-40 Company encourages employees to continually improve in their job.	94.2
My coach encourages me to find new and innovative solutions and better ways of doing things.	93.9
I am excited about WD-40 Company's future direction.	93.7
WD-40 Company's "Why," "How," and "What" motivates me to help the company succeed.	93.6
My coach keeps me informed about decisions and events that affect my job.	93.2
I feel like I am a valued member of my functional team.	93.0



"What I value most about being a part of the WD-40 Company tribe is the mutual respect and admiration we have for each other. Our leaders inspire us to stay positive, choose our battles wisely, and always strive to better ourselves."

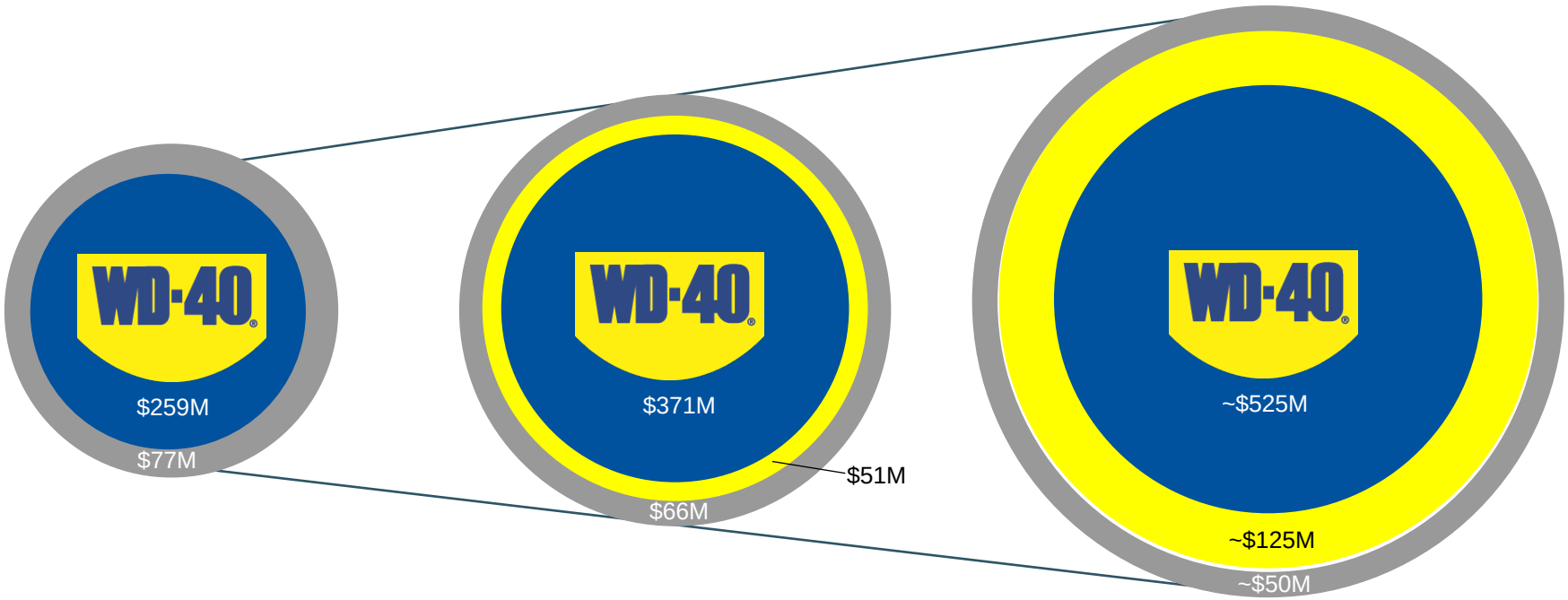
- Lisa Wright, Customer Relations Specialist, United States

REVENUE GROWTH ASPIRATIONS

FY 2011
Reported Revenue
$336M

FY 2021
Reported Revenue
$488M

2025 Growth Aspirations
Anticipated Revenue Target
$650M – $700M(1)



Revenue Generated by WD-40 Multi-Use Product

Revenue Generated by WD-40 Specialist(2)

Revenue Generated by Strategic Initiative #6(3)

1) Our growth aspirations for revenue are based on the Company's current expectations, beliefs and forecasts to strive to meet the higher end of our anticipated 2025 revenue targets. They are expressed in good faith and are believed by the Company to have a reasonable basis, but there can be no assurance that they will be achieved or accomplished. Historical revenue numbers have not been adjusted for changes in foreign currency exchange rates.
2) WD-40 BIKE is included in the FY21 reported revenue and future revenue projections for WD-40 Specialist.
3) Strategic Initiative #6 includes WD-40 Company products under the following brands: 3-IN-ONE, GT85, no vac, Spot Shot, 1001, X-14, Carpet Fresh, 2000 Flushes, Lava and Solvol.

GROWTH AMBITION BY SEGMENT

Americas

44% of global sales*

Targeting a compound annual growth rate of **5-8%**

EMEA

43% of global sales*

Targeting a compound annual growth rate of **8-11%**

Asia-Pacific

13% of global sales*

Targeting a compound annual growth rate of **10-13%**

Total Company

Targeting a compound annual growth in the **mid-to-high single digits**

Primary Growth Drivers:

- Geographic expansion of WD-40 Multi-Use Product
- Premiumization through conversion to Smart Straw Next Generation and EZ-REACH
- Increased penetration of WD-40 Specialist
- Heightening focus on digital commerce

* Percentage of sales number for the year ended 8/31/21.

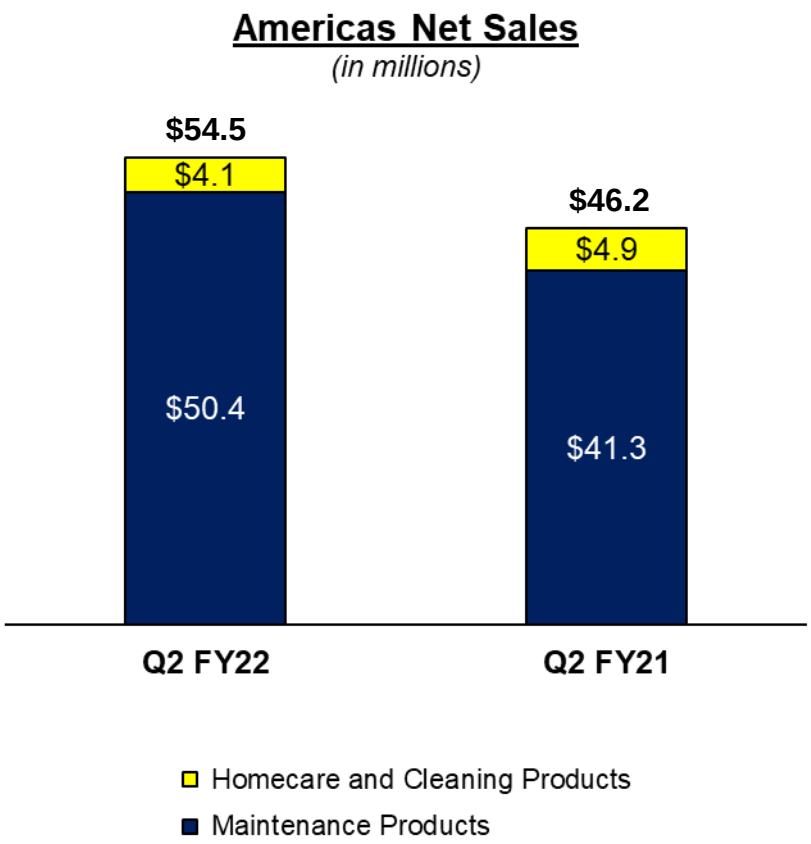
Q2 FY22 RESULTS

Q2 FY22 RESULTS

($ in millions; except EPS, gross profit and % change)	Q2 FY22	Q2 FY21	% Change
Net Sales	$130.0	$111.9	16%
Gross Profit (%)	50.4%	55.4%	-500 bps
Operating Income	$24.7	$20.7	20%
Net Income	$19.5	$17.2	13%
EPS (Diluted)	$1.41	$1.24	14%

- Overall, changes in foreign currency exchange rates had an unfavorable impact on net sales in Q2 FY22.
- When you take both translation (or “constant currency”) and transaction exposure into consideration, the impacts of foreign currency exchange rates decreased our total net sales by approximately $2.7 million in 2Q FY22.
- Net income and EPS were favorably impacted in Q2 FY22 primarily due to lower employee-related costs driven by lower incentive compensation accruals compared to the prior year period.

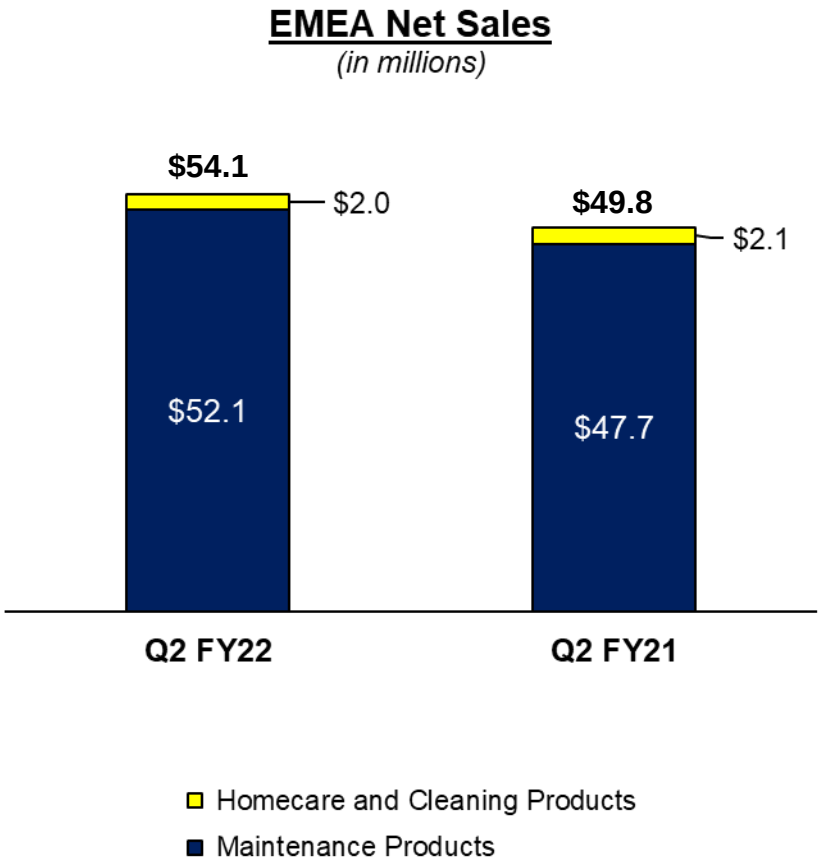
AMERICAS SEGMENT



Americas – Q2 FY22 vs. Q2 FY21

- Total reported segment sales ▲18%
  - Segment made up 42% of global sales
  - Maintenance product sales ▲ 22%
  - WD-40 Specialist sales ▲ 88%
  - HCCP sales ▼ 16%
- Maintenance Product (MP) sales:
  - U.S. MP sales ▲ 26%
  - Latin America MP sales ▲ 18%
  - Canadian MP sales ▼ 1%

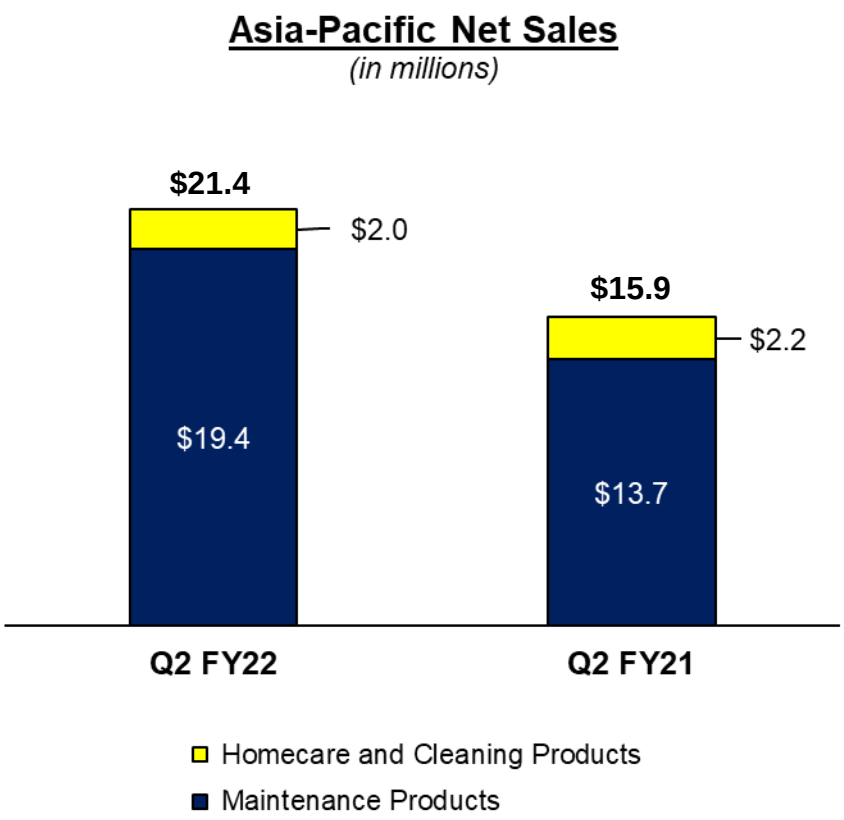
EMEA SEGMENT



EMEA – Q2 FY22 vs. Q2 FY21

- Total reported segment sales ▲ 9%
  - Segment made up 42% of global sales
  - Maintenance product sales ▲ 9%
  - WD-40 Specialist sales ▲ 15%
  - HCCP sales ▼ 5%
  - In constant currency (GBP) sales ▲ 10%
- EMEA direct market sales ▲ 6%
  - 65% of segment sales came from direct markets
- EMEA distributor market sales ▲ 13%
  - 35% of segment sales came from distributor markets

ASIA-PACIFIC SEGMENT



Asia-Pacific – Q2 FY22 vs. Q2 FY21

- Total reported Asia-Pacific sales ▲ 34%
  - Segment made up 16% of global sales
  - Maintenance product sales ▲ 42%
  - WD-40 Specialist sales ▲ 26%
  - HCCP sales ▼ 10%
- Australia sales ▼ 5%
  - In functional currency (AUD) sales flat
- China sales ▲ 42%
  - In functional currency (RMB) sales ▲ 39%
- Asia distributor market sales ▲ 64%

MUST-WIN BATTLES

OUR MUST-WIN BATTLES

Must-Win Battle #1

Geographic Expansion

Must-Win Battle #2

Premiumization

Must-Win Battle #3

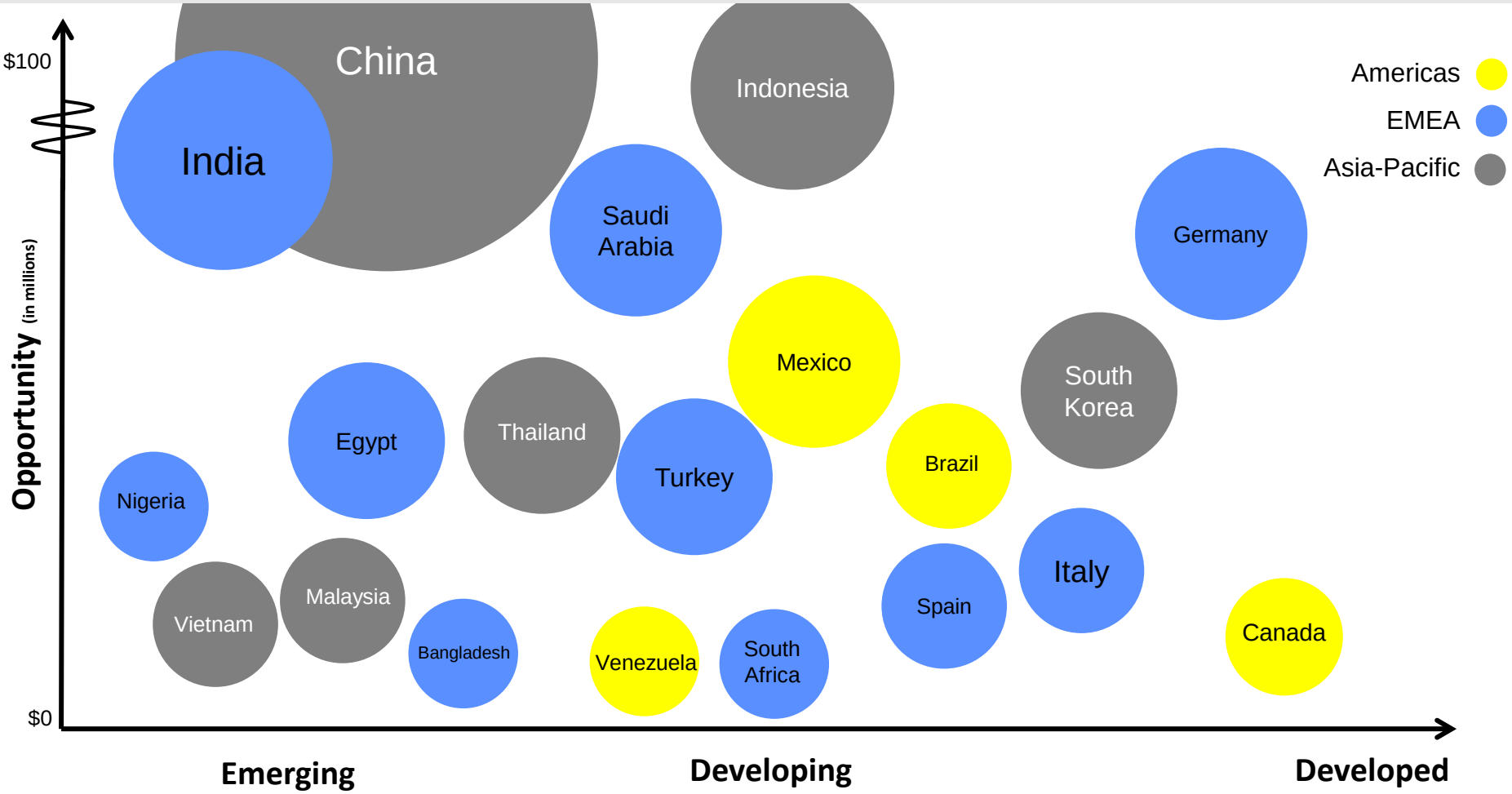
Drive WD-40 Specialist Growth

Must-Win Battle #4

Digital Commerce

MUST-WIN BATTLE #1 - GEOGRAPHIC EXPANSION

We estimate the potential global market opportunity for WD-40 Multi-Use Product to be ~$1.0B [1]



1) Based on Industrial Value Added (IVA) / Purchase Price Parity (PPP) third-party benchmarking. WD-40 Company's estimated IVA/PPP figure is calculated using country GDP (PPP) data, which is a country's GDP converted into 'international dollars' using the PPP index, then multiplied by the country's IVA (% GDP) figure.

MUST-WIN BATTLE #2 - PREMIUMIZATION



Classic Can



Smart Straw®



Next Generation Smart Straw®



EZ-Reach® Flexible Straw

- At the end of FY21, **sales of premiumized products represented 49%** WD-40 Multi-Use Product global sales
- Our objective is to **grow Smart Straw penetration to >60%** of WD-40 Multi-Use Product global sales

Premiumization of the blue and yellow can with the little red top creates opportunities for revenue growth and gross margin expansion

MUST-WIN BATTLE #3 – WD-40 SPECIALIST



Our new WD-40 Specialist packaging creates a stronger brand presence for both WD-40 Multi-Use Product and WD-40 Specialist, aligning them as the blue and yellow **brand** with the little red top

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MUST-WIN BATTLE #4 – DIGITAL COMMERCE

Our global digital ambition is to engage with end-users at scale, becoming the global leader in our category on the digital platforms they use, making it easy to access, learn about, and purchase our brands online.

Creating positive lasting memories….ONLINE

55/30/25 BUSINESS MODEL

Q2 FY22 GROSS MARGIN

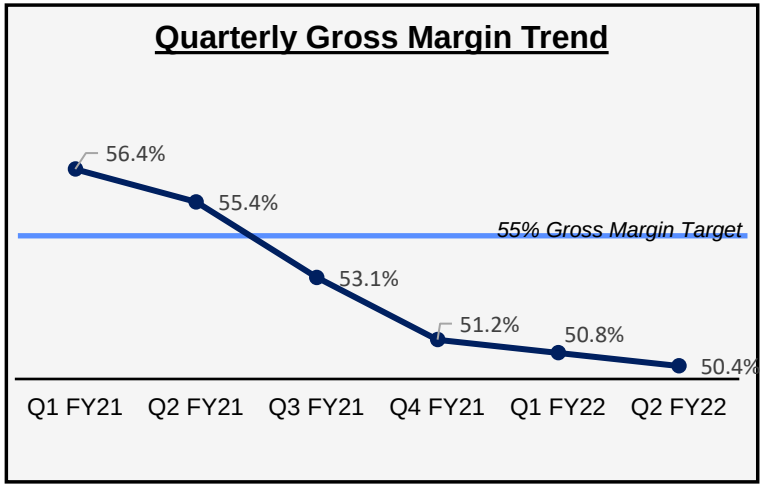
Gross margin decreased by 500 basis points primarily due to the following unfavorable impacts:

Gross Margin Drivers	Change vs. Prior Year (basis points)
Changes in specialty chemical costs and aerosol cans	410 bps
Warehousing, distribution & freight	110 bps
Higher filling fees	80 bps
Higher misc. related to inventory and overhead, primarily in Americas	60 bps
Changes in FX rates	60 bps

These changes were partially offset by the following favorable impacts:

Gross Margin Drivers	Change vs. Prior Year (basis points)
Price increases	200 bps

Gross Margin vs. Prior Year	
Q2 FY21	**Q2 FY22**
55.4%	50.4%

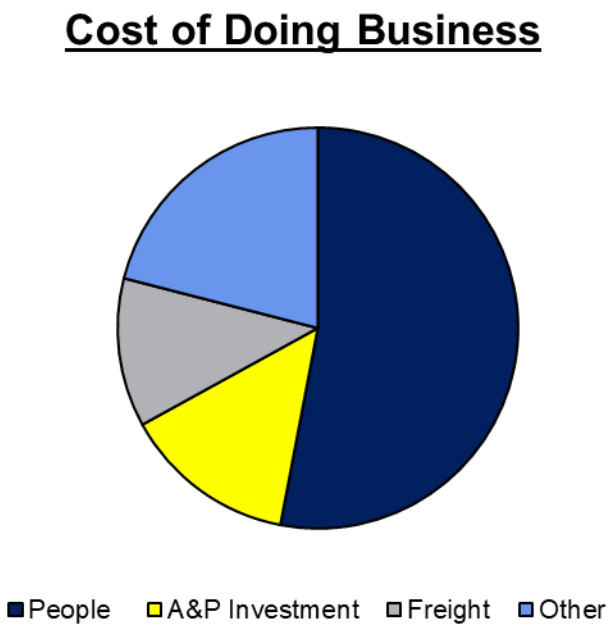


Actions we are taking to improve gross margin:

- Price increases across all markets and geographies (tactical)
- Geographic expansion (strategic)
- Premiumization (strategic)
- Product mix (strategic)

COST OF DOING BUSINESS

- Q2 FY22 cost of doing business was 30%, down from 36% compared to Q2 FY21
- Cost of doing business comes from three primary areas:
  - People costs, including earned incentive accruals
  - Marketing, advertising and promotion
  - Freight costs to get products to customers
- Investments in digital commerce, research and development, brand awareness, innovation, intellectual property protection, information systems, and regulatory and quality assurance remain a high priority.



Revenue growth is the most important factor in achieving the "30" target

55/30/25 RESULTS

55/30/25 Business Model	Target	Q2 FY22 Actuals	Q2 FY21 Actuals	Q2 FY20 Actuals
Gross Margin	55%	50%	55%	54%
Cost of Doing Business	30%	30%	36%	34%
EBITDA	25%	21%	20%	20%

* See appendix for descriptions and reconciliations of these non-GAAP measures.
Note: Percentages may not aggregate to EBITDA percentage due to rounding and because amounts recorded in other income (expense), net on the Company's consolidated statement of operations are not included as an adjustment to earnings in the Company's EBITDA calculation.

GUIDANCE

FISCAL YEAR 2022 GUIDANCE

Sales Growth	Between 7% and 12%
Net Sales	Between $522 and $547 million
Gross Margin	Between 50% and 51%
A&P Investment	Between 5% and 6% of net sales
Provision for Income Tax	Between 20% and 21%
Net Income	Between $70.7 and $72.5 million
Diluted EPS	Between $5.14 and $5.27 based on 13.7 million shares outstanding

Changes to guidance indicated in BLUE.

As of 4/7/22. This guidance is expressed in good faith and is based on management's current view of anticipated results. It does not include any future acquisitions or divestitures or the impact of fluctuating foreign currency exchange rates. It assumes crude oil costs will be between $100 and $120 per barrel. Unanticipated inflationary headwinds and other unforeseen events may further impact the Company's financial results.

APPENDIX

FOREIGN CURRENCY TRANSLATION IMPACT OR "CONSTANT CURRENCY"

($ in millions; except EPS, gross profit and % change)

Financial Results **As reported**	Q2 FY22	Q2 FY21	% Change
Net Sales	$130.0	$111.9	16%
Gross Profit (%)	50.4%	55.4%	-500 bps
Operating Income	$24.7	$20.7	20%
Net Income	$19.5	$17.2	13%
EPS (Diluted)	$1.41	$1.24	14%

Financial Results **Constant currency basis**	Q2 FY22 CC*	Q2 FY21	% Change
Net Sales	$130.9	$111.9	17%
Operating Income	$24.9	$20.7	21%
Net Income	$19.6	$17.2	14%
EPS (Diluted)	$1.43	$1.24	15%

*FY22 results translated at FY21 foreign currency exchange rates.

NON-GAAP RECONCILIATION

(1) This presentation contains certain non-GAAP (accounting principles generally accepted in the United States of America) measures, that our management believes provide our stockholders with additional insights into WD-40 Company's results of operations and how it runs its business. Our management uses these non-GAAP financial measures in order to establish financial goals and to gain an understanding of the comparative performance of the Company from year to year or quarter to quarter. The non-GAAP measures referenced in this presentation, which include EBITDA (earnings before interest, income taxes, depreciation and amortization) and the cost of doing business, are supplemental in nature and should not be considered in isolation or as alternatives to net income, income from operations or other financial information prepared in accordance with GAAP as indicators of the Company's performance or operations. Reconciliations of these non-GAAP financial measures to the WD-40 Company financials as prepared under GAAP are as follows:

	Three Months Ended February 28,	
	2022	2021
Total operating expenses - GAAP	$ 40,775	$ 41,352
Amortization of definite-lived intangible assets	(360)	(362)
Depreciation (in operating departments)	(1,112)	(1,077)
Cost of doing business	$ 39,303	$ 39,913
Net sales	$ 129,986	$ 111,905
Cost of doing business as a percentage of net sales - non-GAAP	30%	36%

EBITDA:

	Three Months Ended February 28,	
	2022	2021
Net income - GAAP	$ 19,508	$ 17,191
Provision for income taxes	4,895	3,024
Interest income	(21)	(19)
Interest expense	613	610
Amortization of definite-lived intangible assets	360	362
Depreciation	1,736	1,396
EBITDA	$ 27,091	$ 22,564
Net sales	$ 129,986	$ 111,905
EBITDA as a percentage of net sales - non-GAAP	21%	20%

Note: Percentages may not aggregate to EBITDA percentage due to rounding and because amounts recorded in other income (expense), net on the Company's consolidated statement of operations are not included as an adjustment to earnings in the Company's EBITDA calculation.


WD-40
COMPANY