



LEADING THE WAY



H.B. Fuller Investor Q3'21 Summary
November 2021



H.B. Fuller

Connecting what matters.™

Safe Harbor Statement

Certain matters discussed today may include 'forward looking statements' as that term is defined under the Private Securities Litigation Reform Act of 1995. Since such statements reflect our current expectations, actual results may differ as they are subject to the kinds of risks that are enumerated in the Company's Securities and Exchange Commission (SEC) filings. The Company disclaims any obligation to subsequently revise any forward-looking statements to reflect actual events or circumstances after the date of such statements. Many of the risks and uncertainties are, and will be, exacerbated by COVID-19 and any worsening of the global economic environment as a result.

Regulation G

The information presented during today's meeting regarding adjusted gross profit, adjusted selling, general and administrative expense, adjusted diluted earnings per share, earnings before interest, taxes, depreciation, and amortization (EBITDA) does not conform to generally accepted accounting principles (GAAP) and should not be construed as an alternative to the reported results determined in accordance with GAAP. Management has included this non-GAAP information to assist in understanding the operating performance of the Company and its operating segments as well as the comparability of results. The non-GAAP information provided may not be consistent with the methodologies used by other companies. All non-GAAP information is reconciled with reported GAAP results in the company's press releases available on the company's website, with the exception of our forward-looking non-GAAP measures, which the company cannot reconcile to forward-looking GAAP measures without unreasonable effort.

Additional Information

Please refer to our recent press release and annual report for the year ended November 28, 2020, on Form 10-K, and our quarterly Forms 10-Q, filed with the Securities and Exchange Commission, and available on our website at www.hbfuller.com in the Investors section.



H.B. Fuller at a Glance

World Headquarters
St. Paul, MN, USA
H.B. Fuller (NYSE: FUL)



6,400+ employees
130+ years of history



\$2.8 billion in 2020 revenue



71 manufacturing facilities
38 technology centers



125 countries with sales
36 countries with facilities or offices
3 global business units serving
30+ markets






10,000 adhesive solutions
435 patents



95,000+ social media followers

Resilient, Diversified, Agile and Innovation-focused Business Model

			
	Engineering Adhesives	Hygiene, Health & Consumable Adhesives	Construction Adhesives
FY 2020 Financials*	\$1.1B Revenue 15.4% EBITDA	\$1.3B Revenue 13.7% EBITDA	\$0.4B Revenue 14.0% EBITDA
LT Targeted EBITDA %	High teens to 20%	Mid teens	High teens

- ✓ Global alignment for agility in customer engagement
- ✓ Streamlined functional operations with lower cost to serve customers
- ✓ 2020 Restructuring with >5% reduction in SG&A expense (~\$35 million of savings achieved)
- ✓ Also initiated Operations & Supply Chain project in 2020 (est. \$20 – 30M of streamlined costs and increase efficiency and utilization)

* Please see Appendix for reconciliations of adjusted non-GAAP metrics to the nearest GAAP measure



H.B. Fuller

Connecting what matters.™



Executing Well on 2021 Priorities

- **Volume Growth** – through service and innovation, as we support our customers' success in the current high-demand, supply-constrained environment.
- **Strategic Pricing** – effectively implemented and aligned to the value we deliver, to recover raw material increases, maintain and grow our gross profit margins.
- **Free Up Capacity** – through our operational excellence programs to help fuel our growth.



Strong Operating Performance vs. 2020 and pre-COVID 2019

YTD Q3 2021

	2021	% YoY 2020	% YoY 2019
Revenue	\$2,381	+18%	+10%
<i>Organic Growth*</i>		+15%	+11%
Adj. EPS*	\$2.38	+34%	+15%
Adj EBITDA*	\$333	+17%	+4%

HIGHLIGHTS

- Volume leverage, pricing gains and cost controls offset raw material impact on adjusted earnings
- Capitalizing on share gains and pricing execution
- Our agility, pricing power and dedicated focus on adhesives are competitive advantages
- Continued debt reduction toward our 2x – 3x leverage target
- Well positioned for continued gains in 2022

YTD Q3 2021 YoY	HHC	Engineering	Construction	Total
Revenue	\$1,070 M	\$1,000 M	\$310 M	\$2,381 M
<i>YoY Organic growth vs. 2020*</i>	+8%	+26%	+12%	+15%
<i>YoY Organic growth vs. 2019*</i>	+11%	+14%	+1%	+11%

* Please see Appendix for reconciliations of adjusted non-GAAP metrics to the nearest GAAP measure



H.B. Fuller

Connecting what matters.™



H.B. Fuller's ESG philosophy is deeply embedded in our culture and processes

H.B. Fuller's strategy is to be the best adhesives company in the world as a responsible corporate citizen that:

- creates a **safe and respectful working environment** for all employees,
- **improves communities** where we live and work, and
- **supports customers** in their efforts to produce products that make people's lives better while
- **responsibly managing the world's finite resources**, including reducing our environmental footprint.



Summary

- H.B. Fuller is the world's largest dedicated global manufacturer of adhesives used in a broad array of products from hygiene, health, packaging and consumable goods to durable goods, construction and engineering applications
- FUL's global supply chain, global coordination and speed are competitive advantages, elevating our industry position during COVID-19 and the on-going, high-demand recovery from pandemic conditions
- Diverse customer and end market exposure and resilient business model results in strong business performance across diverse economic environments
- Delivering market-driven, high value and new, environmentally-sustainable adhesive innovations drives multi-year growth opportunity
- Driving top-line growth and increased EBITDA with continued expansion of highly specialized solution portfolio
- Cash generative business with ample liquidity and capital for growth



Appendix



H.B. Fuller

Connecting what matters.™



Regulation G – Full Year Segment Information

	52 Weeks Ended	
	November 28, 2020	November 30, 2019
Net Revenue:		
Hygiene, Health and Consumable Adhesives	\$ 1,332,786	\$ 1,328,286
Engineering Adhesives	1,088,313	1,158,403
Construction Adhesives	369,170	396,580
Corporate unallocated	-	13,731
Total H.B. Fuller	<u>\$ 2,790,269</u>	<u>\$ 2,897,000</u>
Segment Operating Income:		
Hygiene, Health and Consumable Adhesives	\$ 130,789	\$ 115,961
Engineering Adhesives	103,974	136,299
Construction Adhesives	11,148	16,657
Corporate unallocated	(27,594)	(42,923)
Total H.B. Fuller	<u>\$ 218,317</u>	<u>\$ 225,994</u>
Adjusted EBITDA ³		
Hygiene, Health and Consumable Adhesives	\$ 182,448	\$ 166,685
Engineering Adhesives	167,915	197,853
Construction Adhesives	51,692	56,514
Corporate unallocated	4,754	11,293
Total H.B. Fuller	<u>\$ 406,809</u>	<u>\$ 432,345</u>
Adjusted EBITDA Margin ³		
Hygiene, Health and Consumable Adhesives	13.7%	12.5%
Engineering Adhesives	15.4%	17.1%
Construction Adhesives	14.0%	14.3%
Corporate unallocated	NMP	NMP
Total H.B. Fuller	<u>14.6%</u>	<u>14.9%</u>
NMP = non-meaningful percentage		

Q3 2021 Revenue Performance Summary

	Three Months Ended August 28, 2021	Nine Months Ended August 28, 2021
Price	6.3%	2.6%
Volume	10.1%	12.7%
Organic Growth ¹²	16.4%	15.3%
F/X	3.2%	3.0%
Total H.B. Fuller Net Revenue Growth	19.6%	18.3%

Revenue growth versus 2020

	Three Months Ended August 28, 2021			Nine Months Ended August 28, 2021		
	Net Revenue	F/X	Organic Growth ¹²	Net Revenue	F/X	Organic Growth ¹²
Hygiene, Health and Consumable Adhesives	15.4%	2.4%	13.0%	9.5%	1.6%	7.9%
Engineering Adhesives	24.0%	4.8%	19.2%	31.4%	5.3%	26.1%
Construction Adhesives	20.9%	1.4%	19.5%	13.2%	1.6%	11.6%
Total H.B. Fuller	19.6%	3.2%	16.4%	18.3%	3.0%	15.3%

Revenue growth versus 2019

	Three Months Ended August 28, 2021			Nine Months Ended August 28, 2021		
	Net Revenue	F/X	Organic Growth ¹²	Net Revenue	F/X	Organic Growth ¹²
Hygiene, Health and Consumable Adhesives	12.5%	(1.2)%	13.7%	8.5%	(2.0)%	10.5%
Engineering Adhesives	19.4%	3.8%	15.6%	17.0%	3.2%	13.8%
Construction Adhesives	6.2%	1.2%	5.0%	2.4%	1.0%	1.4%
Total H.B. Fuller	14.0%	0.9%	13.1%	10.3%	(0.2)%	10.5%

¹² We use the term "organic revenue" to refer to net revenue, excluding the effect of foreign currency changes and acquisitions and divestitures. Organic growth reflects adjustments for the impact of period-over-period changes in foreign currency exchange rates on revenues and the revenues associated with acquisitions and divestitures.





H.B. Fuller

Thank you

H.B. Fuller Investor Contact:

Barbara Doyle

VP, Investor Relations

651-236-5023

investors@hbfuller.com



H.B. Fuller

Connecting what matters.™