



# Q4 & FY24 Earnings Results

OCTOBER 17, 2024



# Forward-Looking Statements

Historical financial and operating data in this presentation reflect the consolidated results of WD-40 Company and its subsidiaries (collectively, the “Company”). The Company markets maintenance products (“MP”) under the WD-40®, 3-IN-ONE®, and GT85® brand names. The WD-40 brand portfolio also includes the WD-40® Multi-Use Product, the WD-40 Specialist®, and WD-40 BIKE® product lines. The Company markets the homecare and cleaning products (“HCCP”) under the following brands: X-14® and 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 “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. Our forward-looking statements are generally identified with words such as “believe,” “expect,” “intend,” “plan,” “project,” “could,” “may,” “aim,” “anticipate,” “target,” “estimate” and similar expressions. 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 include, but are not limited to, discussions about future financial and operating results; expected benefits from the acquisition or divestiture transaction; acquired business not performing as expected; assuming unexpected risks, liabilities and obligations of the acquired business; disruption to the parties’ business as a result of the announcement and acquisition or divestiture transaction; integration of acquired business and operations into the company; the Company’s ability to successfully complete any planned divestiture; expected timing of the closing for the divestiture; expected proceeds from the divestiture; the intended use of proceeds by the Company from the divestiture transaction; impact of the divestiture transaction on the Company’s stock price or EPS; 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; changes in the political conditions or relations between the United States and other nations; the impacts from inflationary trends and supply chain constraints; changes in interest rates; 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 materially differ 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, 2023 which the Company filed with the Securities and Exchange Commission (“SEC”) on October 23, 2023, and 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, 2024, which the Company expects to file with the SEC on October 21, 2024.

All forward-looking statements included in this presentation should be considered in the context of these risks. These statements reflect the Company’s expectations as of October 17, 2024, and the Company undertakes no obligation to update or revise any such 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.

Due to rounding, numbers presented throughout this presentation may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.



# Q4 FY24 Results

# Q4 FY24 Results

(\$M except EPS, gross margin and % change)

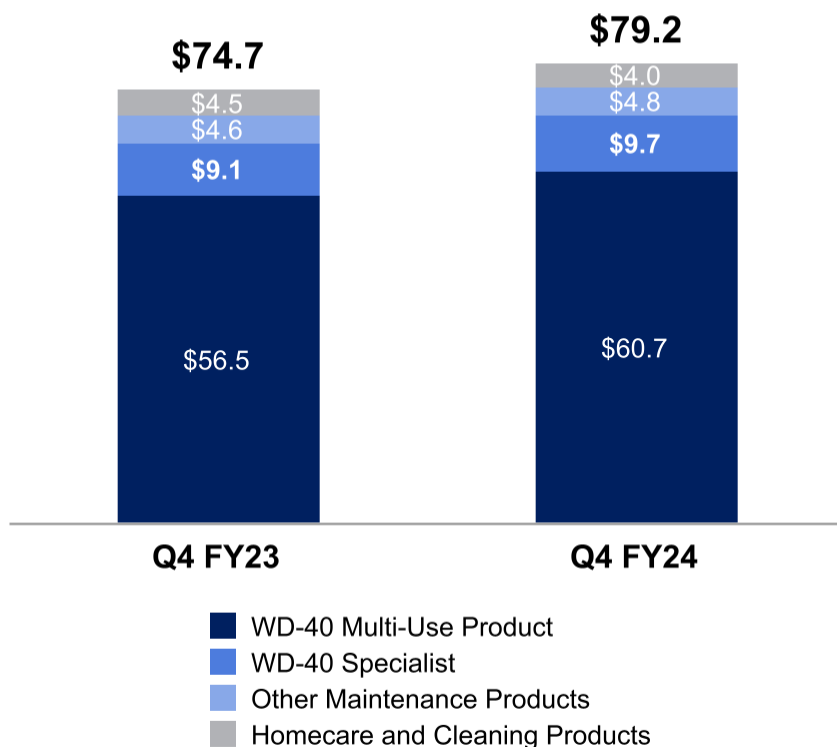
Financial Results	Q4 FY24	Q4 FY23	% Change
As reported			
Net Sales	\$156.0	\$140.5	11%
Gross Margin	54.1%	51.4%	+270 bps
Operating Income	\$24.1	\$23.2	4%
Net Income	\$16.8	\$16.6	1%
EPS (Diluted)	\$1.23	\$1.21	2%

- Non-GAAP constant currency net sales were \$156.5 million, reflecting an increase of 11% over prior year quarter
- Operating income, net income, and EPS were impacted by higher SG&A expenses associated with higher employee incentive compensation accrual compared to prior year quarter



# Americas Segment

Americas Net Sales (in millions)

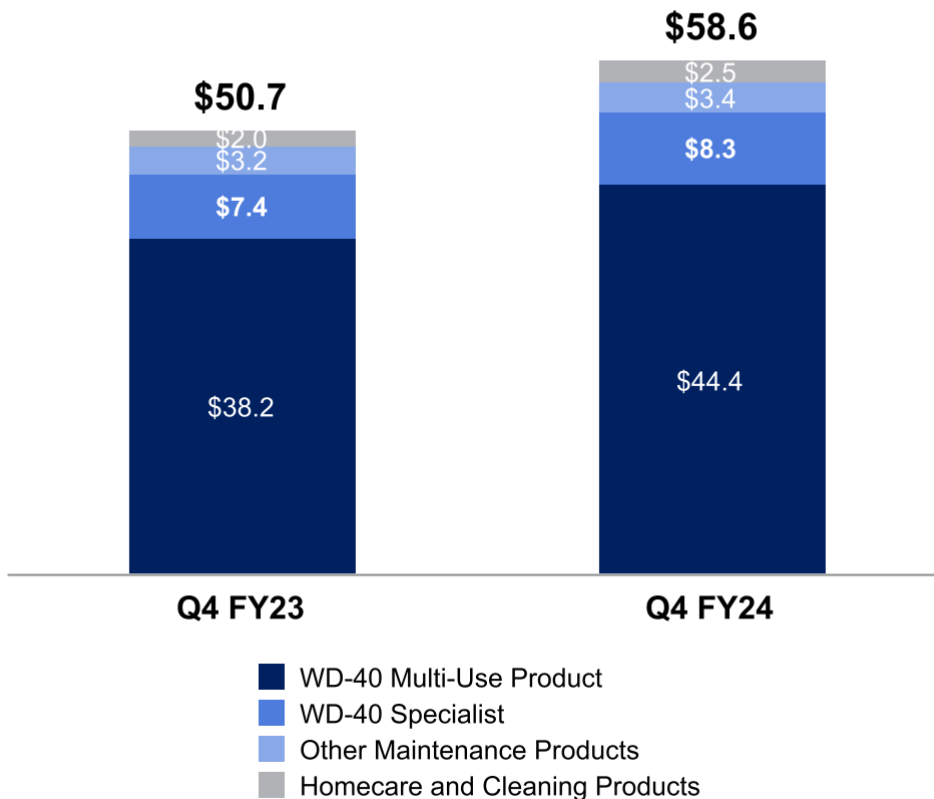


## Americas – Q4 FY23 vs. Q4 FY24

- Total reported segment sales ▲ 6%
  - Segment = 51% of global net sales
  - WD-40® Multi-Use Product sales ▲ 7%
  - WD-40 Specialist® sales ▲ 6%
  - In constant currency sales ▲ 7%
- Maintenance product (MP) sales:
  - U.S. MP sales ▼ 3%
  - Latin America MP sales ▲ 58%
  - Canadian MP sales ▲ 8%
- Gross margin 52.5% ▲ 350 bps

# EIMEA Segment

EIMEA Net Sales (in millions)

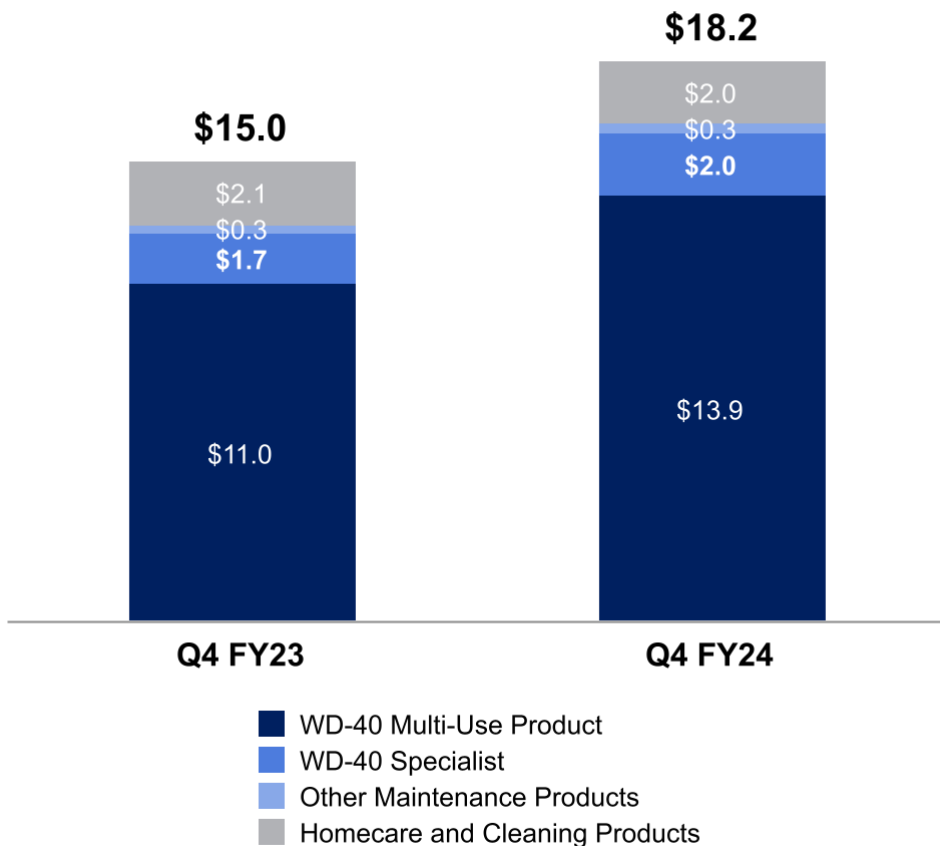


## EIMEA – Q4 FY23 vs. Q4 FY24

- Total reported segment sales ▲ 16%
  - Segment = 37% of global net sales
  - WD-40® Multi-Use Product sales ▲ 16%
  - WD-40 Specialist® sales ▲ 13%
  - In constant currency sales ▲ 15%
- Maintenance product (MP) sales:
  - EIMEA MP sales ▲ 15%
- Gross margin 55.5% ▲ 190 bps

# Asia-Pacific Segment

Asia-Pacific Net Sales (in millions)



## Asia-Pacific – Q4 FY23 vs. Q4 FY24

- Total reported Asia-Pacific sales ▲ 21%
  - Segment = 12% of global net sales
  - WD-40® Multi-Use Product sales ▲ 26%
  - WD-40 Specialist® sales ▲ 24%
  - In constant currency sales ▲ 22%
- Maintenance product (MP) sales:
  - Australia MP sales ▲ 2%
  - China MP sales ▲ 10%
  - Asia distributor market MP sales ▲ 49%
- Gross margin 56.4% ▲ 70 bps



# FY24 Results



# FY24 Results

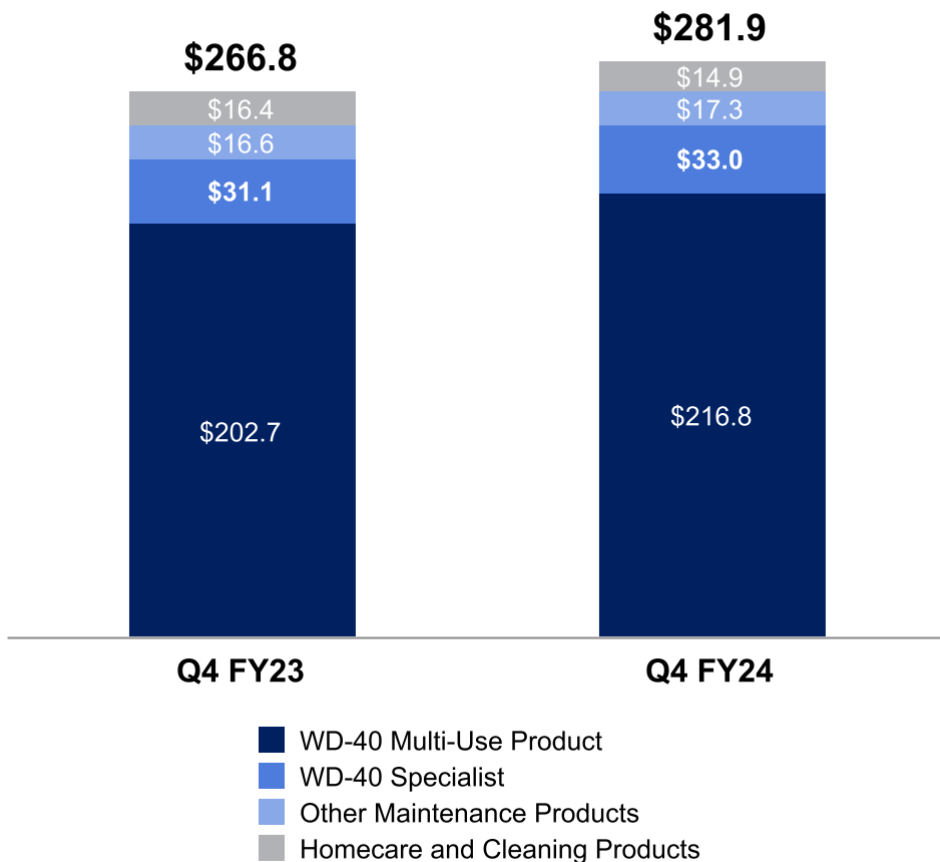
(\$M except EPS, gross margin and % change)

Financial Results	FY24	FY23	% Change
As reported			
Net Sales	\$590.6	\$537.3	10%
Gross Margin	53.4%	51.0%	+240 bps
Operating Income	\$96.4	\$89.7	7%
Net Income	\$69.6	\$66.0	6%
EPS (Diluted)	\$5.11	\$4.83	6%

- Non-GAAP constant currency net sales were \$582.7 million, reflecting an increase of 8% over prior year
- Operating income, net income, and EPS were impacted by higher SG&A expenses associated with higher employee incentive compensation accruals over prior fiscal year

# Americas Segment

Americas Net Sales (in millions)

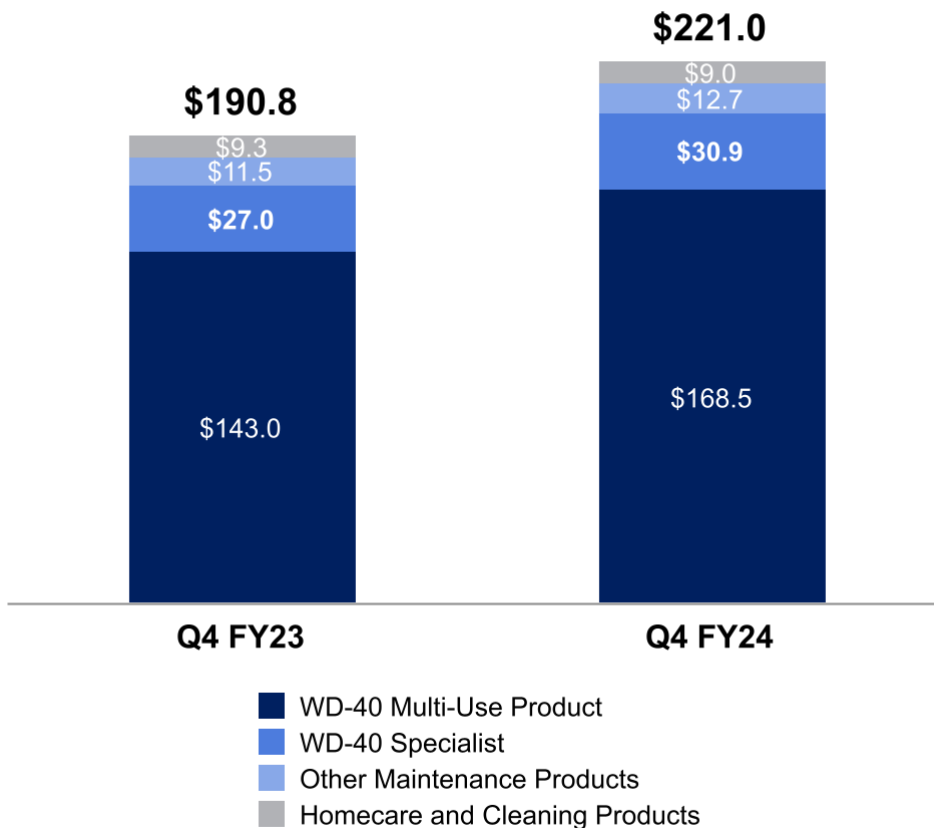


## Americas – FY23 vs. FY24

- Total reported segment sales ▲ 6%
  - Segment = 48% of global net sales
  - WD-40® Multi-Use Product sales ▲ 7%
  - WD-40 Specialist® sales ▲ 6%
  - In constant currency sales ▲ 5%
- Maintenance product (MP) sales:
  - U.S. MP sales ▲ 1%
  - Latin America MP sales ▲ 38%
  - Canadian MP sales ▼ 1%
- Gross margin 50.9% ▲ 200 bps

# EIMEA Segment

EIMEA Net Sales (in millions)



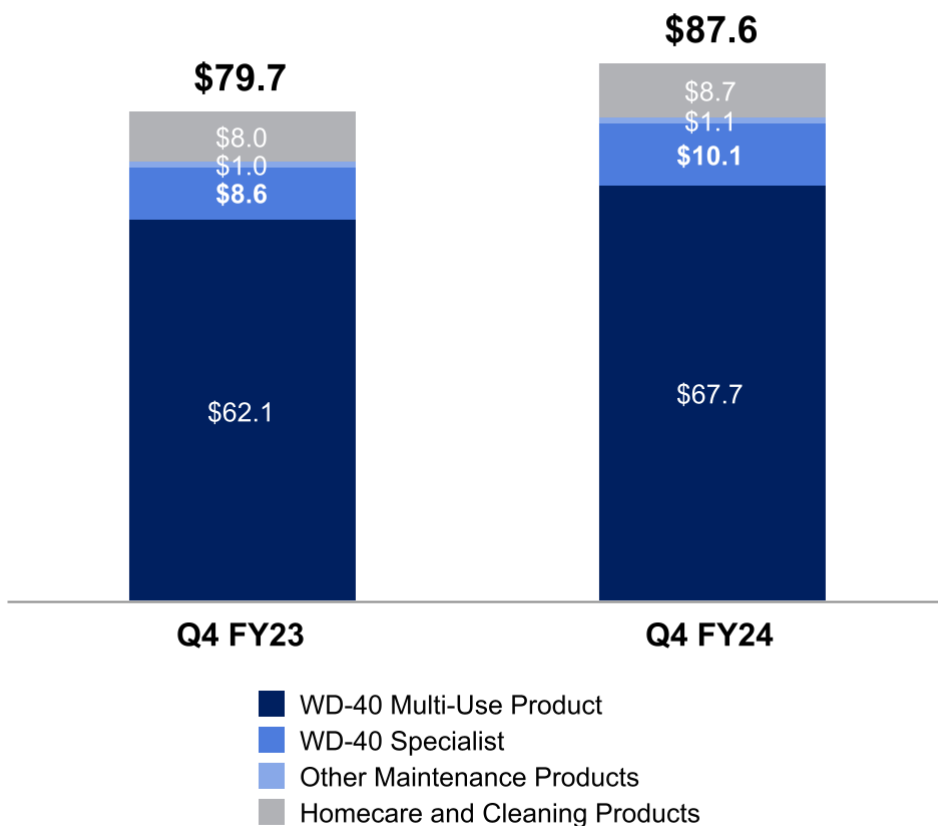
## EIMEA – FY23 vs. FY24

- Total reported segment sales ▲ 16%
  - Segment = 37% of global net sales
  - WD-40® Multi-Use Product sales ▲ 18%
  - WD-40 Specialist® sales ▲ 14%
  - In constant currency sales ▲ 12%
- Maintenance product (MP) sales:
  - EIMEA MP sales ▲ 17%
- Gross margin 54.7% ▲ 250 bps



# Asia-Pacific Segment

Asia-Pacific Net Sales (in millions)



## Asia-Pacific – FY23 vs. FY24

- Total reported Asia-Pacific sales ▲ 10%
  - Segment = 15% of global net sales
  - WD-40® Multi-Use Product sales ▲ 9%
  - WD-40 Specialist® sales ▲ 17%
  - In constant currency sales ▲ 11%
- Maintenance product (MP) sales:
  - Australia MP sales ▲ 1%
  - China MP sales ▲ 14%
  - Asia distributor market MP sales ▲ 12%
- Gross margin 58.0% ▲ 270 bps



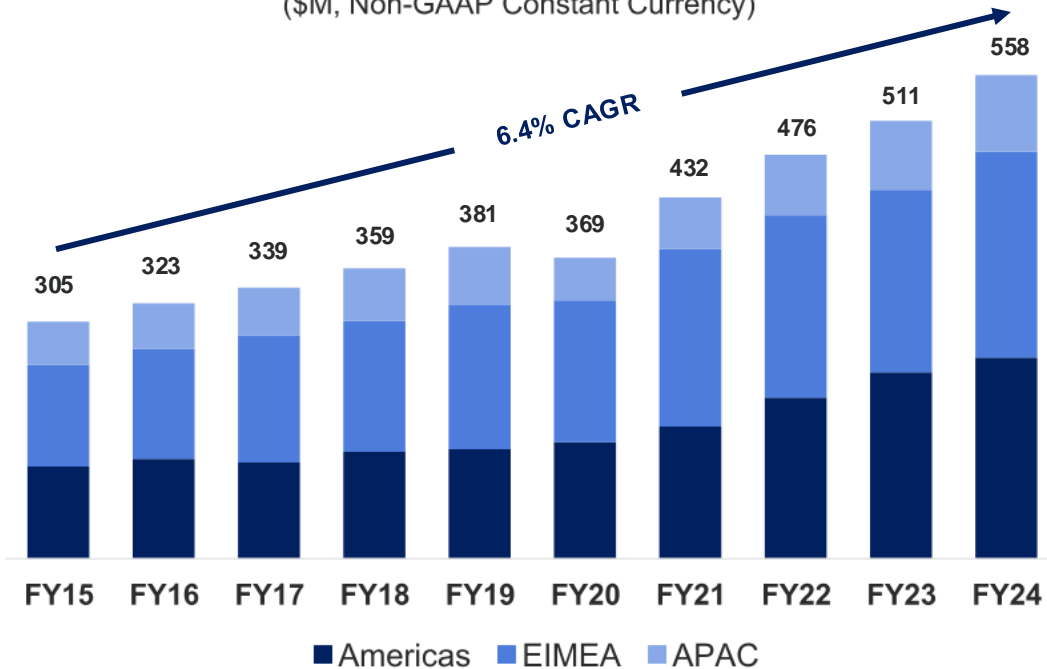
# Growth Aspirations



# Strong Historical Growth with Clear Runway Ahead

## Maintenance Product Net Sales<sup>1</sup>

(\$M, Non-GAAP Constant Currency)



## Maintenance Products 10-year Net Sales CAGR

**6.7%**  
EIMEA

**6.9%**  
APAC

**6.1%**  
Americas

1. FY24 maintenance product net sales presented as reported; all prior years presented on a constant currency basis using FY24 foreign currency exchange rates. See appendix for descriptions and reconciliations of this non-GAAP measure. Maintenance product net sales compound annual growth rate (CAGR) targets calculated from FY14 baseline maintenance product sales, on a constant currency basis using FY24 for foreign currency exchange rates, of \$29.9M.

# Long-Term Growth Targets for Maintenance Products

Non-GAAP Constant Currency

## Long-Term Growth Ambition By Segment

### Americas

**48%**  
of global net sales\*

CAGR Target  
**5-8%**

### EIMEA

**37%**  
of global net sales\*

CAGR Target  
**8-11%**

### APAC

**15%**  
of global net sales\*

CAGR Target  
**10-13%**

### Total Company

CAGR Target  
**mid-to-high  
single digits**

\* Percentage of net sales for FY24, which ended August 31, 2024. See appendix for descriptions and reconciliations of this non-GAAP measure.  
Note: Compound annual growth rate (CAGR) targets associated with our trade blocs are on a non-GAAP constant currency basis and reflect our long-term growth expectations, which may not always align with short-term trends and results.



# Our Four-by-Four Strategic Framework

## Four Must-Win Battles

**01**

**Lead Geographic  
Expansion**

**02**

**Accelerate  
Premiumization**

**03**

**Drive WD-40  
Specialist Growth**

**04**

**Turbo-Charge  
Digital Commerce**

## Four Strategic Enablers

**01** | **Ensure a People-First Mindset**

**02** | **Build a Sustainable Business For the Future**

**03** | **Achieve Operational Excellence in Supply Chain**

**04** | **Drive Productivity via Enhanced Systems**



# Must-Win Battles – Fiscal Year

## Must-Win Battles Fiscal Year Results

01

### Lead Geographic Expansion

- WD-40 Multi-Use Product ▲ 11%
  - Americas ▲ 7%
  - EIMEA ▲ 18%
  - APAC ▲ 9%

02

### Accelerate Premiumization

- WD-40 Smart Straw and EZ Reach products ▲ 11%

03

### Drive WD-40 Specialist Growth

- WD-40 Specialist ▲ 11%
  - Americas ▲ 6%
  - EIMEA ▲ 14%
  - APAC ▲ 17%

04

### Turbo-Charge Digital Commerce

- E-commerce sales ▲ 12%

## Must-Win Battles Long-Term Targets

**Estimated long-term growth opportunity**  
**~\$1.2B<sup>(1)</sup>**

**Targeting CAGR of >10%**

**Targeting CAGR of >15%**

**Increase brand awareness and engagement online**

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.



# Business Model



# Our Business Model Enables Long-term Value Creation

**GDP+**

**Generate Mid-to-High-Single Digit Revenue Growth**

**50→55%**

**Achieve Gross Margin Target**

**35→30%**

**Manage Cost Of Doing Business<sup>1</sup>**

**20→25%**

**Drive Adjusted EBITDA Margin<sup>1</sup>**

**Low Capital Requirements**

**Invest in Brands and People**



**ROIC  
25%+**

**Annual dividends**  
targeted at >50%  
of earnings

1. Due to the financial impact of the potential divestiture of certain of the home care and cleaning products classified as assets held for sale subsequent to August 31, 2024, progress on these aspects of the Company's 55/30/25 business model will be temporarily impacted.

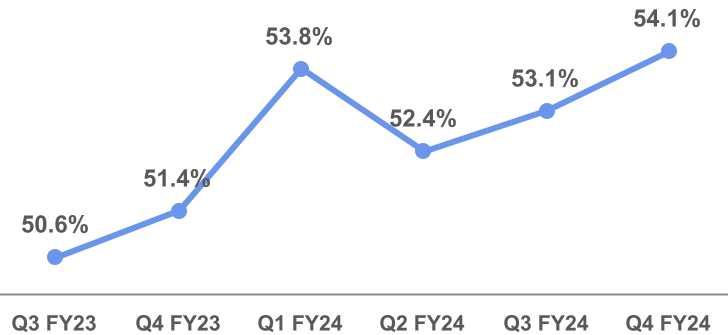
# Gross Margin Detail – Q4 FY24

Gross margin increased by 270 basis points over prior year period primarily due to the following favorable impacts:

Gross Margin Drivers	Change vs. Prior Year (basis points)
As reported	
Lower costs of aerosol cans	+100
Sales mix and other misc. mix impacts	+70
Warehousing, distribution, freight, misc. input costs	+60

Gross Margin vs. Prior Year	
<u>Q4 FY24</u>	<u>Q4 FY23</u>
54.1%	51.4%

## Gross Margin Trend



### Actions to improve gross margin:

- Premiumization
- Geographic expansion and market mix
- Product mix
- Cost optimization
- Tactical price increases

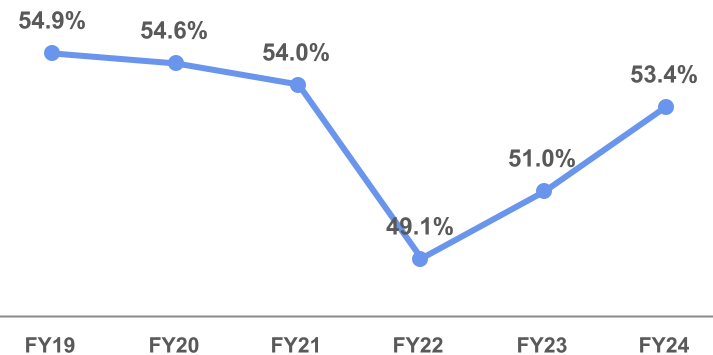
# Gross Margin Detail – FY24

Gross margin increased by 240 basis points over prior year primarily due to the following favorable impacts:

Gross Margin Drivers	Change vs. Prior Year (basis points)
As reported	
Sales mix and other misc. mix impacts	+130
Lower costs of specialty chemicals	+80
Warehousing, distribution, freight, misc. input costs	+80

Gross Margin vs. Prior Year	
<u>FY24</u>	<u>FY23</u>
53.4%	51.0%

## Gross Margin Trend

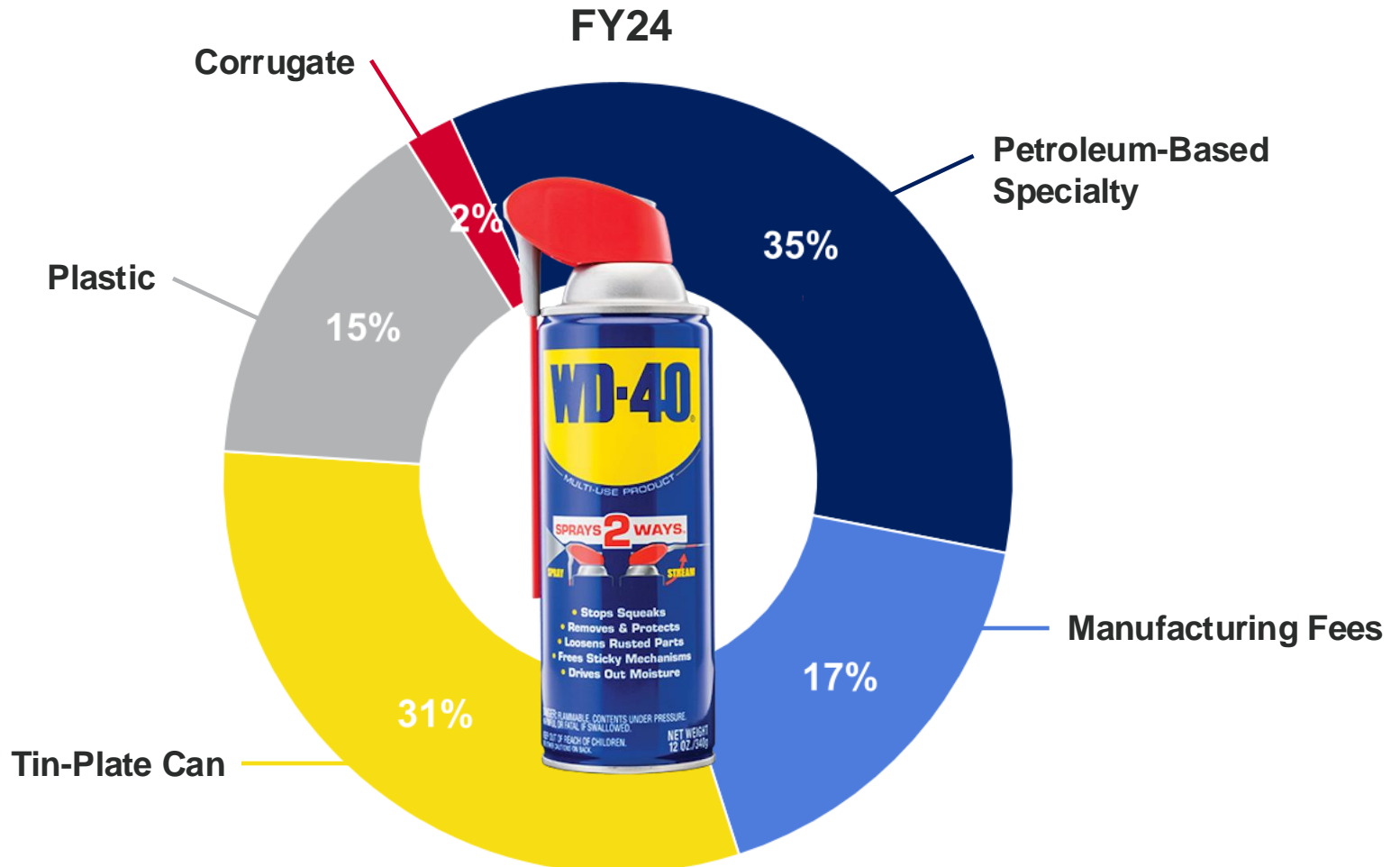


### Actions to improve gross margin:

- Premiumization
- Geographic expansion and market mix
- Product mix
- Cost optimization
- Tactical price increases

# What Makes Up the Cost of a Can?

## Approximate Cost Breakdown Of A Typical Can Of WD-40® Multi-Use Product Manufactured in the United States





# FY25 Guidance



# Non-GAAP FY24 Results – Pro Forma

Pro forma, excluding the full fiscal year financial impact of certain of the homecare and cleaning products classified as assets held for sale subsequent to August 31, 2024

(\$M except EPS, gross margin and % change)

Financial Results	FY24	FY23	% Change
As reported			
Net Sales	\$566.7	\$511.5	11%
Gross Margin	53.9%	51.7%	+220 bps
Operating Income	\$89.8	\$83.4	8%
Net Income	\$64.7	\$61.1	7%
EPS (Diluted)	\$4.74	\$4.47	7%

- Given the Company expects to divest of certain of its of its homecare and cleaning brands in the 1H FY25, we are providing this pro forma view of FY24 and FY23 results to assist with modeling and compare the business period over period.
- SG&A adjustments made in these pro forma results were limited to direct selling activity and direct freight costs. We do not anticipate a decrease in other SG&A costs upon disposition and therefore no other costs were adjusted out.
- Please see Appendix for reconciliations of these non-GAAP measures.

# Fiscal Year 2025 Guidance - Pro Forma

Pro forma, excluding the full fiscal year financial impact of certain of the homecare and cleaning products classified as assets held for sale subsequent to August 31, 2024

<b>Sales Growth</b> (Constant Currency Basis)	Between 6% and 11% <i>Over 2024 pro forma results</i>
<b>Net Sales</b> (Constant Currency Basis)	Between \$600 and \$630 million
<b>Gross Margin</b>	Between 54% and 55%
<b>A&amp;P Investment</b>	Around 6% of net sales
<b>Operating Income</b>	Between \$95 and \$100 million <i>Between 6% to 12% over 2024 pro forma results</i>
<b>Provision For Income Tax</b>	Around 24%
<b>Diluted EPS</b>	Between \$5.20 and \$5.45 based on 13.5 million shares outstanding <i>Between 9% to 14% over 2024 pro forma results</i>

As of October 17, 2024. This guidance is expressed in good faith and is based on management's current view of anticipated results on a pro forma basis. Unanticipated inflationary headwinds and other unforeseen events may further affect the Company's financial results. Net sales presented on a non-GAAP constant currency basis use weighted average FY24 foreign currency exchange rates. Net sales on a constant currency basis is a financial measure calculated not in accordance with generally accepted accounting principles in the U. S. ("non-GAAP") and should be considered in addition to, not as a substitute for, results prepared in accordance with U.S. GAAP. In the event the Company is unsuccessful in the divestiture of its homecare and cleaning products in the Americas and United Kingdom, its guidance would be positively impacted by approximately \$23 in net sales, approximately \$6 million in operating income, and approximately \$0.33 in diluted EPS.



# Appendix

# Sales Impact – Consolidated Net Sales Changes

## Changes from Prior Year Fiscal Period

(\$ in millions)

Price, Volume and FX Impact	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	FY24
Increase (decrease) in average selling price <sup>(1)</sup>	\$ 4.1	\$ 3.6	\$ (1.2)	\$ (2.3)	\$ 4.2
Increase in sales volume <sup>(1)</sup>	\$ 7.6	\$ 2.3	\$ 13.1	\$ 18.2	\$ 41.2
Currency impact on current period – non-GAAP	\$ 3.8	\$ 3.0	\$ 1.5	\$ (0.5)	\$ 7.8
Increase in net sales	\$ 15.5	\$ 8.9	\$ 13.4	\$ 15.4	\$ 53.2

- In FY24, 91% of Non-GAAP constant currency net sales growth was driven by an increase in sales volume.

# Foreign Currency Translation Impact or “Constant Currency” – Q4 FY24

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

Financial Results	Q4 FY24	Q4 FY23	% Change
As reported			
Net Sales	\$156.0	\$140.5	11%
Gross Margin	54.1%	51.4%	+270 bps
Operating Income	\$24.1	\$23.2	4%
Net Income	\$16.8	\$16.6	1%
EPS (Diluted)	\$1.23	\$1.21	2%

Financial Results	Q4 FY24 CC*	Q4 FY23	% Change
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Net Sales	\$156.5	\$140.5	11%
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\*FY24 results translated at FY23 foreign currency exchange rates. See appendix for descriptions and reconciliations of these non-GAAP measures.

\*\*Due to rounding, numbers presented throughout this presentation may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

# Foreign Currency Translation Impact or “Constant Currency” – FY24

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

Financial Results	FY24	FY23	% Change
As reported			
Net Sales	\$590.6	\$537.3	10%
Gross Margin	53.4%	51.0%	+240 bps
Operating Income	\$96.4	\$89.7	7%
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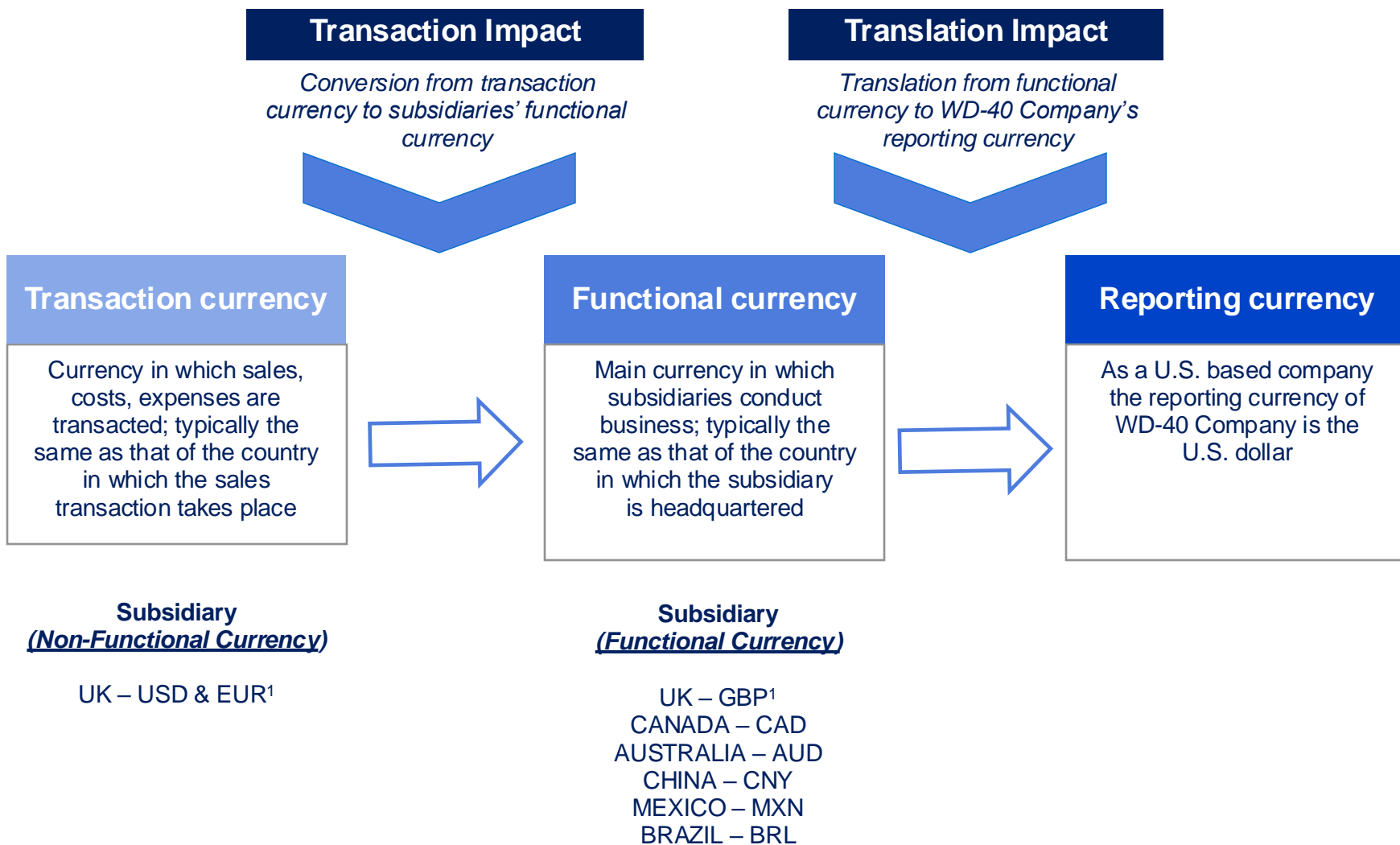
Financial Results	FY24 CC*	FY23	% Change
Non-GAAP: constant currency			
Net Sales	\$582.7	\$537.3	8%
Operating Income	\$94.7	\$89.7	6%
Net Income	\$68.2	\$66.0	3%
EPS (Diluted)	\$5.04	\$4.83	4%

\*FY24 results translated at FY23 foreign currency exchange rates. See appendix for descriptions and reconciliations of these non-GAAP measures.

\*\*Due to rounding, numbers presented throughout this presentation may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.



# Foreign Currency Impact



1) The functional currency the Company's U.K. subsidiary, which consolidates the results for the EIMEA trade bloc, has historically been the Pound Sterling. Effective September 1, 2024, the Company changed the functional currency of its U.K. subsidiary from Pound Sterling to Euro.

# Additional Foreign Currency Exchange Impact – Q4 FY24

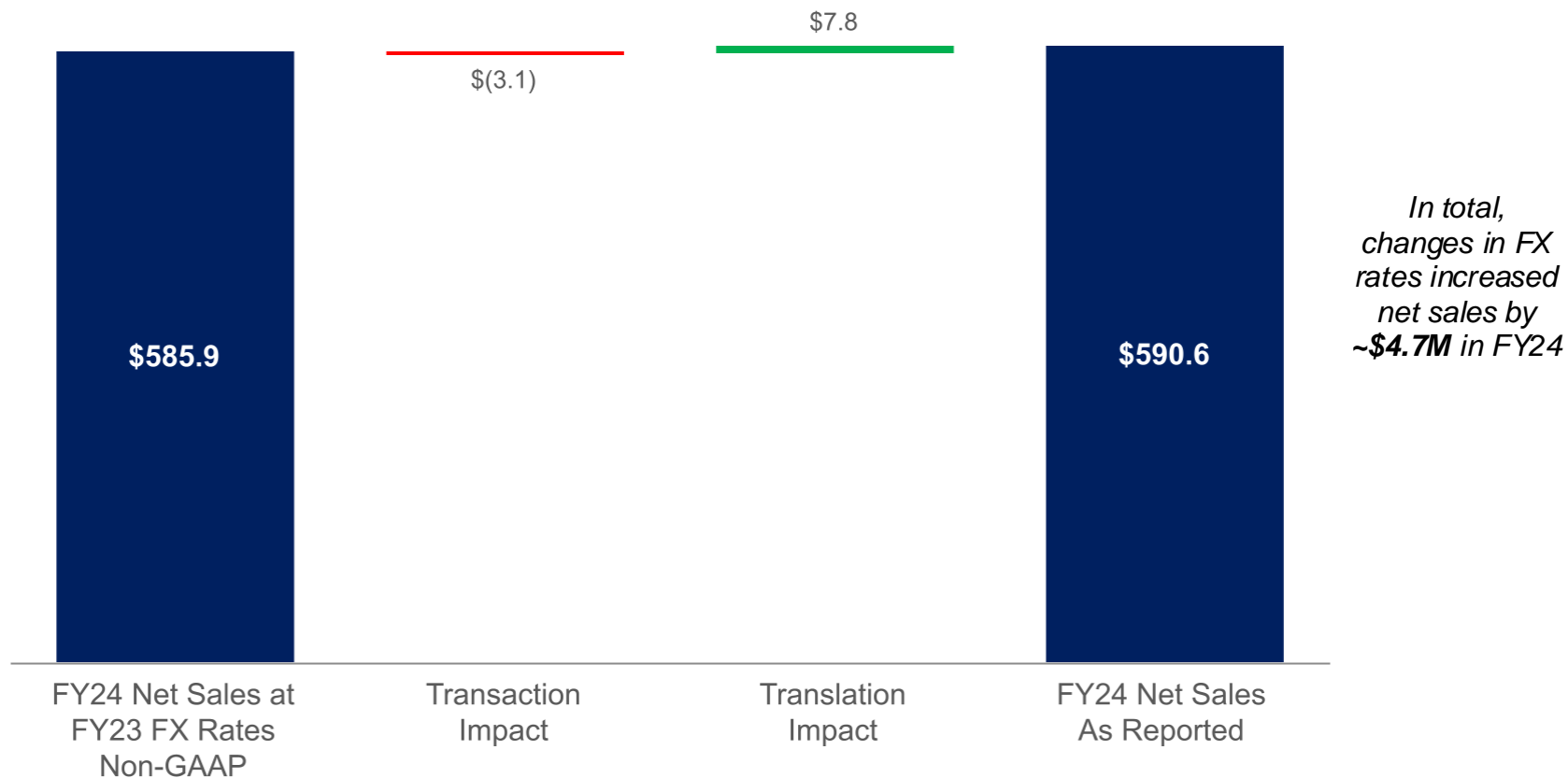
## Q4 FY24 Net Sales (In millions)



*In total, changes in FX rates decreased net sales by ~\$1.1M in Q4 FY24*

# Additional Foreign Currency Exchange Impact – FY24

## FY24 Net Sales (In millions)



# Q4 FY24 Non-GAAP Reconciliation

This presentation contains certain non-GAAP (accounting principles generally accepted in the United States of America) measures, that management believes provide our stockholders with additional insights into WD-40 Company's results of operations and how it runs its business. Cost of doing business is defined as total operating expenses less amortization of definite-lived intangible assets, impairment charges related to intangible assets, amortization of implementation costs associated with cloud computing arrangements ("cloud computing amortization") and depreciation in operating departments. Adjusted EBITDA is defined as net income before interest, income taxes, depreciation, amortization of definite-lived intangible assets, and cloud computing amortization. Beginning in fiscal year 2024, cloud computing amortization is included in cost of doing business and Adjusted EBITDA calculations. Cloud computing amortization is recognized in selling, general and administrative expenses in the Company's condensed consolidated statements of operations. Reconciliations of these non-GAAP financial measures to the WD-40 Company financials as prepared under U.S. GAAP are as follows:

	<b>Three Months Ended August 31,</b>	
	<b>2024</b>	<b>2023</b>
<b><u>Cost of doing business:</u></b>		
Total operating expenses – GAAP	\$ 60,295	\$ 48,890
Amortization <sup>(1)</sup>	(871)	(252)
Depreciation (in operating departments)	(856)	(1,096)
Cost of doing business – non-GAAP	<u>\$ 58,568</u>	<u>\$ 47,542</u>
Net sales	\$ 155,991	\$ 140,452
Cost of doing business as a percentage of net sales – non-GAAP	38%	34%
<b><u>Adjusted EBITDA:</u></b>		
Net income – GAAP	\$ 16,784	\$ 16,575
Provision for income taxes	5,999	5,645
Interest income	(198)	(67)
Interest expense	951	1,346
Amortization <sup>(1)</sup>	871	252
Depreciation	1,970	1,960
Adjusted EBITDA	<u>\$ 26,377</u>	<u>\$ 25,711</u>
Net sales	\$ 155,991	\$ 140,452
Adjusted EBITDA as a percentage of net sales – non-GAAP	17%	18%

1. Includes amortization of definite-lived intangible assets and cloud computing amortization.

Note: Percentages may not aggregate to Adj. 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 Adj. EBITDA calculation.

# FY24 Non-GAAP Reconciliation

This presentation contains certain non-GAAP (accounting principles generally accepted in the United States of America) measures, that management believes provide our stockholders with additional insights into WD-40 Company's results of operations and how it runs its business. Cost of doing business is defined as total operating expenses less amortization of definite-lived intangible assets, impairment charges related to intangible assets, amortization of implementation costs associated with cloud computing arrangements ("cloud computing amortization") and depreciation in operating departments. Adjusted EBITDA is defined as net income before interest, income taxes, depreciation, amortization of definite-lived intangible assets, and cloud computing amortization. Beginning in fiscal year 2024, cloud computing amortization is included in cost of doing business and Adjusted EBITDA calculations. Cloud computing amortization is recognized in selling, general and administrative expenses in the Company's consolidated statements of operations. Reconciliations of these non-GAAP financial measures to the WD-40 Company financials as prepared under U.S. GAAP are as follows:

	<b>Fiscal Year Ended August 31,</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
<b>Cost of doing business:</b>			
Total operating expenses – GAAP	\$ 218,876	\$ 184,496	\$ 167,435
Amortization <sup>(1)</sup>	(2,327)	(1,005)	(1,434)
Depreciation (in operating departments)	(4,112)	(4,147)	(4,369)
Cost of doing business – non-GAAP	<u>\$ 212,437</u>	<u>\$ 179,344</u>	<u>\$ 161,632</u>
Net sales	\$ 590,557	\$ 537,255	\$ 518,820
Cost of doing business as a percentage of net sales – non-GAAP	36 %	33 %	31 %
<b>Adjusted EBITDA:</b>			
Net income – GAAP	\$ 69,644	\$ 65,993	\$ 67,329
Provision for income taxes	21,864	19,170	16,779
Interest income	(474)	(231)	(102)
Interest expense	4,287	5,614	2,742
Amortization <sup>(1)</sup>	2,327	1,005	1,434
Depreciation	8,350	7,146	6,860
Adjusted EBITDA	<u>\$ 105,998</u>	<u>\$ 98,697</u>	<u>\$ 95,042</u>
Net sales	\$ 590,557	\$ 537,255	\$ 518,820
Adjusted EBITDA as a percentage of net sales – non-GAAP	18 %	18 %	18 %

1. Includes amortization of definite-lived intangible assets and cloud computing amortization.

Note: Percentages may not aggregate to Adj. 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 Adj. EBITDA calculation.

# Non-GAAP Reconciliation

In order to show the impact of changes in foreign currency exchange rates on our results of operations, we have included constant currency disclosures, where necessary, in this presentation. Constant currency disclosures represent the translation of our current fiscal year revenues, expenses and net income from the functional currencies of our subsidiaries to U.S. Dollars using the exchange rates in effect for the corresponding period of the prior fiscal year. Results on a constant currency basis are not in accordance with accounting principles generally accepted in the United States of America ("non-GAAP") and should be considered in addition to, not as a substitute for, results prepared in accordance with U.S. GAAP. We use results on a constant currency basis as one of the measures to understand our operating results and evaluate our performance in comparison to prior periods in order to enhance the visibility of the underlying business trends, excluding the impact of translation arising from foreign currency exchange rate fluctuations. Management believes this non-GAAP financial measure provides investors with additional financial information that should be considered when assessing our underlying business performance and trends. However, reference to constant currency basis should not be considered in isolation or as a substitute for other financial measures calculated and presented in accordance with U.S. GAAP.

## U.S GAAP to Constant Currency (Non-GAAP) Reconciliation FY24 Weighted Average Foreign Exchange Rates Applied to Prior Year Net Sales (in millions)

	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23	FY24
<b>MP Net Sales U.S. GAAP</b>	<b>\$ 337.8</b>	<b>\$ 333.3</b>	<b>\$ 340.0</b>	<b>\$ 342.3</b>	<b>\$ 372.4</b>	<b>\$ 386.6</b>	<b>\$ 369.4</b>	<b>\$ 448.8</b>	<b>\$ 485.3</b>	<b>\$ 503.6</b>	<b>\$ 558.0</b>
Favorable (Unfavorable) Impact using FY24 Rates	\$ (38.9)	\$ (28.7)	\$ (16.7)	\$ (3.3)	\$ (13.6)	\$ (5.3)	\$ (0.2)	\$ (16.6)	\$ (9.3)	\$ 7.3	\$ —
MP Net Sales – Non-GAAP (using FY24 rates) <sup>1</sup>	\$ 299.0	\$ 304.6	\$ 323.3	\$ 339.0	\$ 358.8	\$ 381.4	\$ 369.2	\$ 432.2	\$ 476.0	\$ 510.8	\$ 558.0

- Changes in foreign currency exchange rates impact year-over-year changes in net sales. FY24 maintenance product ("MP") net sales presented as reported; all years prior to FY24 presented on a constant currency basis using weighted average FY24 foreign currency exchange rates to translate such prior years' local currency results. MP net sales on a constant currency basis is a financial measure calculated not in accordance with generally accepted accounting principles in the U. S. ("non-GAAP") and should be considered in addition to, not as a substitute for, results prepared in accordance with U.S. GAAP. We use results on a constant currency basis as one of the measures to understand our sales activity and operating results and evaluate our performance in comparison to prior periods to enhance the visibility of the underlying business trends, excluding the impact of translation from foreign currency exchange rate fluctuations. Reference to constant currency basis should not be considered in isolation or as a substitute for other financial measures calculated and presented in accordance with U.S. GAAP.



# Non-GAAP Reconciliation

This presentation contains certain non-GAAP (generally accepted accounting principles in the United States of America) measures, that management believes provide our stockholders with additional insights into WD-40 Company's results of operations and how it runs its business. The Company announced earlier this fiscal year our intent to divest of the U.S. and U.K. homecare and cleaning product portfolios. At this time the timing of a transaction is unknown and therefore the Company is providing guidance for fiscal year 2025 excluding the financial impact of these brands. To assist with modeling and comparing the business period over period, these Pro Forma results have been prepared for both fiscal year 2024 and 2023 excluding the financial impact of these brands. This is also consistent with how the Company intends to discuss the results of the business for the upcoming year. Reconciliations of these non-GAAP financial measures to the WD-40 Company financials as prepared under U.S. GAAP are as follows:

	Twelve Months Ended August 31, 2023		
	As Reported	HCCP*	Pro Forma
NET SALES	\$ 537,255	\$ 25,756	\$ 511,499
COST OF PRODUCTS SOLD	263,035	15,852	247,183
GROSS PROFIT	274,220	9,904	264,316
OPERATING EXPENSES:			
SELLING, GENERAL & ADMINISTRATIVE	154,684	1,663	153,021
ADVERTISING & SALES PROMOTION	28,807	1,004	27,803
AMORTIZATION OF DEFINITE-LIVED INTANGIBLE ASSETS	1,005	908	97
TOTAL OPERATING EXPENSES	184,496	3,575	180,921
INCOME FROM OPERATIONS	89,724	6,329	83,395
OTHER INCOME (EXPENSE):			
INTEREST INCOME	231	-	231
INTEREST EXPENSE	(5,614)	-	(5,614)
OTHER INCOME (EXPENSE), NET	822	-	822
INCOME BEFORE INCOME TAXES	85,163	6,329	78,834
			-
PROVISION FOR INCOME TAXES	19,170	1,426	17,744
NET INCOME	\$ 65,993	\$ 4,903	\$ 61,090
Diluted EPS	\$ 4.83	\$ 0.36	\$ 4.47

\*This represents the financial results of the homecare and cleaning brands that we are looking to divest.

# Non-GAAP Reconciliation

This presentation contains certain non-GAAP (generally accepted accounting principles in the United States of America) measures, that management believes provide our stockholders with additional insights into WD-40 Company's results of operations and how it runs its business. The Company announced earlier this fiscal year our intent to divest of the U.S. and U.K. homecare and cleaning product portfolios. At this time the timing of a transaction is unknown and therefore the Company is providing guidance for fiscal year 2025 excluding the financial impact of these brands. To assist with modeling and comparing the business period over period, these Pro Forma results have been prepared for both fiscal year 2024 and 2023 excluding the financial impact of these brands. This is also consistent with how the Company intends to discuss the results of the business for the upcoming year. Reconciliations of these non-GAAP financial measures to the WD-40 Company financials as prepared under U.S. GAAP are as follows:

	<b>Twelve Months Ended August 31, 2024</b>		
	<b>As Reported</b>	<b>HCCP*</b>	<b>Pro Forma</b>
NET SALES	\$ 590,557	\$ 23,837	\$ 566,720
COST OF PRODUCTS SOLD	275,330	14,260	261,070
GROSS PROFIT	<u>315,227</u>	<u>9,577</u>	<u>305,650</u>
OPERATING EXPENSES:			
SELLING, GENERAL & ADMINISTRATIVE	183,859	1,400	182,459
ADVERTISING & SALES PROMOTION	33,911	709	33,202
AMORTIZATION OF DEFINITE-LIVED INTANGIBLE ASSETS	1,106	908	198
TOTAL OPERATING EXPENSES	<u>218,876</u>	<u>3,017</u>	<u>215,859</u>
INCOME FROM OPERATIONS	96,351	6,560	89,791
OTHER INCOME (EXPENSE):			
INTEREST INCOME	474	-	474
INTEREST EXPENSE	(4,287)	-	(4,287)
OTHER INCOME (EXPENSE), NET	<u>(1,030)</u>	<u>-</u>	<u>(1,030)</u>
INCOME BEFORE INCOME TAXES	91,508	6,560	84,948
			-
PROVISION FOR INCOME TAXES	21,864	1,570	20,294
NET INCOME	<u>\$ 69,644</u>	<u>\$ 4,990</u>	<u>\$ 64,654</u>
Diluted EPS	\$ 5.11	\$ 0.37	\$ 4.74

\*This represents the financial results of the homecare and cleaning brands that we are looking to divest.

# WD-40

COMPANY

