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CHIEF EXECUTIVE OFFICER'S ADDRESS

Thank you, Stuart.

Good morning everyone, and greetings from RWC's head office here in Atlanta.

Introduction / Thanking our People

This has been a record year for RWC. We have manufactured and sold more products to more customers than ever before in our history. We have achieved this while managing our way through a global pandemic. There is no doubt that Covid has helped to boost sales in most of our key markets as homeowners have invested more into their houses. While Covid has driven demand for our products, it has caused significant challenges. We have had to deal with disruption at many of our manufacturing and distribution facilities around the world. In addition, we have seen our supply chains disrupted and this has added to the pressure we have all felt. So, at this point I'd like to acknowledge the entire team at RWC for their extraordinary efforts over the past year that have contributed to our record performance.

Today I will briefly discuss our performance for the 2021 financial year. I will also provide an update on trading in the first quarter of the current financial year. After that I'll touch on our strategy and discuss in more detail the acquisition of EZ-FLO which we announced earlier this week.

Financial Performance

Turning firstly to our performance for the year ended 30 June 2021.

Total sales in 2021 were up 15% on a reported basis to $1.34 billion. When we adjust for movements in foreign currency translation, underlying net sales for the group were up 25%. What was really pleasing was that we experienced strong sales growth in each of our three regions.

In the Americas, sales in constant currency were up 27% for the year and up 31% in the second half. This very strong result was driven by the strength of the home repair and remodel market in particular. Growth accelerated in the second half as a result of the winter freeze in Texas and other southern states of the US. Meeting this very sudden increase in demand required a coordinated effort across the whole of RWC. I'm incredibly proud of how we responded to the urgent needs of our customers.

Asia Pacific also recorded very strong sales growth, with sales up 18% in constant currency terms. The Australian market showed positive momentum driven by increased new home building and repair and remodel activity. APAC also benefited from stronger inter-company sales to the Americas which were up 29% for the year in constant currency.

In EMEA, we recorded 25% sales growth in constant currency terms. The strong growth in volumes was driven firstly by the recovery in the UK following the COVID lockdowns experienced in the prior year. We saw a rapid rebound in demand from the start of 2021 as the UK came out of lockdown, with strong activity levels driven by residential repair and remodel activity and new home construction. The recovery in Continental Europe lagged the UK but we experienced a strong improvement in sales from Europe over the course of the year.

Pleasingly, the 25% growth in net sales translated into higher operating earnings. Earnings before interest, tax, depreciation and amortisation (EBITDA) was up 56% on a reported basis to $341 million. Adjusting for a number of one-off items in both 2021 and 2020, EBITDA was $349 million

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which was up 39% on the prior year. And, in fact, all three of our regions achieved higher operating earnings growth.

In addition to the robust growth in sales, a combination of volume growth and cost savings were the main contributors to that strong uplift in operating earnings. Higher production volumes led to better efficiencies and therefore higher margins. On top of that we undertook a number of cost-out initiatives throughout the year which generated cost savings of $22 million.

As Stuart has already referenced, this increase in operating earnings drove the 111% increase in our reported net profit after tax, to $188 million dollars. Adjusting for the one-off items, our net profit after tax for the year was $212 million, which was up 63% on the comparable figure for the prior year.

Another highlight of FY21 has been the strength of our operational execution. This has recently been externally recognised for the second year in a row in the US. Earlier this month we were again awarded Vendor Partner of the Year for Rough Plumbing by Lowe's Corporation, one of our largest retail channel partners in North America. This is just a huge accolade. And, it is validation of our achievements in customer service excellence and operational execution that we have built over many years.

Trading Update

Earlier this week we released a trading update for the first quarter of the year to 30 September 2021.

We experienced sales growth over the prior corresponding period ("pcp") in all three regions, with reported net sales up 8% overall. Operating earnings were 5% higher over pcp, and up 4% on an adjusted basis. Compared with the same period 2 years ago, operating earnings were 28% higher.

Underlying demand remained strong in all three regions, reflecting the ongoing consumer investment in home improvement that has driven repair and remodelling activity. Supply chain constraints including shipping and freight delays, materials shortages, and delays elsewhere in the construction sector in fact constrained top line growth rates in the first quarter.

As we expected, operating margins were lower. Price rises that we introduced to cover input cost inflation particularly copper, resins, and steel were dilutive to margins overall. Other cost pressures including shipping, freight, and energy costs also negatively impacted margins.

Outlook

Turning now to our expectations for each of the three regions, starting first with the Americas. We are becoming increasingly confident that the step change last year in repair and remodel activity will persist through FY22. While this means sales growth rates will moderate significantly from the rates seen in FY21, the overall growth achieved on a 2-year basis will leave us in a very good position to continue our long-term growth journey. As always, for FY22, we expect growth in the Americas will be augmented by product and customer initiatives, as well as price increases.

In Asia Pacific we are expecting to see continued volume growth from ongoing repair and remodel activity, as well as a robust new housing market.

In the UK, underlying demand drivers are positive but supply chain constraints continue to challenge the construction sector. Transport driver shortages, availability of materials, and other supply chain impacts are adversely impacting activity levels. This is leading to the postponement of some residential construction activity including remodelling.

At this point I think it is prudent to note that we continue to face supply chain challenges in all regions, as is everyone in our industry. This continues to consume resources to manage, but our teams are doing well. We are confident that we are handling these demands as well or better than our peers. Nonetheless, we do expect disruptions through most of the year. So, while we expect demand to remain very strong, meeting the demand in full will be an ongoing battle.

Strategy

I'd now like to pivot and briefly discuss RWC's strategy and then onto the acquisition of EZ-FLO which we announced earlier this week.

Our strategy remains focused on driving growth in our core markets and in markets immediately adjacent to those.

The professional plumber is at the heart of our business, and our products and solutions are all about making their lives easier and improving their productivity.

Maintaining strong relationships with our channel partners is incredibly important. Ensuring that we are helping them grow their business over time is a priority for us.

As we have proven over the past year, running our operations efficiently and maintaining high customer service levels is absolutely critical. We executed well for our channel partners and for our end-users during the heightened demand from both COVID and the US freeze. This enhances our relationships and positions us extremely well going forward.

Our culture and our people have been integral to our performance over many years, and our culture is underpinned by our values.

EZ-FLO

Earlier this week we announced the acquisition of EZ-FLO International, for US$325 million. EZ-FLO is a leading manufacturer and distributor of plumbing supplies including

plumbing specialty products,
appliance supply lines,
flexible water connectors,
gas connectors,
stop valves,
other accessories.

EZ-FLO was first established in 1980 and has grown rapidly by continuously expanding its product range. In 2000 the EASTMAN brand was acquired, which is the leading brand in large appliance connectors in the US. With the EASTMAN brand, RWC is now positioned as a leader in supporting those contractors who undertake major appliance installation and service.

EASTMAN appliance connectors represent approximately half of EZ-FLO's revenues, and a further 20% of sales are generated by EASTMAN installation products. The balance of sales revenues is derived from a wide range of plumbing repair and replacement products. While sales are predominantly in the US, approximately 11% are generated outside of the US in Canada, Central and South America, and the Caribbean.

In term of its manufacturing footprint, approximately half of EZ-FLO's revenue is generated from products made at its plant in the Ningbo Free Trade Zone in China. A further 20% is sourced from exclusive third-party manufacturers in China.

EZ-FLO has a network of seven US distribution centres from which its extensive product range is distributed through 5,000 channel partner outlets. With its distribution network EZ-FLO is able to able to ensure next-day delivery to 80% of the US population.

The acquisition of EZ-FLO is strongly aligned with RWC's strategy of adding complementary products that broaden the depth of solutions for our end users, and expanding our market presence in aligned sectors.

We are very excited to have secured EZ-FLO and believe that the business is a sound strategic fit that will deliver strong returns. There are many aspects of the EZ-FLO business that make it a highly attractive acquisition for RWC. These include

the product portfolio,
manufacturing and sourcing capabilities,
distribution footprint,
customer service,
performance track record,
future growth prospects.

We will be seeking to leverage our extensive channel partner network in North America to expand the distribution footprint for EZ-FLO. At the same time, we will benefit from EZ-FLO's strong channel partner relationships. Our customers will benefit from more top-quality products and trusted brands, enhanced fulfilment capabilities and improved service.

Consequently, we believe EZ-FLO has strong revenue growth prospects. We are targeting to deliver EZ-FLO revenue growth of 10% per annum over the next several years. We have also identified total cost reductions totalling $10 million per annum on an annualised basis by the end of Year 3. Combined, these revenue and cost synergies will ensure the acquisition delivers strong returns on our investment. We expect the acquisition to be EPS accretive in its first year, and that the return on our investment will exceed our cost of capital in the first year and will rise thereafter.

Priorities for FY21

Turning now to our priorities for the new financial year.

A key objective for the business remains delivering top line growth above that of the market in each of the regions. As was the case in FY21, this will be delivered via ongoing focus on execution. We will also strive to further refine our operations with a view to improving efficiencies and optimising margins.

Capital expenditure will rise this year, as we will be investing to increase our manufacturing capacity in each region and also investing in new products. We will also be realigning our warehousing and distribution footprints in both the US and the UK which is an important step to enable further volume growth.

In APAC integrating the recently acquired LCL business will be a priority for the team in Australia. Completing the EZ-FLO acquisition and combining its operations with our Americas business will be a key deliverable for FY22.

Conclusion

In conclusion, 2021 was a record year for RWC. But beyond the very strong financial results is the fact that the business has ended the year bigger and stronger than ever. We are very well positioned to continue growing this business as we have over the prior several years. Our platforms in each of our major markets provide the foundation upon which to execute our strategy to continue creating value.

Thank you and now let me hand back to Stuart.