FY23 Results Presentation

21 August 2023

RELIANCE WORLDWIDE CORPORATION LIMITED
ABN 46 610 855 877

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This presentation contains references to the following non-IFRS measures: EBITDA, Adjusted EBITDA and Adjusted EBIT. These measures are used by RWC to assess operating performance and are defined in the accompanying Results Announcement dated 21 August 2023. These measures have not been subject to audit or audit review.

All figures are presented in US Dollars unless indicated otherwise. The sum totals throughout this presentation may not add exactly due to rounding differences.

The information in this presentation remains subject to change without notice. Circumstances may change and the contents of this presentation may become outdated as a result.

This presentation forms part of a package of information about Reliance Worldwide Corporation Limited. It should be read in conjunction with the Appendix 4E, 2023 Annual Report and Results Announcement also released on 21 August 2023.

FY23 Overview

Resilient performance despite significant economic headwinds

Ongoing outperformance relative to market

- 9% constant currency sales growth including EZ-Flo[1], 3% excluding EZ-Flo

Resilience of core R&M market sector reconfirmed

- Focus on non-discretionary repair projects and backlog of remodel work supported volume in the face of higher interest rates and lower economic growth

Strong financial performance

- Significant improvement in operating cash flow generation up 110%, cash conversion of 107%
- Operating margin improvement during the course of the year
- $18.3 million cost reductions enabled stable margin performance despite lower volumes

Successful major product and operational projects

- Successful launch of 2 new product ranges in the Americas – SharkBite Max and PEX-a
- Major investments in US manufacturing and reconfiguration of Australian manufacturing operations

[1] EZ-Flo was acquired in November 2021

FY23 Financial Highlights

All figures in US$

Net sales

$1,243.8 million

+6% growth overall[1]
+9% constant currency growth

Adjusted EBITDA

$274.6 million

+2% on pcp
+5% on pcp in constant currency

Adjusted NPAT

$155.7 million

-4% on pcp

Cash generated from operations

$292.7 million

+110% versus pcp
Cash conversion: 107%[2]

Net leverage ratio[3]

1.69x

Net debt $435 million
Total debt facilities: US$1,050 million

Final dividend

US5.0 cps

Total FY23 dividends

US9.5 cps

[1] Growth rates expressed as change over comparative period for the year ended 30 June 2022
[2] Cash generated from operations / Adjusted EBITDA
[3] Net Debt/12-month trailing EBITDA. Excludes leases.

FY23 Operational Highlight: 2 new product ranges launched

SharkBite Max and PEX-a/Expansion Fitting range launched in Americas

- North American launch on 23 March 2023
- 5-phase SKU rollout over 15 months, completion expected end of FY24
- Phases 1 and 2 completed, Phase 3 now underway
- Transfer of SharkBite assembly from Australia to US being managed progressively
- Price uplift will be realised in line with rollout progression

- Commissioning of new PEX-a pipe manufacturing lines in Cullman plant underway
- Rollout to 1,600 Lowe's stores on schedule for completion by end of calendar 2023
- Rollout to Wholesale to follow

FY23 Operational Highlight: manufacturing reconfiguration

Reshaping of Australia manufacturing footprint with production transferred to the US

- SharkBite Max design has enabled some manufacturing and all assembly of North American product to shift from Australia to the US
  - Injection moulding of all components has transferred
  - Cartridge assembly equipment has also been installed and is fully operational
  - Next generation assembly machines installed and operational in the US
- Elbows, tees, complex shapes will continue to be forged in Australia
- Compresses length of RWC's supply chain for these products, reduces inventory levels
- Australia will remain RWC's centre of excellence for all brass manufacturing activities and valve development
- RWC is positioned to lead Australia and New Zealand's transition to lead-free brass plumbing fittings in new potable water applications by May 2026

FY23 Performance Summary

US$ million	FY23	FY22	% Change
Net Sales	**1,243.8**	**1,172.2**	**6%**
Adjusted EBITDA[1]	**274.6**	**268.7**	**2%**
Adjusted EBITDA margin (%)	*22.1%*	*22.9%*	*(80bps)*
Adjusted EBIT[1]	**222.0**	**221.5**	**0%**
Adjusted EBIT margin (%)	*17.8%*	*18.9%*	*(110bps)*
Reported NPAT[1]	**139.7**	**137.4**	**2%**
Adjusted NPAT[1]	**155.7**	**161.4**	**(4%)**
Earnings per share (cps)	**17.8 cents**	**17.5 cents**	**2%**
Adjusted earnings per share (cps)	**19.8 cents**	**20.6 cents**	**(4%)**
Cash flow from operations	**292.7**	**139.6**	**110%**

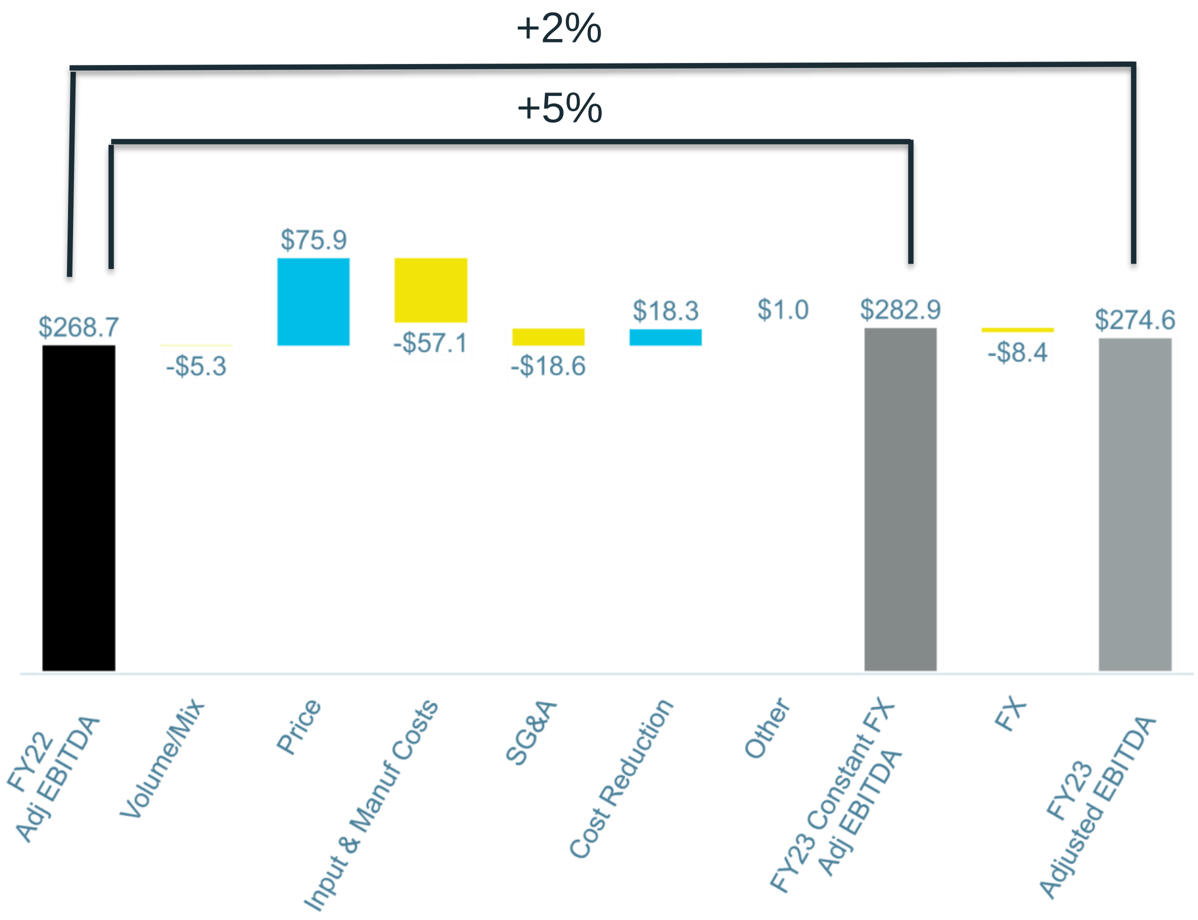
Commentary

- Constant currency sales growth of 9%
  - Constant currency sales growth of 3% excl. EZ-Flo[2]
- Stronger US$ adversely impacted reported results from APAC and EMEA
- Price increases averaged 6.5% in the period versus pcp
- Sequential margin improvement from the 1st half to 2nd half
- Adjusted EBITDA, Adjusted EBIT, and Adjusted NPAT exclude:
  (i) $15.0 million gain on UK property sale
  (ii) $13.5 million one-off costs to achieve EZ-Flo cost synergies, restructuring and other costs
- Cash flow from operations up 110% on pcp, cash conversion of 107%

[1] Refer to Page 25 in the Appendix for a reconciliation of Reported and Adjusted EBITDA, EBIT and NPAT.
[2] EZ-Flo was acquired in November 2021

FY23 Adjusted EBITDA

Operating margin improvement in 2nd half



Commentary

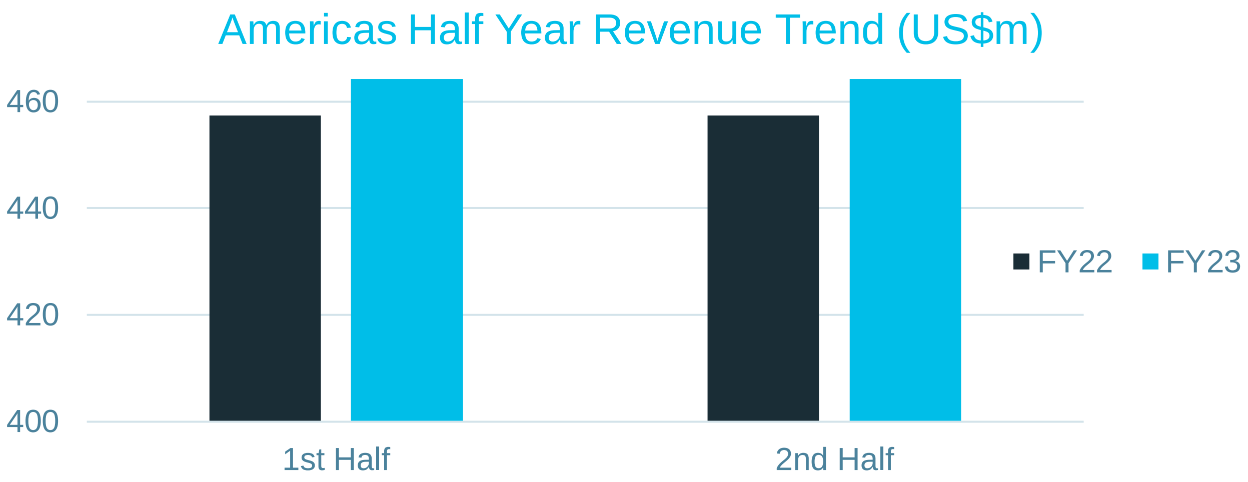
- Constant currency Adjusted EBITDA up 5%
- FX translation headwinds due to US$ strength vs A$ and £
- Adjusted EBITDA margin improved in second half as sales of lower cost brass inventory flowed through to COGS
- Higher SG&A costs mainly due to inclusion of EZ-Flo[1]
- Cost reduction initiatives delivered $18.3m savings in FY23:
  - $9.4m from continuous improvement initiatives
  - $5.8m from EZ-Flo cost synergies realisation
    - On track to deliver $10.0m annualised cost savings by end of FY24
  - $3.1m from new cost reduction program
    - $15.0m of annualised cost savings from FY24 onwards

[1] EZ-Flo was acquired in November 2021. FY22 included 7.5 months of EZ-Flo SG&A expense.

Segment results: Americas

Revenue and EBITDA growth from EZ-Flo acquisition

US$m	FY23	FY22	% Change
Net Sales	**890.1**	**791.0**	**13%**
Adjusted EBITDA[1, 2]	**159.5**	**133.8**	**19%**
Adjusted EBITDA margin (%)	*17.9%*	*16.9%*	*100bps*
Adjusted EBIT[1, 2]	**131.0**	**111.5**	**17%**
Adjusted EBIT margin (%)	*14.7%*	*14.1%*	*60bps*



Commentary

- Sales growth of 13% driven by EZ-Flo and price increases
- 4% sales growth excluding EZ-Flo
- Adjusted EBITDA up 19%
- Operating margins were up on the pcp:
  - Lower input costs, particularly in the 2nd half of the year
  - Cost reduction initiatives benefitted 2nd half margins

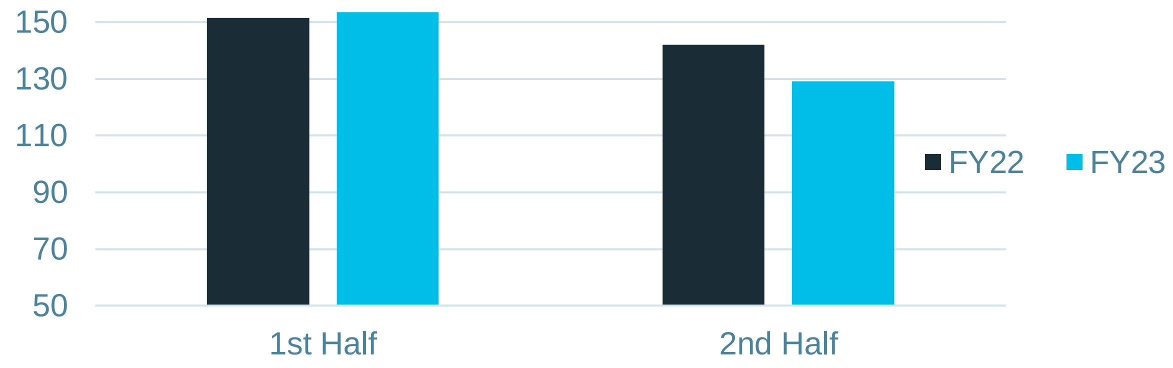
[1] EBITDA and EBIT adjustments for FY23 comprise one-off costs to achieve EZ-Flo cost reduction synergies ($4.3 million), restructuring costs ($1.3 million) and one-off costs incurred in the introduction of SharkBite Max ($1.6m)
[2] Prior to elimination of profits made on inventory sales between segments

Segment results: Asia Pacific

Transfer of SharkBite manufacturing to the US impacted volumes

A$m	FY23	FY22	% Change
Net Sales	**282.7**	**293.5**	**(4%)**
Adjusted EBITDA[1]	**47.2**	**58.7**	**(20%)**
Adjusted EBITDA margin (%)	*16.7%*	*20.0%*	*(330bps)*
Adjusted EBIT[1]	**33.2**	**44.6**	**(26%)**
Adjusted EBIT margin (%)	*11.7%*	*15.2%*	*(350bps)*

APAC Half Year Revenue Trend (A$m)



Commentary

- Sales declined by 4%
- External sales down 1%
- Australia sales impacted by decline in new housing construction activity:
  - New housing commencements in 12 months to 31 March 2023 declined 21%[3]
- Intercompany sales were 8% lower:
  - Transfer of some SharkBite production to the US impacted 2nd half sales
- Adjusted EBITDA down 20% due to lower intercompany sales

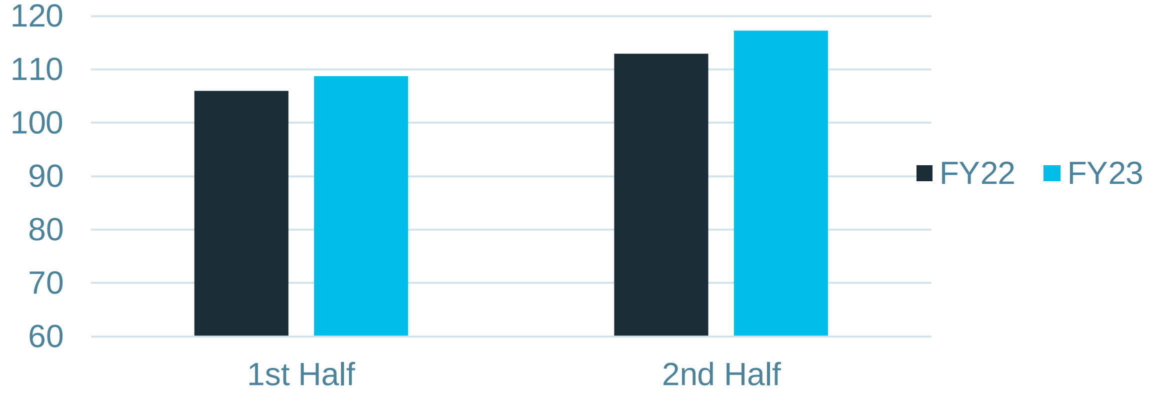
1 EBITDA and EBIT adjustments for FY23 comprise one-off costs associated with the transition to lead-free brass (US$1.6 million) and restructuring costs resulting from the transfer of some SharkBite manufacturing to the US (US$1.7 million)
2 Prior to elimination of profits made on inventory sales between segments
3 Source: Australian Bureau of Statistics

Segment results: EMEA

UK sales up 7%, Continental Europe sales down 5% on pcp

£m	FY23	FY22	% Change
Net Sales	**226.0**	**218.8**	**3%**
Adjusted EBITDA[1, 2]	**72.9**	**74.3**	**(2%)**
Adjusted EBITDA margin (%)	*32.3%*	*34.0%*	*(170bps)*
Adjusted EBIT[1, 2]	**61.5**	**64.2**	**(4%)**
Adjusted EBIT margin (%)	*27.2%*	*29.3%*	*(210bps)*

EMEA Half Year Revenue Trend (£m)



Commentary

- EMEA external sales up 4% on pcp in local currency
  - UK external sales up 7% on pcp mainly driven by higher prices
  - UK plumbing and heating sales up 12% in local currency
  - Continental Europe sales down 5% due to lower sales of water filtration and drinks dispense products
- Adjusted EBITDA down 2% due to lower Continental Europe sales and higher input and energy costs

[1] EBITDA and EBIT adjustments for FY23 comprise $15.0 million gain on sale of surplus UK property, and one-off restructuring costs ($3.0million)
[2] Prior to elimination of profits made on inventory sales between segments

Cash flow from operations up 110%

Cash flow performance

US$m	FY23	FY22
Adjusted EBITDA[1]	274.6	268.7
Cash generated from operations	292.7	139.6
Operating cash flow conversion	***107%***	***52%***

Net working capital

US$m	FY23	FY22
Trade and other receivables	246.0	266.2
Inventories	289.4	315.5
Trade and other payables	(166.5)	(173.2)
Net working capital	**368.9**	**408.5**

Commentary

- Cash generated from operations up 110%
- Lower working capital as a result of inventory reductions
- Operating cash flow conversion 107%

Net debt reduced by $116.1m

Debt metrics

US$m	30-Jun-23	30-Jun-22
Cash and cash equivalents	16.6	27.7
Gross debt	451.7	578.7
Net debt[1]	**435.0**	**551.1**
Net debt / EBITDA[2]	1.69x	2.1x

Commentary

- Net debt decreased by $116.1m since 30 June 22
- Total committed debt facilities of $1,050M:
  - Unutilised committed facilities of $625m
  - Weighted average debt maturity: 5.4 years
- 55% of debt is at fixed interest rates

Capex

US$m	FY23	FY22	FY24 Forecast
Growth	26.7	37.4	-
Maintenance	15.7	23.0	-
Total	**42.5**	**60.4**	**55-60**
% of Sales	3.4%	5.2%	-

Commentary

- FY24 projects include:
  - Completion of SharkBite Max and PEX-a projects
  - Investment in further plant automation in Americas and EMEA

[1] Net debt excludes lease liabilities
[2] Net Debt/12-month trailing EBITDA

Outlook for FY24[1]

Continued resilience of R&M market tempered by uncertainty around larger remodel

Overall Commentary

- RWC consolidated revenues expected to be down by low single digit percentage points in FY24, lower sales in most markets
- Targeting stable operating margins for full year FY24 vs FY23, with lower sales to be offset by cost savings and price increases
- FY24 first half operating margins expected to be lower than pcp due to inventory reduction initiatives, lower sales and costs associated with introduction of new products

Americas Outlook

- Overall remodelling activity in the US is expected to decline by mid-single digits in FY24
- Lower turnover of existing housing stock a potential headwind for remodel activity in FY24
- New home construction in the US expected to rise based on recent approvals data
- RWC sales expected to be down on the pcp by low single digit percentage points
- Operating margins expected to be higher than pcp following transfer of some SharkBite Max production to the US from Australia - phasing means this will be more evident in 2nd half of FY24

[1] Key assumptions for FY24 are set out in the Operating and Financial Review dated 21 August 2023

Outlook for FY24[1]

Asia Pacific Outlook

- Current end-market exposure is 60% new housing, 40% repair, maintenance and remodel
- 21% decline in Australian new housing commencements – sales are expected to be lower in FY24
- Inter-company sales will also be significantly lower in FY24 due to transfer of SharkBite Max assembly to the US
- Lower manufactured volumes will negatively impact operating margins
- EBITDA margin expected to be down by ~1/3rd due to lower volumes and the transfer of some SharkBite production to the US

EMEA Outlook

- UK new home construction activity has been tracking lower
- FY24 sales are expected to be down on pcp by low single digit percentage points
- Operating margins will be impacted by lower sales
- EMEA is highest margin region: 5% decline in volume has potential EBITDA margin impact of -100 to -150 basis points

[1] Key assumptions for FY24 are set out in the Operating and Financial Review dated 21 August 2023

Our Focus for 2024

Position RWC to reap benefits of a stronger, fitter business once demand returns

- Everyone safe every day: deliver further progress in Health and Safety performance
- Continue above market growth in all key geographies
- Execute on new product initiatives launched in 4th Quarter of FY23:
  - SharkBite Max
  - PEX-a pipe and expansion fittings
- Execute transition to lead-free brass in APAC
- Disciplined cost focus, and maintain operating margins
- Deliver another year of strong cash flow performance through working capital management, continue to build balance sheet strength
- Continue to invest in our people, products and the business

While the outlook for FY24 is uncertain, our focus will ensure that RWC continues to outperform the market and is positioned to take advantage of any upswing in demand

RWC

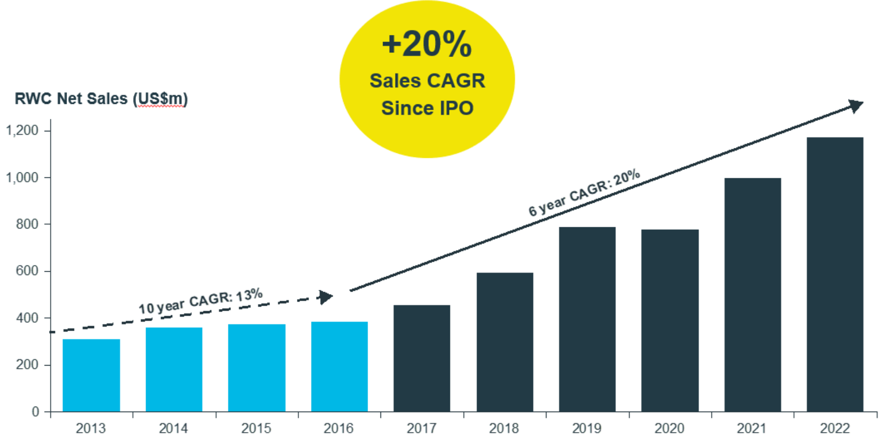
Plumbing matters. We make it better.

Appendix

RWC is a global growth-orientated building products company with defensive end-market exposures

RWC

Global plumbing solutions in a large and growing market

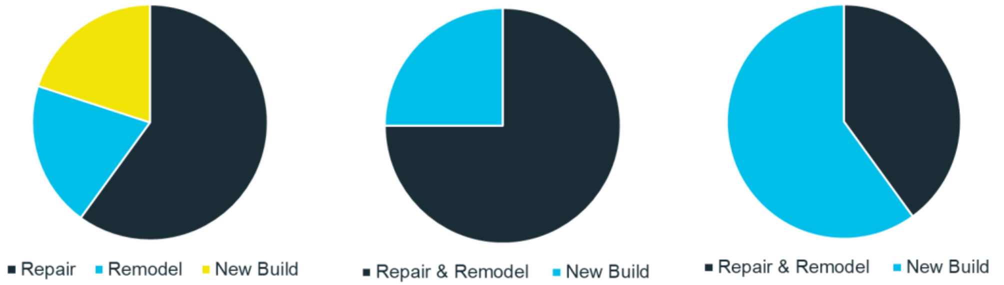


Portfolio of plumbing solutions underpinned by in-house R&D

Track record of creating value from M&A

SharkBite™ Speedfit® Reliance® Valves
John Guest® HoldRite™ EZ-Flo®

Resilient earnings profile due to R&R exposure



Americas end-market exposure

EMEA end-market exposure

APAC end-market exposure

Strategy Overview

Creating value through product leadership

Solutions for the job site

Smart product solutions that improve contractor productivity, enable the DIYer, and make lives easier.

Working in the field to understand job site requirements and challenges

Product engineering that is creating the future of plumbing

Market engagement to stay on top of trends and uncover acquisition opportunities

Value for the distributor

Increasing value for the distributor while providing broadest access to our products for the end-user.

Superior customer service provides the foundation partners can count on

Differentiated brands that matter to the user and put more value on the shelf for the channel

Broad distribution puts products in reach of the end-user when they need them

Industry leading execution

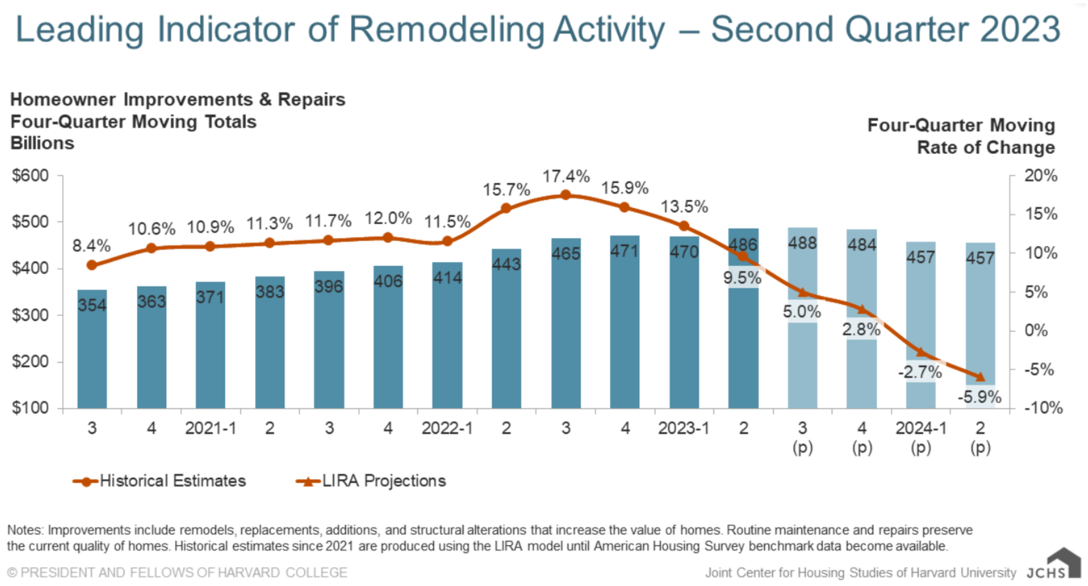
Premium quality products and unrivalled operational efficiency delivering margin growth.

Safety culture to ensure a work environment that protects our people

Lean manufacturing and strategic sourcing to drive quality, margins and resilience

Sustainability focus delivers a more efficient operation while reducing environmental impact

Outlook: Americas



LIRA inputs and outputs are nominal and are not inflation adjusted

Demand Environment:

- Remodelling activity expected to decline by mid-single digits in nominal $ in FY24 (refer Leading Indicator of Remodelling Activity chart at left)
- Lower turnover of existing housing stock a headwind in FY23, expected to persist in FY24
- New home construction expect to rise in FY24

Revenue:

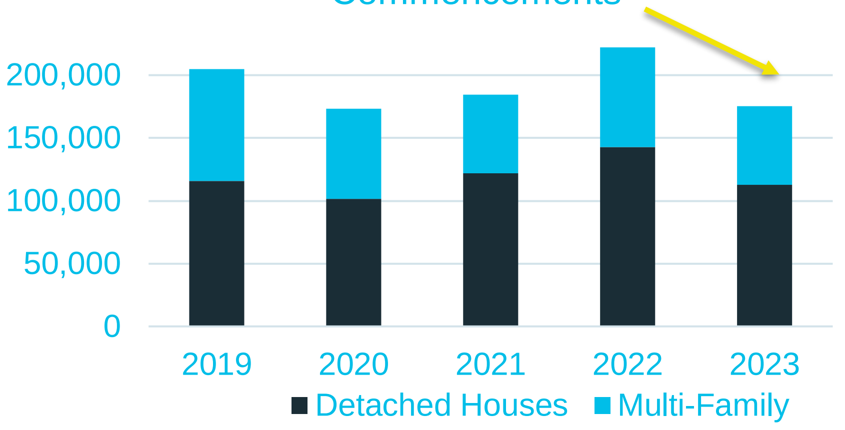
- RWC sales expected to be down by low single digit %
- RWC expects to outperform the market – broader market is forecast to be down high single digit to low double digit %

Operating Margin:

- EBITDA margin expected to be higher than FY23 following transfer of some SharkBite production from Australia
- Phased timing of transfer from Australia means 2nd Half margins expected to be higher than 1st Half

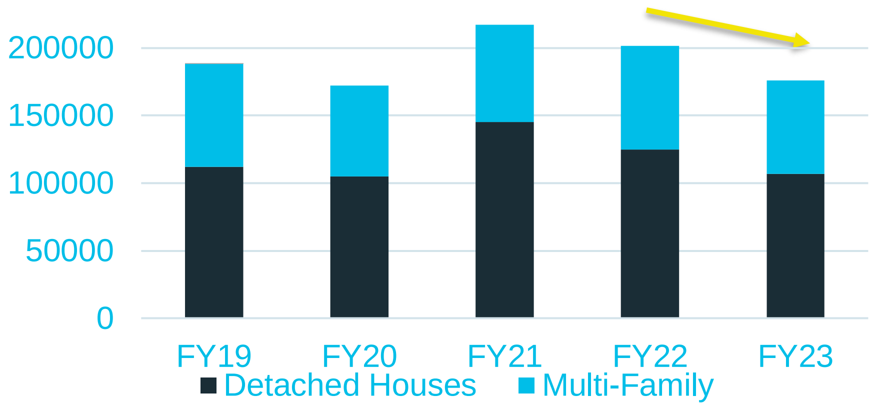
Outlook: Asia Pacific

Australian New Dwelling Commencements[1,2]



21% decrease in new housing commencements in 12 months to 31 March 2023

Australian Residential Approvals[1]



13% drop in annual housing approvals in 12 months to 30 June 2023

Demand Environment:

- Australia end-market exposure is 60% new housing, 40% repair, maintenance and remodel
- 21% decline in new housing commencements in Australia in 12 months ended 31 Mar 23

Revenue:

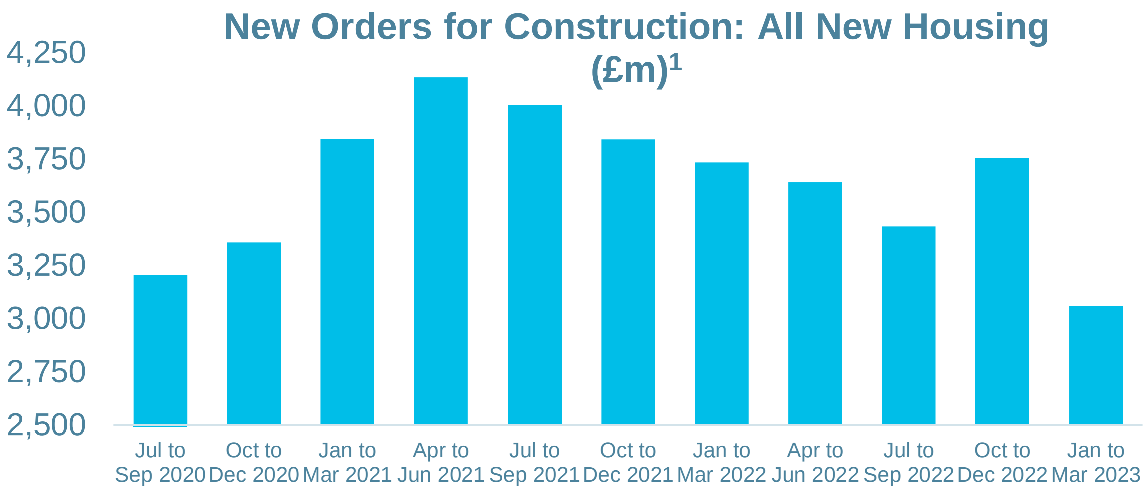
- Demand in Australia expected to be lower in FY24
- Intercompany sales will be significantly lower due to transfer of some SharkBite production to the US

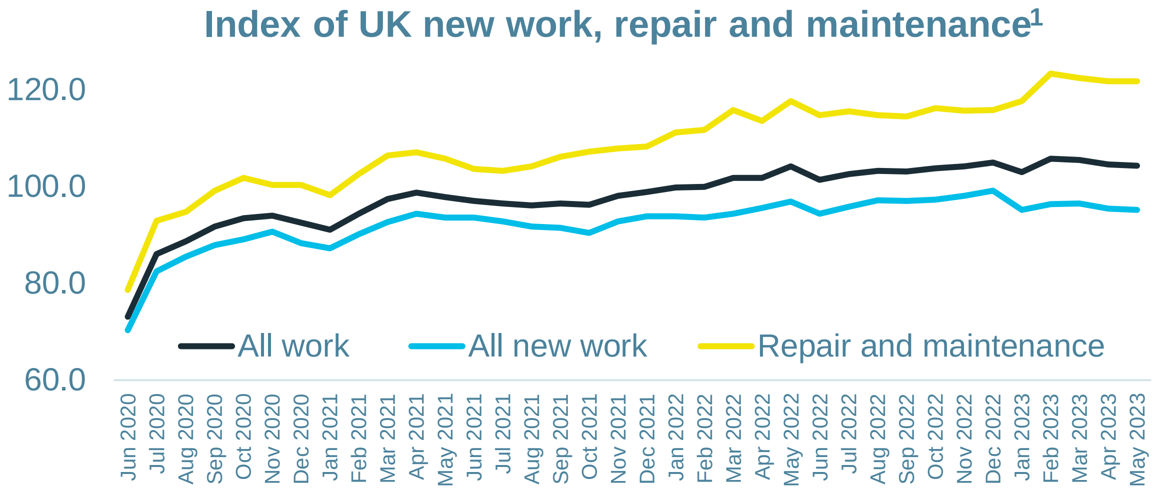
Operating Margin:

- EBITDA margin expected to be down by ~1/3rd due to lower volumes and the transfer of SharkBite production to the US

[1] Source: Australian Bureau of Statistics: total number of dwelling units, all sectors, seasonally adjusted
[2] 12 months ended 31 March

Outlook: EMEA





Demand Environment:

- More challenging macroeconomic conditions in EMEA versus other two regions
- UK new home construction activity has been tracking lower

Revenue:

- Sales expected to be down by low single digit % in FY24

Operating Margin:

- EBITDA margin expected to be down slightly due to lower sales
- EMEA is highest margin region: 5% decline in volume has potential EBITDA margin impact of -100 to -150 basis points

[1] Source: UK Office of National Statistics

RWC's Capital Management approach

Capital management approach aims to minimise the cost of capital and ensure ongoing access to funding to meet future requirements

Strong Financial Focus	Value creation			Capital management		
Improving long term margins and returns	**Organic Growth**	**Capital Investment**	**Acquisitions**	**Capital structure**	**Consistent dividends**	**Capital returns**
• Margin expansion through continuous improvement initiatives • Strong operating cash flow performance • Maintenance of investment grade equivalent credit metrics • Improving return on equity	**Above-market growth in 3 regions:** • Americas • APAC • EMEA	**Ongoing investment in:** • capacity expansion • core new product development **Ongoing assessment of operational footprint and supply chain optimisation**	**M&A aligned with strategy:** • Fill gaps in product range • Expand distribution or end-user scope • Broaden geographic presence	**Target Leverage Range:** Net Debt to EBITDA of 1.5 - 2.5 times	**Target Dividend Payout Ratio:** 40-60% of NPAT Dividends will generally be unfranked	**On-market Share Buybacks:** Preferred means of distributing excess cash beyond dividends Assessed when appropriate

Under review

FY23 Adjustment Items

US$ million	FY23 EBITDA	FY23 EBIT	FY23 Tax Expense	FY23 NPAT
FY23 Reported	**276.1**	**223.5**	**(51.5)**	**139.7**
Adjusted for:				
Restructuring costs	6.0	6.0	(1.5)	4.5
SharkBite Max one-off costs	1.6	1.6	(0.3)	1.3
Australia lead-free brass transition costs	1.6	1.6	(0.5)	1.1
EZ-Flo costs to achieve synergies	4.3	4.3	(0.9)	3.4
Total one-off costs	**13.5**	**13.5**	**(3.2)**	**10.3**
Gain on sale of surplus UK property	**(15.0)**	**(15.0)**	**5.0**	**(10.0)**
Goodwill tax amortisation	**-**	**-**	**15.7**	**15.7**
Adjusted	**274.6**	**222.0**	**(34.0)**	**155.7**