

21 August 2023

Results for announcement to the market

Appendix 4E for the year ended 30 June 2023

Reliance Worldwide Corporation Limited (ASX: RWC) (“Company”) announces the following financial results for the Company and its controlled entities (together “RWC”) for the financial year ended 30 June 2023¹.

RWC is a global market leader and manufacturer of water delivery, control and optimisation systems for the modern built environment. RWC pioneers and innovates plumbing products for residential, commercial and industrial applications. RWC’s unique end-to-end meter to fixture and floor to ceiling plumbing and heating solutions target the repair, renovation, service, new construction and remodel markets. RWC manufactures and distributes products that disrupt and transform traditional plumbing methods by aiming to make the end user’s job quicker and easier. RWC is the leading manufacturer in the world of brass Push-to-Connect (“PTC”) plumbing fittings and a global leader in the manufacture and distribution of plastic PTC fittings and accessories. Following the acquisition of EZ-Flo International in November 2021, RWC is now also positioned as a leader in supporting those who service major appliance installations, including plumbed appliances, gas, hot water and dryer venting.

Extracted from the 30 June 2023 audited financial report	Year ended 30 June 2023 US\$m	Year ended 30 June 2022 US\$m	Change
Revenue from ordinary activities	1,243.8	1,172.2	6.1%
Net profit from ordinary activities after tax attributable to members	139.7	137.4	1.7%
Net profit after tax attributable to members	139.7	137.4	1.7%

¹ All amounts are reported in US dollars unless stated otherwise.



Comparison with prior period

Year ended:	30 June 2023 (US\$m)	30 June 2022 (US\$m)	Variance
Net sales	1,243.8	1,172.2	6%
Reported EBITDA²	276.1	258.9	7%
<i>Adjusted for one-time items:</i>			
<i>Restructuring costs, costs incurred to achieve EZ-Flo synergies and one-off product related costs³</i>	13.5	-	
<i>Gain on sale of a surplus UK property</i>	(15.0)	-	
<i>Net prior period one-off adjustments</i>	-	9.8	
Adjusted EBITDA²	274.6	268.7	2%
Reported net profit before tax	191.2	195.8	(2%)
Tax Expense	(51.5)	(58.4)	(12%)
Reported net profit after tax	139.7	137.4	2%
<i>Adjusted for:</i>			
<i>Net Restructuring costs, costs incurred to achieve EZ-Flo synergies and one-off product related costs⁵</i>	0.3	-	
<i>Cash tax benefit of goodwill amortisation for tax purposes⁴</i>	15.7	14.3	
<i>Net prior period one-off adjustments</i>	-	9.7	
Adjusted net profit after tax²	155.7	161.4	(4%)
Basic earnings per share	17.8 cents	17.5 cents	2%
Adjusted earnings per share ²	19.8 cents	20.6 cents	(4%)
Declared dividend per share	9.5 cents	9.5 cents	-

Please refer to the accompanying 2023 Annual Report, Results Announcement and presentation slides released today for further information.

Earnings per share

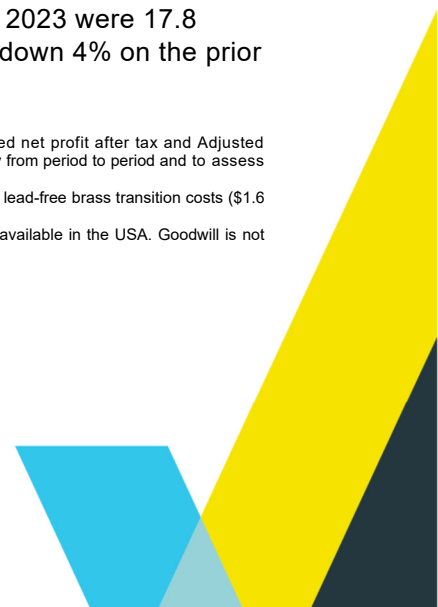
Weighted average earnings per share (basic) for the year ended 30 June 2023 were 17.8 cents (2022 – 17.5 cents). Adjusted earnings per share were 19.8 cents, down 4% on the prior period.

2 EBITDA means earnings before interest, tax, depreciation and amortisation; EBITDA, Adjusted EBITDA, Adjusted net profit after tax and Adjusted earnings per share are non-IFRS measures. These measures are used by RWC in order to enhance comparability from period to period and to assess operating performance. These measures have not been subject to audit or audit review.

3 Adjustments comprise: (i) Restructuring costs (\$6.0 million); (ii) SharkBite Max one-off costs (\$1.6 million); (iii) Australia lead-free brass transition costs (\$1.6 million); and (iv) EZ-Flo costs to achieve synergies (\$4.3 million).

4 RWC is entitled to claim amortisation of certain intangibles for taxation purposes under longstanding tax concessions available in the USA. Goodwill is not amortised for accounting purposes under accounting standards.

5 Adjusting items net of tax impacts.



Dividend for the year ended 30 June 2023

An unfranked final dividend for FY2023 of 5.0 cents per share has been declared. Total dividends paid or declared for the year ended 30 June 2023 are 9.5 cents per share (\$75.1 million) which represents 53.8% of Reported NPAT and 48.2% of Adjusted NPAT.

	Year ended 30 June 2023	Year ended 30 June 2022	Year ended 30 June 2023 Franked amount	Year ended 30 June 2022 Franked amount
Interim dividend	4.5cps	4.5cps	10%	20%
Final dividend	5.0cps	5.0cps	Nil	10%
Total dividends paid or declared	\$75.1m	\$75.1m		

The dividend will be paid in Australian dollars at 7.748 cents per share.⁶ The record date for entitlement to receive the final dividend is 8 September 2023. The payment date is 6 October 2023. The Company does not have a dividend reinvestment plan.

A final dividend for the 2022 financial year of 5.0 cents per share franked to 10% was paid to eligible shareholders on 7 October 2022. The dividend was paid in Australian dollars at the rate of 7.139 cents per share.

RWC's dividend policy has been to distribute between 40% and 60% of annual NPAT. Given changes in RWC's geographic business, with Australian earnings now accounting for less than 10% of total group earnings, it is expected that future dividends will generally be unfranked. Given this change in RWC's ability to pay even partly franked dividends, RWC intends to review its current distribution policy settings. The review will assess the benefits of other forms of cash distribution, including on-market share buybacks. The review is expected to be completed by the end of calendar 2023.

Net Tangible Assets per Share

Net tangible assets per share at 30 June 2023 were \$0.16 (30 June 2022 - \$0.06).

The remainder of the information requiring disclosure to comply with ASX Listing Rule 4.3A is contained in the 2023 Annual Report, Results Announcement and presentation slides released today. These documents should be read in conjunction with this and each other document.

For further information, please contact:

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This announcement has been authorised for release by the Board of Reliance Worldwide Corporation Limited.

6 Converted to Australian currency using the average exchange rate over the five business days ended 17 August 2023.

