

22 August 2022

Results for announcement to the market

Appendix 4E for the year ended 30 June 2022

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 2022¹.

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 2022 audited financial report	Year ended 30 June 2022 US\$m	Year ended 30 June 2021 US\$m	Change
Revenue from ordinary activities	1,172.2	1,001.6	17.0%
Net profit from ordinary activities after tax attributable to members	137.4	141.0	(2.6%)
Net profit after tax attributable to members	137.4	141.0	(2.6%)

¹ RWC changed its presentation currency to US dollars in the current financial year. Comparative profit or loss results for the year ended 30 June 2021 previously reported in Australian dollars have been translated into US dollars using average exchange rates for that period. Comparative balance sheet items at 30 June 2022 have been translated using exchange rates at that date. The translation of non-IFRS comparatives has not been subject to audit or audit review. Please refer to Note 1(d) in the 30 June 2022 financial statements for additional information.



Comparison with prior period

Year ended:	30 June 2022 (US\$m)	30 June 2021 (US\$m)	Variance
Net sales	1,172.2	1,001.6	17%
Reported EBITDA²	258.9	254.3	2%
<i>Adjusted for one-time items:</i>			
<i>-Net EZ-Flo and LCL acquisition costs, gain on sale of StreamLabs, debt financing costs expensed³</i>	9.8	-	-
<i>-Restructuring and asset impairment charges</i>	-	6.4	-
Adjusted EBITDA²	268.7	260.7	3%
Reported net profit before tax	195.8	203.4	(4%)
Tax Expense	(58.4)	(62.4)	(6%)
Reported net profit after tax	137.4	141.0	(3%)
<i>Adjusted for:</i>			
<i>-Cash tax benefit of goodwill amortisation for tax purposes⁴</i>	14.3	11.4	25%
<i>-Net EZ-Flo and LCL acquisition costs, gain on sale of StreamLabs, debt financing costs expensed⁵</i>	9.7	-	-
<i>-Restructuring and asset impairment charges</i>	-	6.4	-
Adjusted net profit after tax²	161.4	158.8	2%
Basic earnings per share	17.5 cents	18.0 cents	(3%)
Adjusted earnings per share ²	20.6 cents	20.3 cents	1%
Declared dividend per share	9.5 cents	9.3 cents	2%

Please refer to the accompanying 2022 Annual Report, Results Announcement and presentation slides released today for further information.

Earnings per share

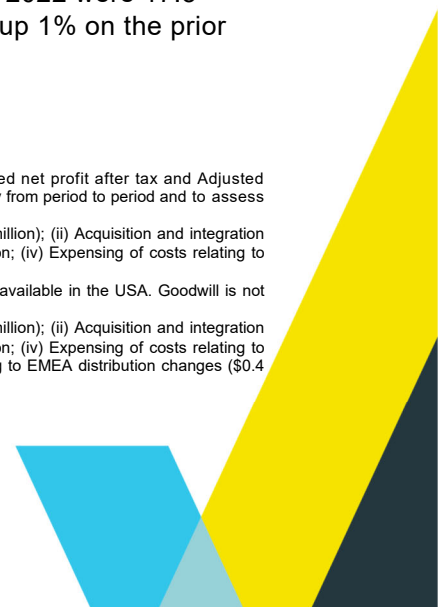
Weighted average earnings per share (basic) for the year ended 30 June 2022 were 17.5 cents (2021 – 18.0 cents). Adjusted earnings per share were 20.6 cents, up 1% on the prior period.

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) Acquisition and integration costs relating to LCL, including inventory step up unwind (\$2.0 million); (ii) Acquisition and integration costs relating to EZ-Flo, including inventory step up unwind (\$9.8 million); (iii) Gain on sale of StreamLabs \$2.4 million; (iv) Expensing of costs relating to previous debt facility (\$0.1 million); and (v) Costs relating to EMEA distribution changes (\$0.4 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 Adjustments comprise: (i) Acquisition and integration costs relating to LCL, including inventory step up unwind (\$2.0 million); (ii) Acquisition and integration costs relating to EZ-Flo, including inventory step up unwind (\$8.3 million); (iii) Gain on sale of StreamLabs \$1.9 million; (iv) Expensing of costs relating to previous debt facility (\$0.1 million); (v) Non-cash write-off of capitalised debt cost (\$0.8 million); and (vi) Costs relating to EMEA distribution changes (\$0.4 million).



Dividend for the year ended 30 June 2022

A partially franked final dividend for FY2022 of US5.0 cents per share has been declared. Total dividends paid or declared for the year ended 30 June 2022 are US9.5 cents per share (US\$75.1 million) which represents 54.7% of Reported NPAT and 46.5% of Adjusted NPAT. The Company's intended payout range remains between 40% and 60% of annual NPAT.

	Year ended 30 June 2022	Year ended 30 June 2021 ⁶	Year ended 30 June 2022 Franked amount	Year ended 30 June 2021 Franked amount
Interim dividend	US4.5cps	US4.3cps	20%	20%
Final dividend	US5.0cps	US5.0cps	10%	20%
Total dividends paid or declared	US\$75.1m	US\$74.2m		

The dividend will be paid in Australian dollars at 7.139 cents per share.⁷ The record date for entitlement to receive the final dividend is 9 September 2022. The payment date is 7 October 2022. The Company does not have a dividend reinvestment plan.

The FY2022 interim dividend was 20% franked and the FY2022 final dividend will be 10% franked. As previously disclosed, future dividends are also likely to be only partially franked given changes in the Company's geographic mix of earnings following acquisitions. It is currently expected that future dividends will be less than 20% franked.

A final dividend for the 2021 financial year of AU7.0 cents per share franked to 20% was paid to eligible shareholders on 8 October 2021.

Net Tangible Assets per Share

Net tangible assets per share at 30 June 2022 were \$0.06 (30 June 2021 - \$0.34). The decrease in Net Tangible Assets since 30 June 2021 mainly reflects a higher carrying value of intangible assets following completion of the EZ-Flo International and LCL acquisitions.

The remainder of the information requiring disclosure to comply with ASX Listing Rule 4.3A is contained in the 2022 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 Interim dividend for FY2021 declared and paid in Australian dollars at 6.0cps; Final dividend for FY2021 declared and paid in Australian dollars at 7.0cps.

7 Converted to Australian currency using the average exchange rate over the five business days ended 18 August 2022.

