FY24 Interim Results Presentation

19 February 2024

RELIANCE WORLDWIDE CORPORATION LIMITED
ABN 46 610 855 877

Important Notice

This presentation contains general information about Reliance Worldwide Corporation Limited's activities at the date of presentation (19 February 2024). It is information given in summary form and does not purport to be complete.

The presentation is not an offer or invitation for subscription or purchase of or a recommendation of securities in any jurisdiction. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. These should be considered, with or without professional advice, when deciding if an investment is appropriate.

Information, including forecast or forward looking information, in this presentation should not be considered as a recommendation in relation to holding, purchasing or selling shares, securities or other instruments in Reliance Worldwide Corporation Limited. Due care and attention has been used in the preparation of forecast and forward looking information. However, actual results may vary from forecasts and any variation may be materially positive or negative. Forecasts by their very nature are subject to uncertainty and contingencies many of which are outside the control of Reliance Worldwide Corporation Limited and Reliance Worldwide Corporation Limited cautions against reliance on any forward looking statements or forecasts. Past performance is not a reliable indication of future performance. Except as required by applicable regulations or laws, Reliance Worldwide Corporation Limited does not undertake any obligation to publicly update or review any forward looking statements whether as a result of new information or future events.

The financial results are extracted from unaudited management accounts. RWC's standard processes were followed to confirm the material accuracy of the results. 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 Operating and Financial Review dated 19 February 2024. 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 4D, 31 December 2023 Interim Financial Report, Results Announcement, and Operating and Financial Review also released on 19 February 2024.

HY24 Overview

Repair and maintenance resilient, Group operating margins stable

Strong financial performance

- Strong sales performance in the Americas driven by new product initiatives
- Group operating margins stable, aided by cost management
- Americas operating margin improvement
- EMEA cost savings focus partly offset margin impact of weaker trading conditions
- Strong operating cash flow generation, further reduction in debt and leverage

Significant progress on new product rollouts positioning for growth

- SharkBite Max: strong operational execution, meeting rollout schedule and commercial objectives
- PEX-a: retail rollout completed, wholesale underway
- EZ-Flo gas appliance connectors: expanded retail distribution

FY24 guidance maintained with performance on track

HY24 Financial Highlights

All figures in US$

Net sales
$589.5 million
-2% on pcp[1]

Adjusted EBITDA
$124.8 million
-3% on pcp

Adjusted NPAT
$67.7 million
+0.3% on pcp

Cash generated from operations
$151.6 million
+61% versus pcp
Cash conversion: 121%[2]

Net leverage ratio[3]
1.56x
Net debt $395 million
Total debt facilities: US$1,050 million

Interim dividend
US2.25 cps
On market share buyback
$17.8 million

Plumbing Matters. We Make It Better.

[1] Growth rates expressed as change over comparative period for the six months ended 31 December 2022
[2] Cash generated from operations / Adjusted EBITDA
[3] Net Debt/12-month trailing EBITDA. Excludes leases

HY24 Performance Summary

US$ million	HY24	HY23	% Change
Net Sales	**589.5**	**601.3**	**(2%)**
Adjusted EBITDA[1]	**124.8**	**128.1**	**(3%)**
Adjusted EBITDA margin (%)	*21.2%*	*21.3%*	*(10bps)*
Adjusted EBIT[1]	**96.8**	**102.5**	**(6%)**
Adjusted EBIT margin (%)	*16.4%*	*17.0%*	*(60bps)*
Reported NPAT	**51.0**	**66.6**	**(23%)**
Adjusted NPAT	**67.7**	**67.5**	**0.3%**
Earnings per share (cps)	**6.5 cents**	**8.5 cents**	**(24%)**
Adjusted earnings per share (cps)	**8.6 cents**	**8.6 cents**	**0%**
Cash flow from operations	**151.6**	**94.3**	**61%**

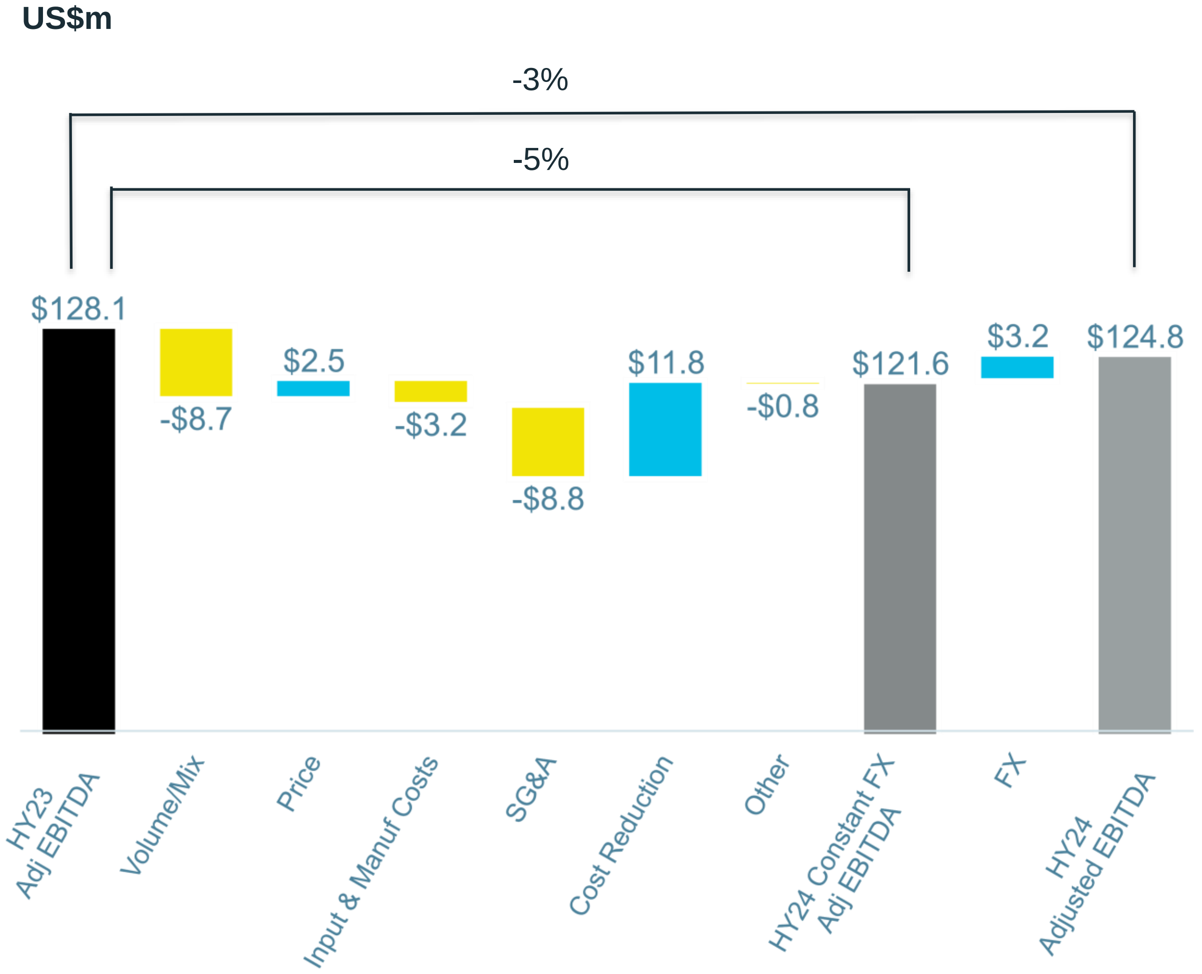
[1] Refer to Page 22 in the Appendix for a reconciliation of Reported and Adjusted EBITDA, EBIT and NPAT

Commentary

- Net sales 2% lower than pcp:
  - Largely driven by lower volumes in EMEA, and to a lesser extent APAC
  - Americas sales were in line with pcp
- Adjusted EBITDA margin 10 bps lower than pcp:
  - Impacted by lower volumes in EMEA and APAC
  - Offset by cost management initiatives
- Adjusted NPAT in line with pcp excluding:
  - $9.8 million one-off costs relating to the closure of Supply Smart in the Americas
  - $2.4 million in one-off restructuring costs in EMEA
- Cash flow from operations up 61% on pcp, cash conversion of 121%

HY24 Adjusted EBITDA

Cost reduction actions offset lower volumes, EBITDA margin broadly stable on pcp



Commentary

- Adjusted EBITDA down 3%
- Constant currency Adjusted EBITDA down 5%
- Adjusted EBITDA margin broadly stable, only 10bps lower than pcp despite lower volumes in APAC and EMEA
- Cost reduction actions helped mitigate impact of lower volumes:
  - Cost management initiatives delivered $11.8m savings in HY24
  - Initiatives included prior period restructuring, procurement savings, and EZ-Flo cost synergies realisation
- SG&A expenses were impacted by increased employee costs

Segment results: Americas

Sales in line with pcp, EBITDA higher due to transfer of manufacturing from APAC

Americas

US$m	HY24	HY23	% Change
Net Sales	**426.4**	**427.3**	**0%**
Adjusted EBITDA[1, 2]	**85.0**	**71.6**	**19%**
Adjusted EBITDA margin (%)	*19.9%*	*16.8%*	*310bps*
Adjusted EBIT[1, 2]	**69.3**	**57.6**	**20%**
Adjusted EBIT margin (%)	*16.3%*	*13.5%*	*280bps*

[1] EBITDA and EBIT adjustments for HY24 comprise one-off costs ($9.8 million) relating to the closure of Supply Smart

[2] Prior to elimination of profits made on inventory sales between segments

Commentary

- Sales performance reflected revenue growth from new product initiatives:
  - SharkBite Max
  - PEX-a and expansion fittings
  - EZ-Flo gas appliance connectors
  - HoldRite fixture boxes
- Stable repair and maintenance markets underpinned volumes
- Prior period sales were boosted by winter freeze event
- Stable pricing overall - raw material input costs eased to be in line with product pricing levels
- Adjusted EBITDA up 19% driven by:
  - Transfer of SharkBite manufacturing and assembly activities from Australia (~$5m)
  - Cost management initiatives

Segment results: Asia Pacific

Transfer of SharkBite manufacturing to the US impacted volumes

Asia Pacific

A$m	HY24	HY23	% Change
Net Sales	**121.0**	**153.6**	**(21%)**
Adjusted EBITDA[1]	**12.9**	**28.4**	**(55%)**
Adjusted EBITDA margin (%)	*10.7%*	*18.5%*	*(780bps)*
Adjusted EBIT[1]	**6.4**	**21.3**	**(70%)**
Adjusted EBIT margin (%)	*5.3%*	*13.9%*	*(860bps)*

1 Prior to elimination of profits made on inventory sales between segments
2 Source: Australian Bureau of Statistics

Commentary

- External sales down 4%
- Australia sales impacted by decline in new housing commencements – down 15% in year to 30 Sept 23[2]
- Repair and remodel activity was stable
- Intercompany sales were 47% lower due to the transfer of some SharkBite production to the US
- Adjusted EBITDA down 55% due:
  - Transfer of SharkBite manufacturing to the US (~A$9m impact)
  - Lower manufactured volumes of SharkBite as inventory levels reduced
  - Lower external sales
- Adjusted EBITDA margin down due to:
  - The shift in production of SharkBite to the Americas
  - Reduction in manufacturing overhead recoveries due to lower SharkBite volumes

Segment results: EMEA

Lower volumes impacted operating margins

EMEA

£m	HY24	HY23	% Change
Net Sales	**101.4**	**108.7**	**(7%)**
Adjusted EBITDA[1, 2]	**29.2**	**34.7**	**(16%)**
Adjusted EBITDA margin (%)	*28.8%*	*31.9%*	*(310bps)*
Adjusted EBIT[1, 2]	**23.2**	**29.3**	**(21%)**
Adjusted EBIT margin (%)	*22.9%*	*27.0%*	*(410bps)*

[1] EBITDA and EBIT adjustments for HY24 comprise one-off restructuring costs ($2.4 million)
[2] Prior to elimination of profits made on inventory sales between segments

Commentary

- EMEA external sales down 12% on pcp in local currency
- UK external sales down 9% on pcp driven by lower volumes
  - UK plumbing and heating sales down 6% on pcp in local currency
  - UK specialty and other products sales down 20% on pcp
- Continental Europe sales down 21% due to lower sales of water filtration and drinks dispense products
- Adjusted EBITDA down 16% due to lower volumes in all markets
- Restructuring undertaken in EMEA to better match costs with demand outlook

Cash flow from operations up 61%

Cash flow performance

US$m	HY24	HY23
Adjusted EBITDA	124.8	128.1
Cash generated from operations	151.6	94.3
Operating cash flow conversion	***121%***	***74%***

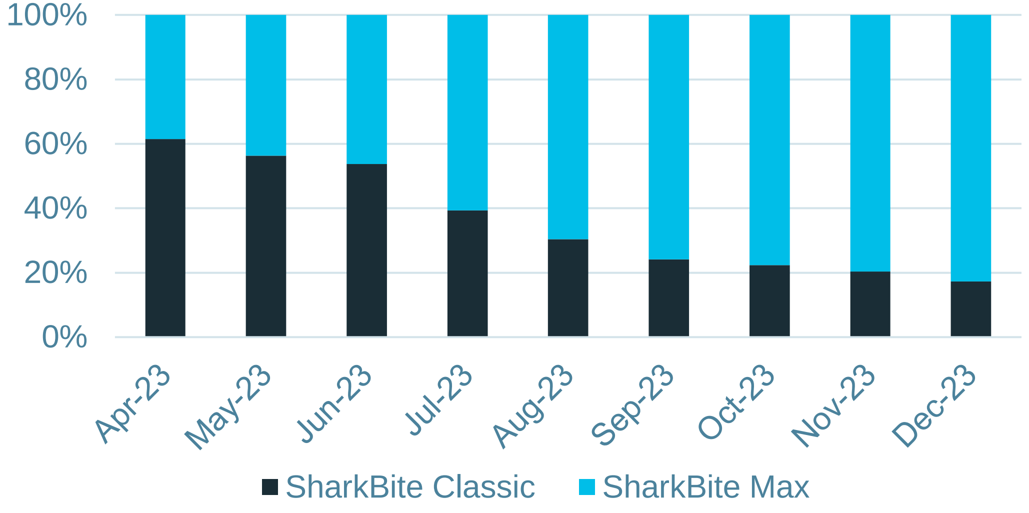
Net working capital

US$m	HY24	HY23
Trade and other receivables	216.3	243.7
Inventories	292.9	344.8
Trade and other payables	(169.9)	(172.0)
Net working capital	**339.3**	**416.5**

Commentary

- Cash generated from operations up 61%
- Lower working capital mainly due to inventory reductions
- Operating cash flow conversion 121%

Americas SharkBite Max inventory has largely replaced 1st Generation SharkBite



Net debt reduced by $138.8m

Debt metrics

US$m	31-Dec-23	31-Dec-22
Cash and cash equivalents	27.2	34.9
Gross debt	421.9	568.4
Net debt[1]	**394.7**	**533.5**
Net debt / EBITDA[2]	1.56x	2.12x

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

Capex

US$m	HY24	HY23	FY24 Forecast
Growth	10.0	14.4	-
Maintenance	12.2	7.4	-
Total	**21.2**	**21.8**	**50-55**
% of Sales	3.6%	3.6%	-

Commentary

- Net debt decreased by $138.8m since 31 Dec 2022
- Total committed debt facilities of $1,050M:
  - Unutilised committed facilities of $628m
  - Weighted average debt maturity: 6.9 years
    Increase from 5.4 years
- 59% of debt is at fixed interest rates
- Weighted average cost of funding 5.09%

Commentary

- FY24 projects include:
  - Completion of SharkBite Max and PEX-a projects
  - Product bagging and packaging automation

Revised shareholder distribution policy

Changes to be applied for HY24

- Review of distribution policy settings undertaken due to reduced capacity to generate franking credits going forward
- The following changes are to be introduced:
  - RWC still intends to distribute between 40% and 60% of annual NPAT
  - The total distribution amount for a period will be allocated approximately 50% to cash dividends and 50% to on-market share buy-backs
  - The policy reflects the desire of some investors to continue receiving cash dividends while also enabling a capital management strategy utilising on-market share buy-backs that will be value accretive for shareholders
- A total distribution amount for HY24 of US4.5 cents per share (US$35.6 million) has been declared. In line with the new policy, the distribution will comprise:
  - 50% of a cash dividend component of US2.25 cents per share
  - 50% of an on-market share buy-back component (US$17.8 million)
  - The total distribution amount represents 70% of NPAT and 53% of Adjusted NPAT for the six months ended 31 December 2023
  - HY24 dividend will be unfranked

FY24 Outlook: guidance maintained[1]

Group	Prior Guidance	Current Guidance	Status
Net Sales	Down low to mid-single digits on FY23	Unchanged	
Operating Margin	Group EBITDA margin stable on FY23	Unchanged	
Operating Cash Flow	Operating cash flow conversion of 90%+	2nd Half operating cash flow conversion of 90%+	
Americas	**Prior Guidance**	**Current Guidance**	**Status**
Net Sales	Down low single digits on FY23	Broadly in line with FY23 after adjusting for Supply Smart closure	
Operating Margin	EBITDA margin higher than FY23	Unchanged	
Asia Pacific	**Prior Guidance**	**Current Guidance**	**Status**
Net Sales	External sales down low single digits on FY23	Unchanged	
Operating Margin	EBITDA margin 1/3rd lower than FY23	Unchanged	
EMEA	**Prior Guidance**	**Current Guidance**	**Status**
Net Sales	External sales down high single digits on FY23	External sales down low double digits on FY23, consistent with HY24	
Operating Margin	EBITDA margin lower than FY23 on lower volumes	Unchanged	

[1] Key assumptions for FY24 are set out in the Operating and Financial Review dated 19 February 2024. Guidance excludes any contribution from Holman Industries.

Our Focus for 2024

Position RWC to reap benefits of a stronger, leaner business as demand increases

People, Safety & Culture

Everyone safe every day: deliver further progress in Health and Safety performance

Continue to invest in our people, products and the business

Progress ESG priorities

Execution

Manage cost base in EMEA to preserve margins despite lower volumes

Deliver $20 million in cost management benefits for the full year, including additional $2 million in EMEA cost initiative benefits

Deliver another strong cash flow performance in the 2nd half through working capital management

Growth

Continue to execute on new product initiatives including SharkBite Max, PEX-a pipe and expansion fittings

Continue to invest in innovation and new product initiatives to strengthen our customer offering and capture new opportunities

Complete Holman Industries acquisition and begin integration to position for long term growth

Our focus will continue to be on product innovation, customer service, and operational efficiency. We will ensure RWC is positioned to take advantage of the future upswing in demand

Acquisition of Holman Industries: Overview

Leading manufacturer and distributor of branded plumbing and watering products in Australia

Transaction overview

- RWC to acquire Holman Industries for A$160[1] million; completion expected to occur in March 2024
- Acquisition values business at a multiple of 7.0 times LTM EBITDA of A$22.9m (12 months ended 31 Dec 2023)[2]
- EPS and ROCE[3] accretive from first full year of ownership

Holman overview

- Holman is a leading manufacturer and distributor of branded plumbing and watering products in Australia
- Strong track record of driving double-digit sales growth through continued product innovation and expansion of product offerings
- Leading manufacturer of PVC plumbing fittings in Australian market, with a broad product suite serving the Drain, Waste and Vent (DWV) water-out end market
- Leading brands in watering and garden products in Australia with significant presence in Bunnings
- Very strong retail channel relationships, and a growing presence in wholesale plumbing distribution

Strategic rationale

- RWC and Holman's plumbing product ranges are complementary; the combined portfolio will create a comprehensive rough plumbing product offering for the Australian market
- Strengthens RWC exposure to the retail channel and broadens RWC's wholesale offering
- Provides opportunity for growth of legacy RWC products within retail while also putting more scale and manufacturing capability behind Holman
- Acquisition is aligned with RWC's strategy of providing complete plumbing solutions for water-in and water-out in residential and commercial

[1] Subject to conditions precedent and customary closing adjustments and conditions; all values are in Australian Dollars unless otherwise specified
[2] Source: Company financial statements, RWC management estimates. LTM EBITDA adjusted by RWC for AASB16 lease accounting requirements
[3] ROCE is Return on Capital Employed. Calculations exclude transaction costs, one-off costs to achieve synergies, any amortisation of identified intangible assets and is on a pre-tax basis.

Holman acquisition will expand and diversify APAC business

Holman's product portfolio will complement RWC's offering by adding water-out pipe & fittings	▪ Holman's plumbing products portfolio complements RWC water-in portfolio with water-out products ▪ Additional product ranges will double RWC's Target Addressable Market in Australia ▪ APAC end market exposure will be more balanced between water-in and water-out product categories
Holman has a stronger relationship with Retail channel partners	▪ Holman will become the retail arm of RWC APAC, creating a strong platform that is able to support and grow category share in both wholesale and retail channels in Australia ▪ Increased product cross-sell opportunities with combined Holman/RWC product range
Holman products are category leaders in plumbing and watering in Bunnings	▪ Very strong track record of product innovation, breadth of offering and quality of product has built leading brand positions for Holman, particularly in retail ▪ Established track record of world class retail execution capabilities
Broadens RWC's channel exposure in Australia	▪ Post acquisition, RWC's channel exposure will be split broadly between wholesale and retail ▪ Retail is a growing channel in the plumbing and heating space alongside wholesale
Improves RWC's cost position and enables RWC to better compete for new opportunities	▪ Holman and RWC have complementary sourcing capabilities from Asia ▪ Rationalisation of overlapping footprint capable of consolidation to improve cost position ▪ Opportunity to leverage RWC scale and manufacturing capability

Appendix

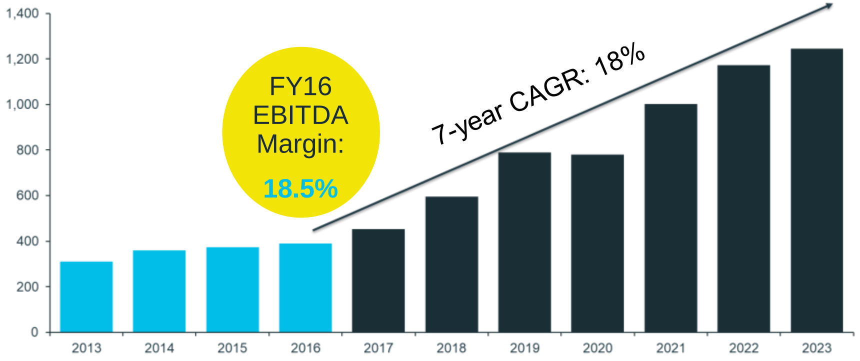
RWC is a global growth-orientated building products company with defensive end-market exposures

RWC

Global plumbing solutions in a large and growing market

FY23 EBITDA Margin: 22.2%

RWC Net Sales US$m

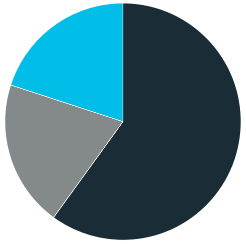


Portfolio of plumbing solutions underpinned by in-house R&D

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

Plumbing Matters. We Make It Better.

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.

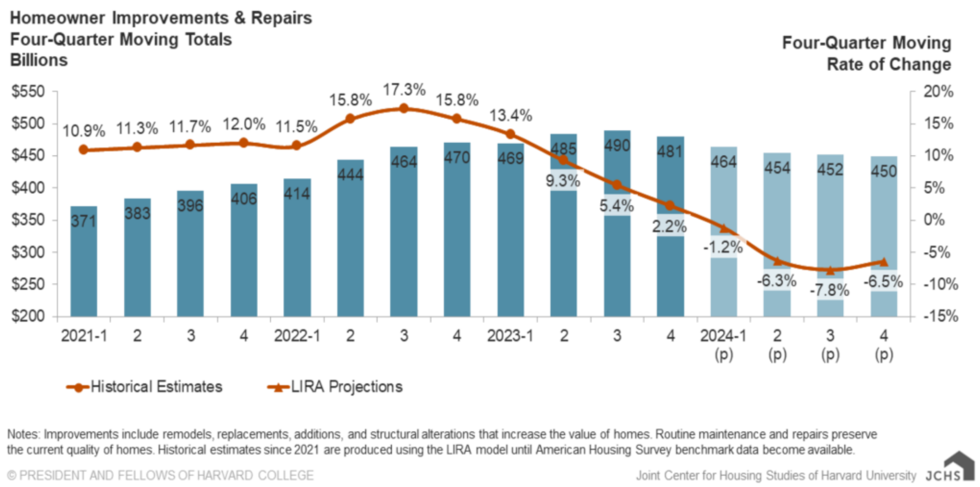
Safety culture to ensure a work environment that protects our people

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

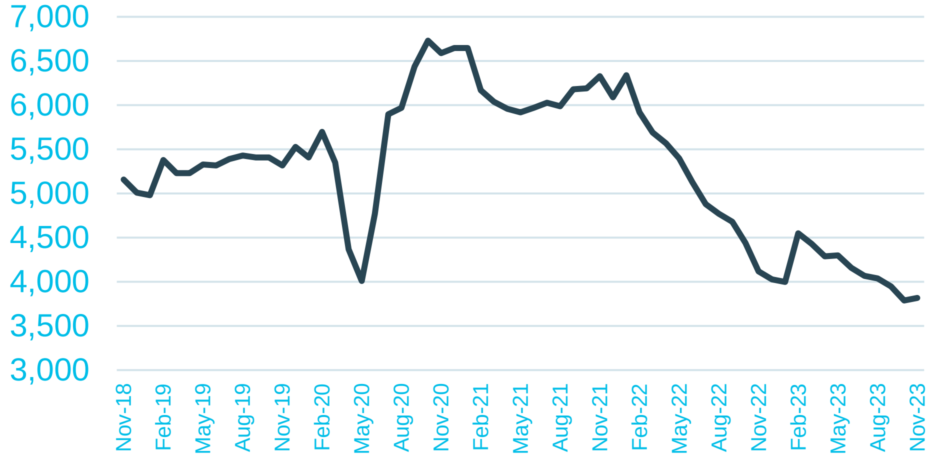
Sustainability focus delivers a more efficient operation while reducing environmental impact

Outlook: Americas

Leading Indicator or Remodelling Activity – Fourth Quarter [1]



US Existing Home Sales[2] (000)



Demand Environment:

- Remodelling activity expected to decline by mid-single digits in 2024 (refer Leading Indicator of Remodelling Activity chart at left)
- Headwind of lower turnover of existing housing expected to persist in 2nd half of FY24
- Improving new home construction in the US not expected to materially impact RWC sales

Revenue:

- RWC sales expected to be broadly in line with FY23 after adjusting for Supply Smart closure

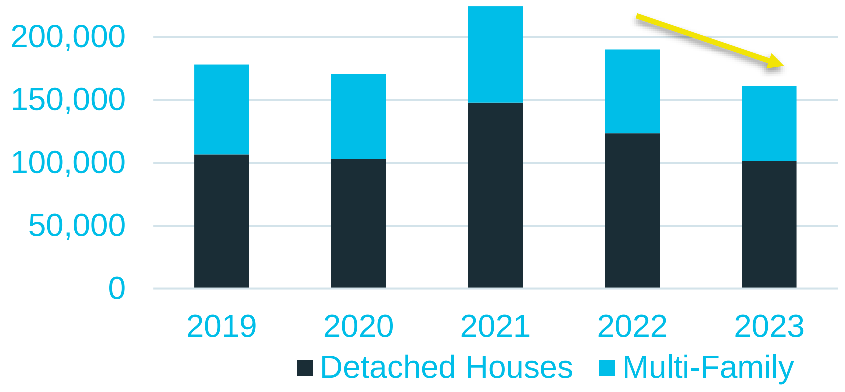
Operating Margin:

- Full year EBITDA margin expected to be higher than pcp following transfer of some SharkBite production to the US from Australia

[1] LIRA inputs and outputs are nominal and are not inflation adjusted
[2] Source: US Department of Housing and Urban Development

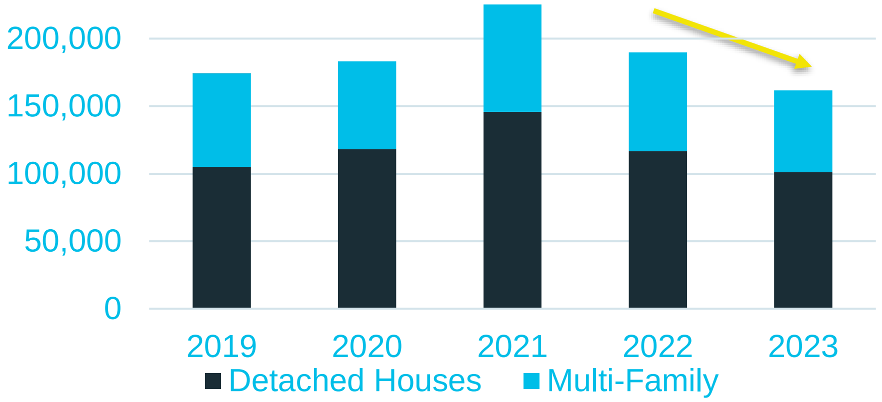
Outlook: Asia Pacific

Australian New Dwelling Commencements[1,2]



15% decrease in new housing commencements in 12 months to 30 September 2023

Australian Residential Approvals[1]



16% drop in annual housing approvals in 12 months to 31 December

Demand Environment:

- Australia end-market exposure is 60% new housing, 40% repair, maintenance and remodel
- 15% decline in Australia new dwelling commencements in 12 months ended 30 Sept 23 will likely suppress demand from this end market in FY24

Revenue:

- External sales expected to be down by low single digits, repair and remodel will help offset decline in new home construction
- Inter-company sales will be significantly lower in FY24 due to transfer of some SharkBite production to the US

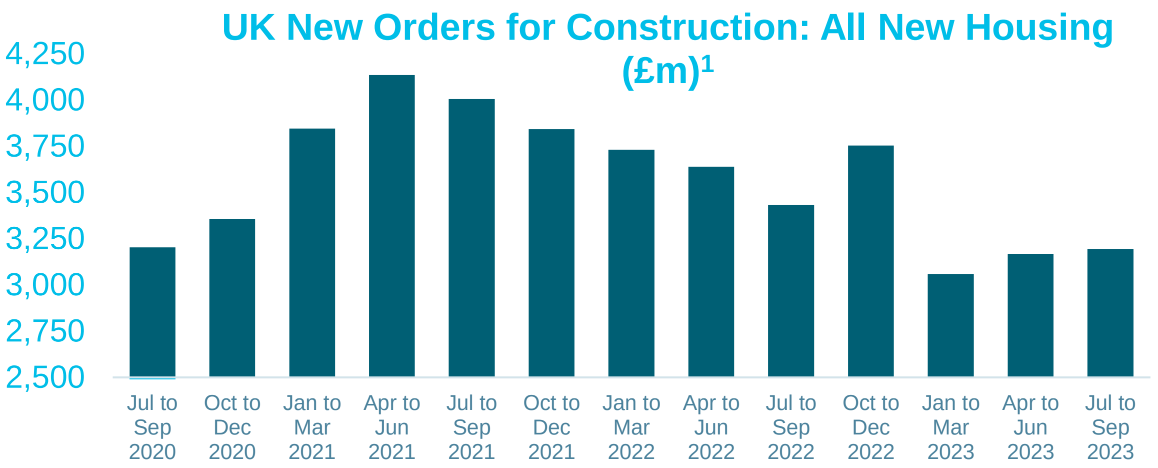
Operating Margin:

- EBITDA margin expected to be down by ~1/3rd due to lower volumes and the transfer of SharkBite production to the US
- Lower manufactured volumes will negatively impact operating margins

[1] Source: Australian Bureau of Statistics: total number of dwelling units, all sectors, seasonally adjusted

[2] 12 months ended 30 September

Outlook: EMEA



[1] Source: UK Office of National Statistics

Demand Environment:

- Lower new home construction and weaker home remodelling activity in UK likely to reduce plumbing and heating sales
- Demand for specialty products likely to be impacted by weakness in the broader UK economy
- Continental Europe economic conditions expected to adversely impact water filtration and drinks dispense products sales

Revenue:

- FY24 external sales are expected to be down on pcp by low double digit percentage points, consistent with HY24

Operating Margin:

- EBITDA margin expected to be down due to lower sales

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 returns**	**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 Payout Ratio:** **40-60% of NPAT:** • ~Half to be paid as Dividends • ~Half to be distributed via on-market share buyback Dividends will generally be unfranked	**Additional on-market Share Buybacks:** Preferred means of distributing excess cash beyond dividends Assessed when appropriate

HY24 Adjustment Items

US$ million	HY24 EBITDA	HY24 EBIT	HY24 Tax Expense	HY24 NPAT
HY24 Reported	**112.6**	**84.6**	**(18.6)**	**51.0**
Adjusted for:				
Supply Smart closure of operations	9.8	9.8	(2.7)	7.1
EMEA restructure	2.4	2.4	(0.6)	1.8
Total one-off costs	**12.2**	**12.2**	**(3.3)**	**8.9**
Goodwill tax amortisation	**-**	**-**	**7.8**	**7.8**
HY24 Adjusted	**124.8**	**96.8**	**(14.1)**	**67.7**