



Company Profile

March 2021

RELIANCE WORLDWIDE CORPORATION LIMITED
ABN 46 610 855 877



Important Notice

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This presentation contains references to the following non-IFRS measures: EBITDA, EBIT, Adjusted NPAT and Adjusted EPS. These measures are used by RWC to assess operating performance and are defined in the accompanying Results Announcement dated 22 February 2021. These measures have not been subject to audit or review.

The sum totals throughout this presentation may not add exactly due to rounding differences.

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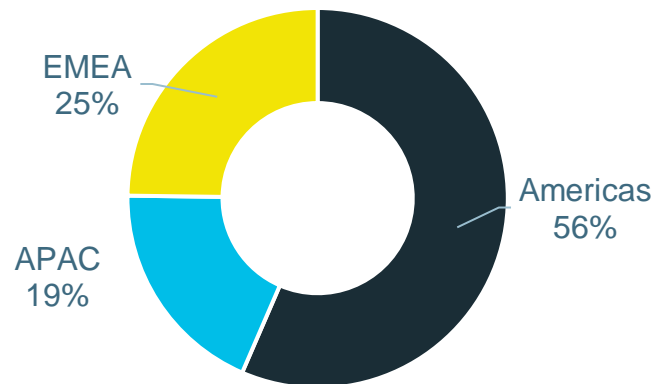
This presentation forms part of a package of information about Reliance Worldwide Corporation Limited. It should be read in conjunction with the Appendix 4D, 31 December 2020 Half Year Financial Report and the Results Announcement also released on 22 February 2021.

RWC at a glance

RWC is a leader in the design, manufacture and supply of water flow and control products and solutions for use in the “behind the wall” plumbing sector

- The leader in brass and plastic push to connect (“PTC”) fittings in key geographies
- Majority of sales are to the repair and renovation (“R&R”) end market
- Vertically integrated global manufacturer with a strong culture of innovation, leading R&D and engineering capability
- Extensive distribution networks of channel partners in all key geographies
- Successful history of M&A to augment product range and build market positions in new geographies and end-markets

Geographic Sales Breakdown¹



¹ Figures are for the year ended 30 June 2020

RWC product portfolio



RWC and its family of brands transform performance and efficiency for plumbing and heating and specialist industries around the world.

Fittings



Pipe



Valves



Integrated
Installation
Solutions

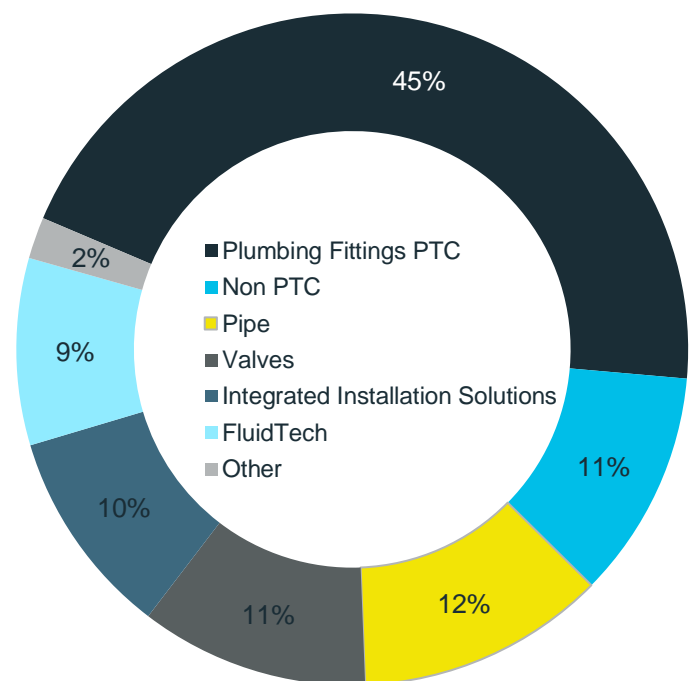


FluidTech



Fittings provide a strong foundation

A variety of fittings solutions that deliver efficiency and reliability available through a vast network of outlets across markets and channels



Plumbing PTC

SharkBite™ available across Americas, UK, and Australia

- #1 position in Americas
- #1 position in Australia
- Growing in UK and Europe

The global leader in Plastic PTC

- #1 positions in Americas, UK, and Australia
- Top 3 in Europe and growing

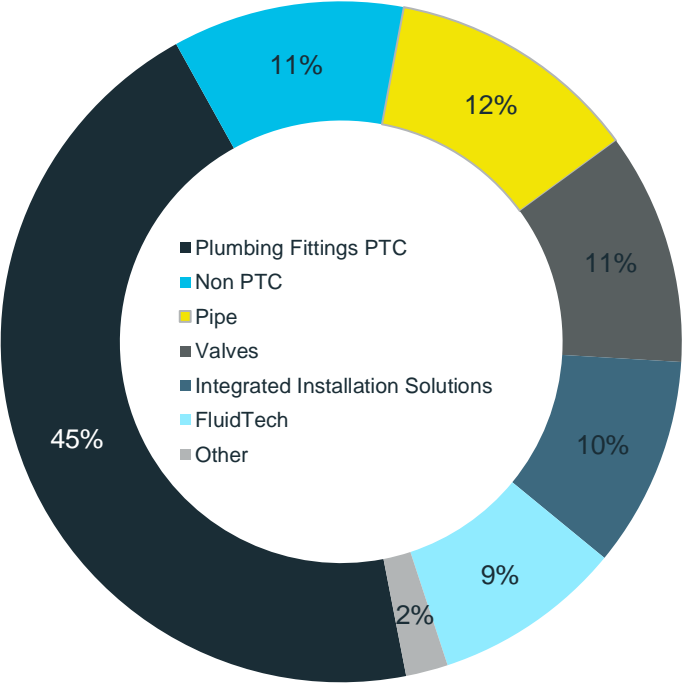
Non-PTC

Essential product to complete our portfolio

- Provides a fitting solution for multiple applications
- One of several products that complete a “basket” of solutions and drives sales across categories
- Leverages scale of our distribution network

Growing category diversification

RWC has built a complete portfolio of solutions with top market positions - all aligned with the SharkBite value proposition – ease of use, efficiency, labor savings, and availability



Pipe



PEX pipe available across global regions

- Top 3 producer in US
- Top 2 in UK
- Top 2 in Australia

Valves



Multiple valve types available across the globe

- #1 water heater valve producer across Americas, UK and Australia
- Top 2 Thermostatic position in the US

Integrated Installation Solutions



Superior value proposition of developing “engineered solutions for makeshift methods”

- #1 position for pipe support in US
- #1 position for water heater accessories in US
- Growing Firestop category with innovative solutions

FluidTech

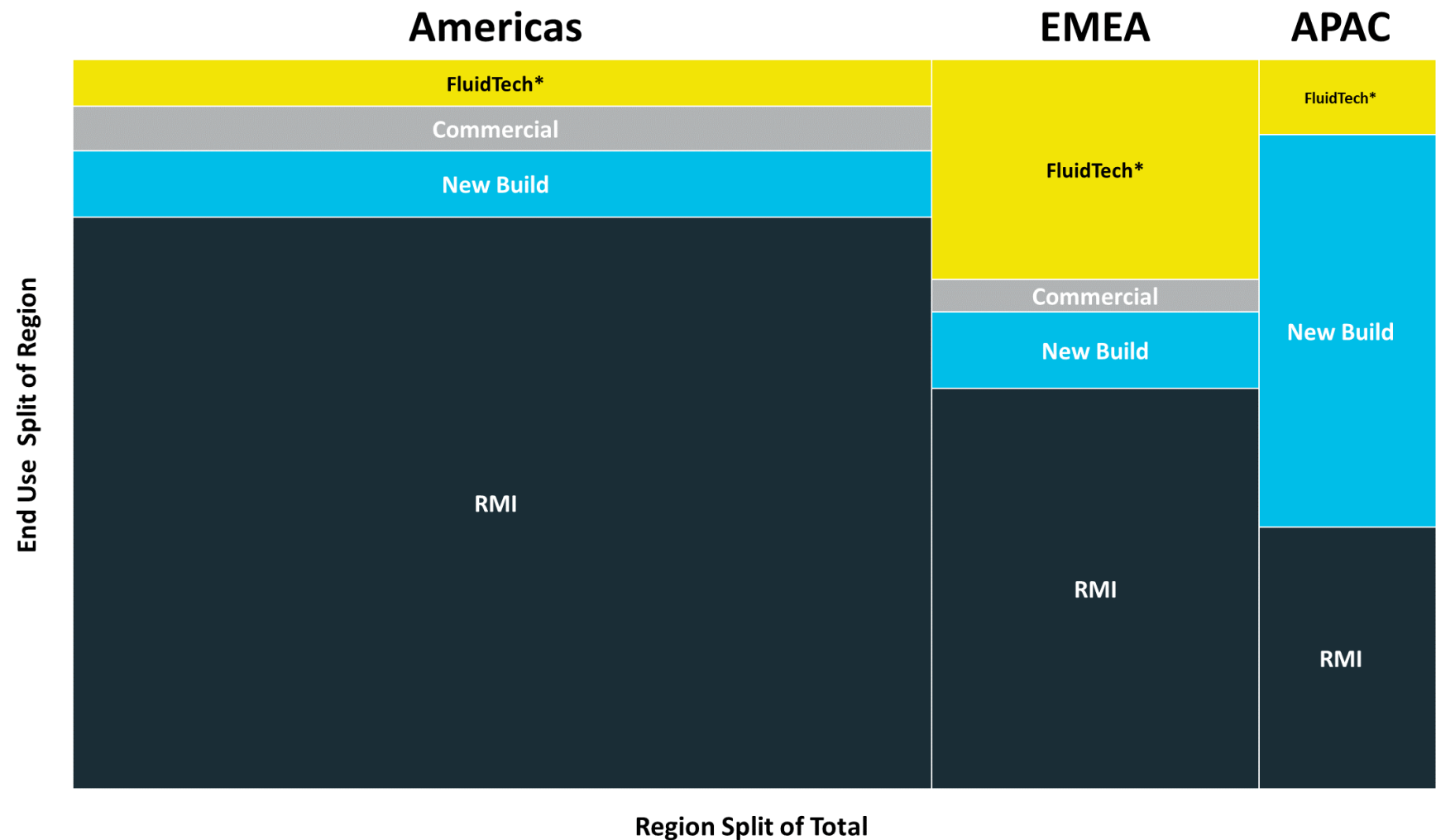


Established in UK with global growth opportunity

- #1 position for drinks dispense in UK
- #1 position for water treatment in US
- Growing positions in Continental Europe

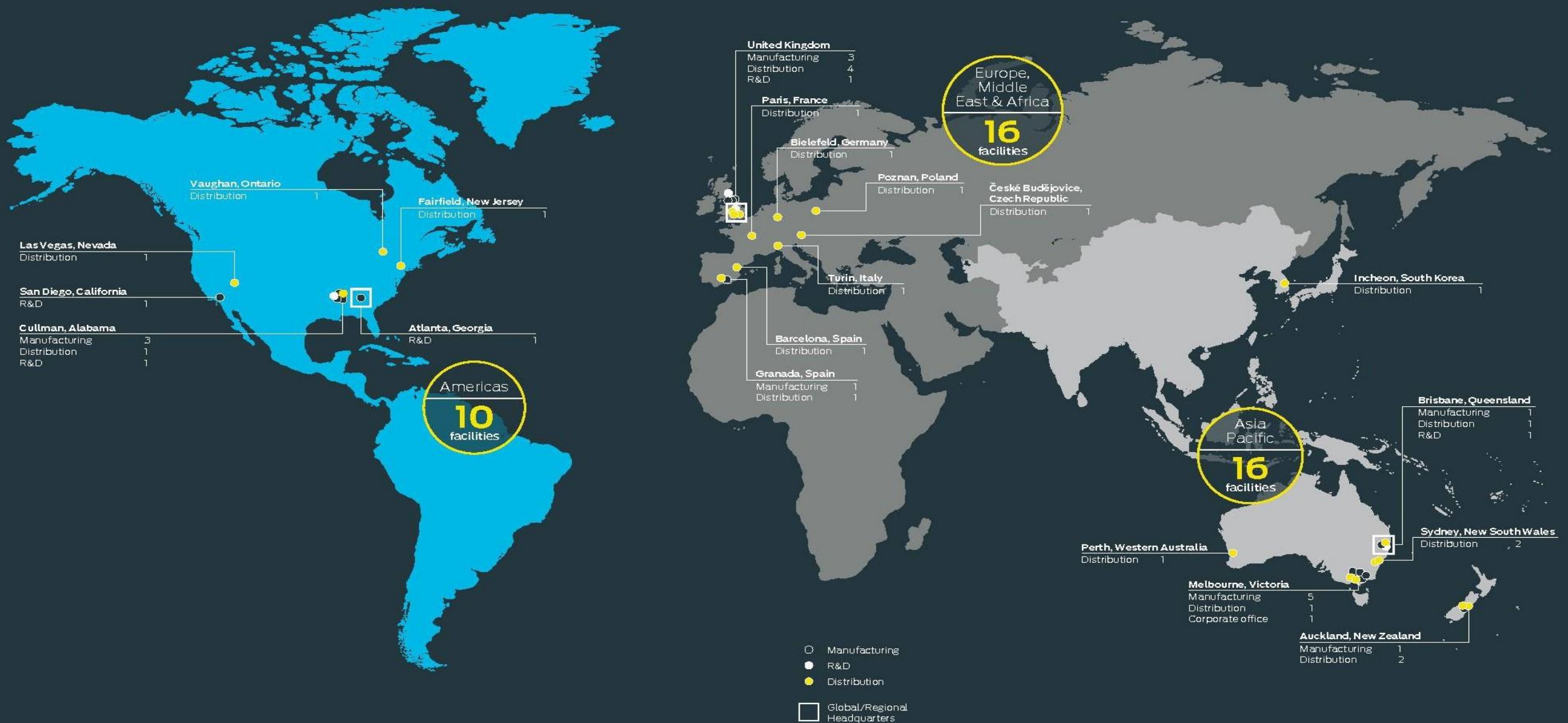
End Use by Region

Core RMI market represents significant share of global end use segments



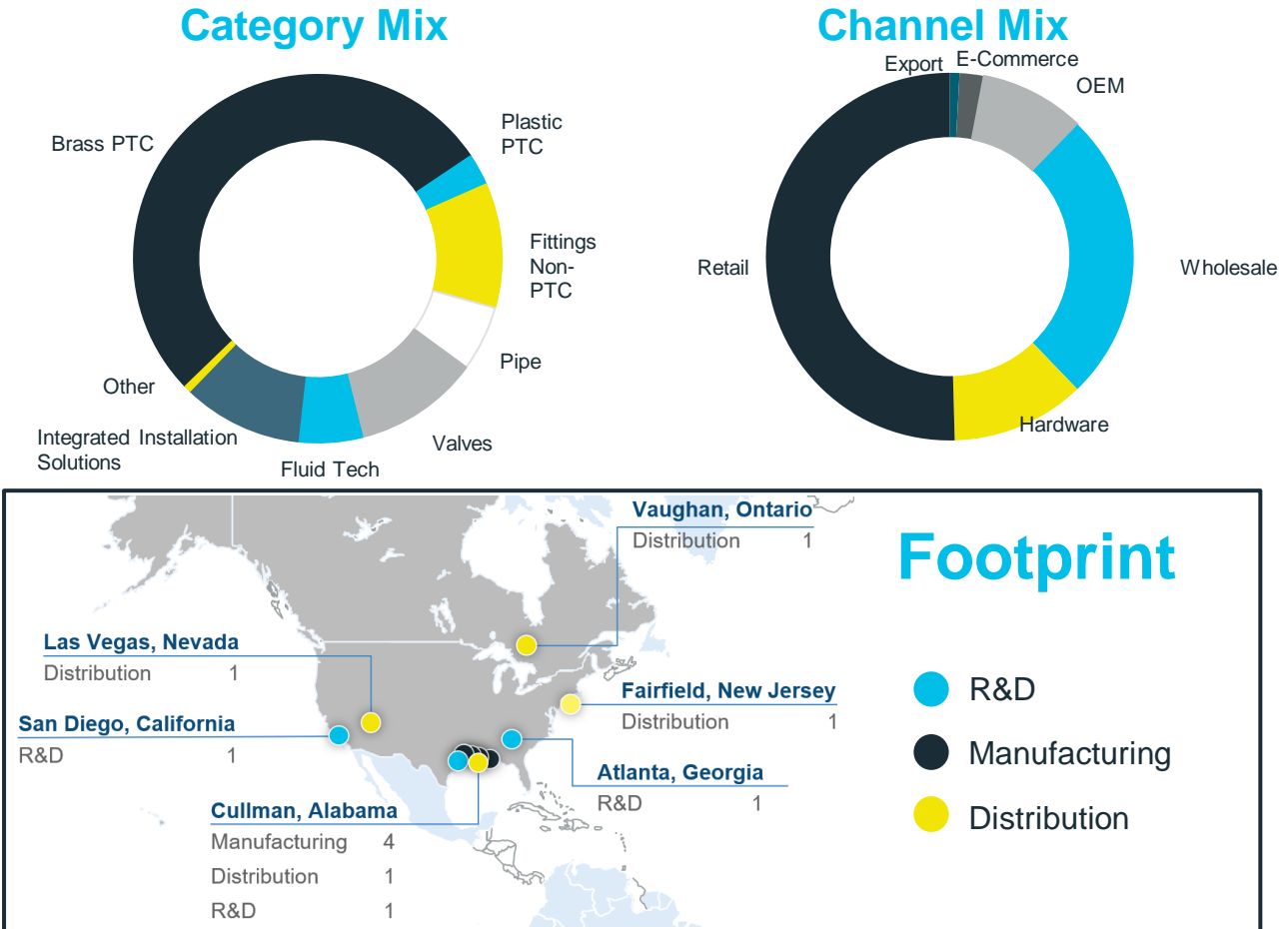
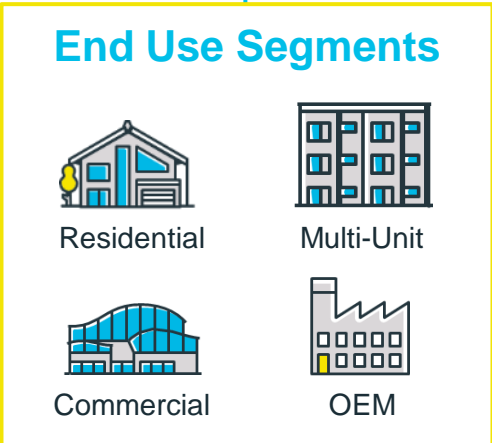
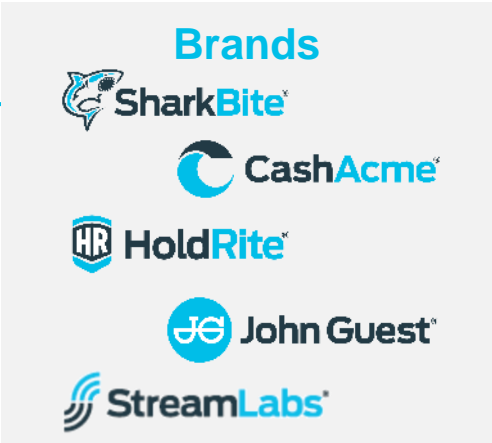
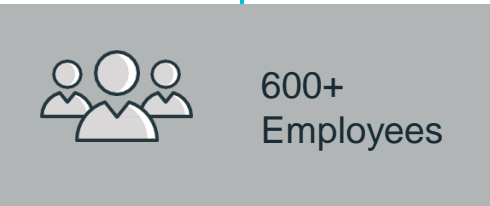
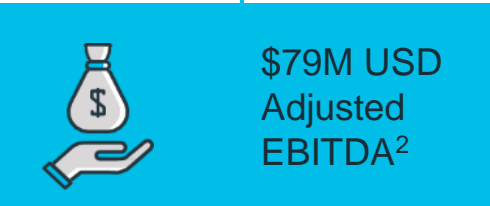
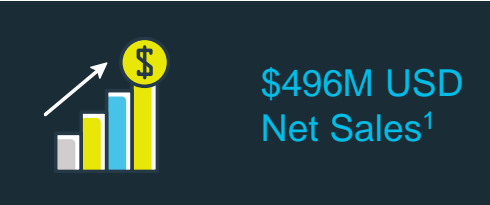
Note* - FluidTech segment includes water treatment, drinks and dispense, air and pneumatics, and blown fibre applications; Segment splits based on Group FY20 net external sales

RWC operates in 3 regions: Americas, Asia Pacific, EMEA



RWC Americas snapshot

Well positioned brands across a diverse product range serving multiple segments

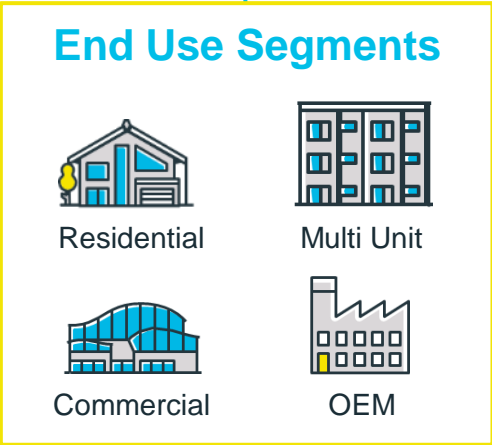
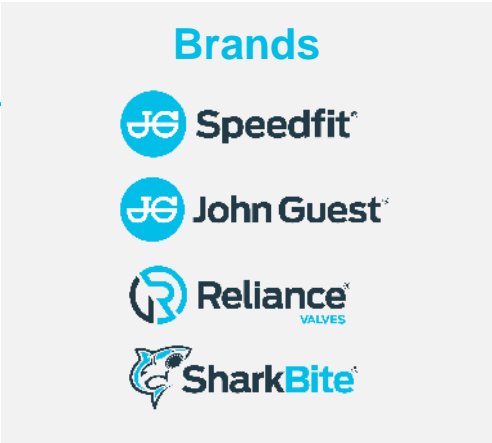
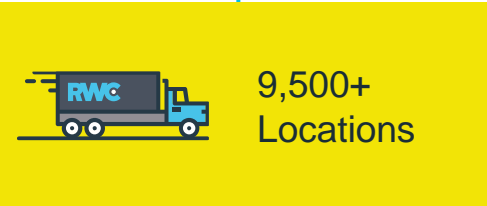
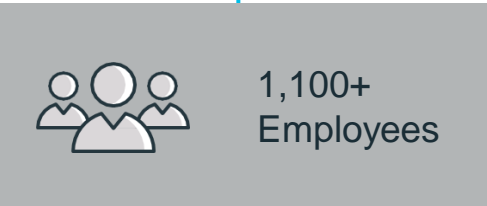


¹ Segment net sales includes \$1.8 million of intercompany sales to other segments; FY20 Results

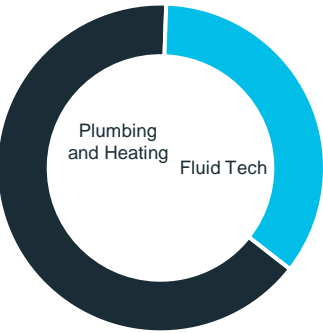
² EBITDA before one-time charges for restructuring actions including La Vergne relocation, Aquallence impairment, StreamLabs impairment and reserves, and severance

EMEA business snapshot

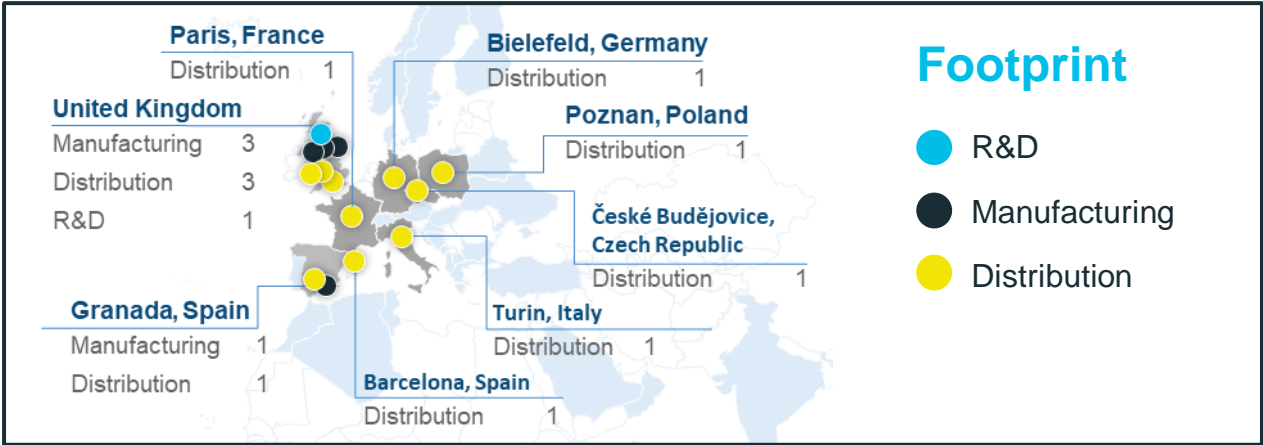
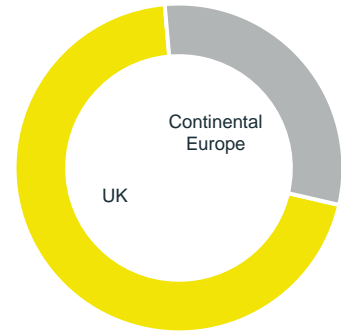
Exceptionally strong brands in a diversified set of markets and geographies



Category mix²



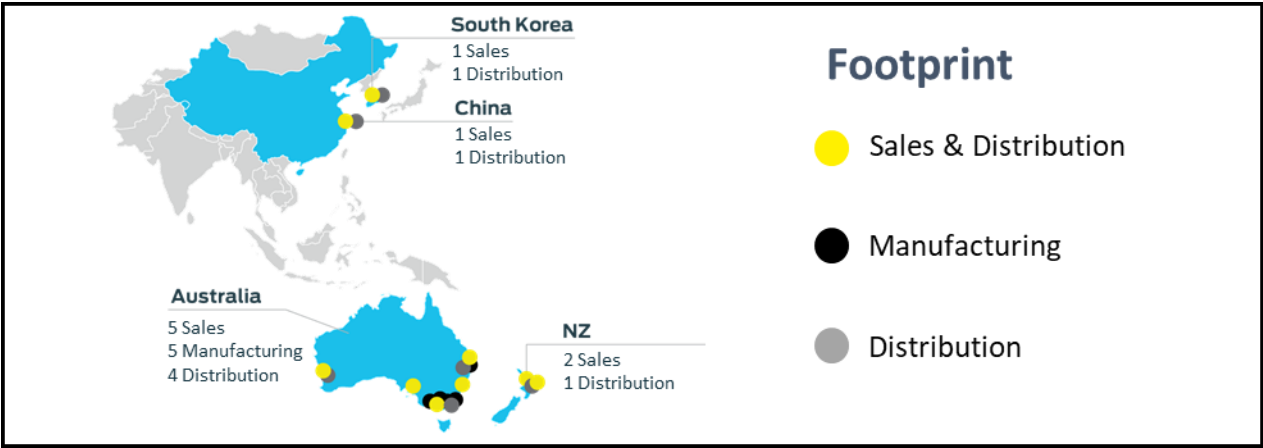
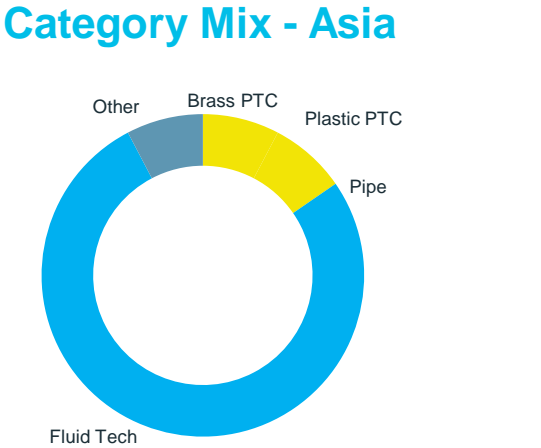
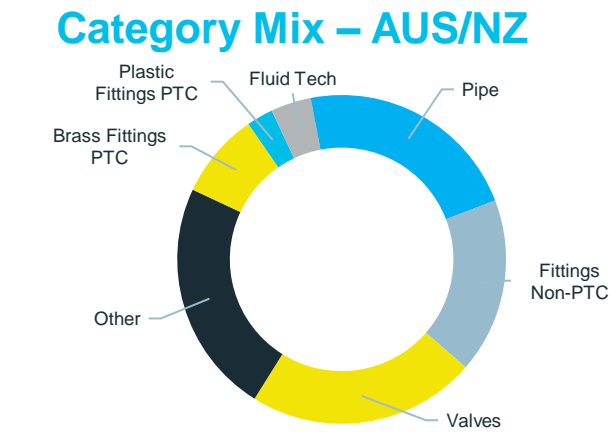
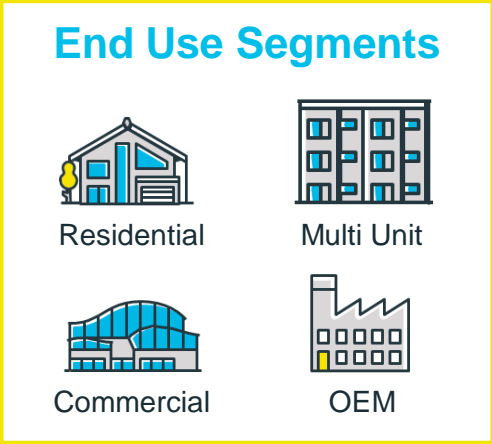
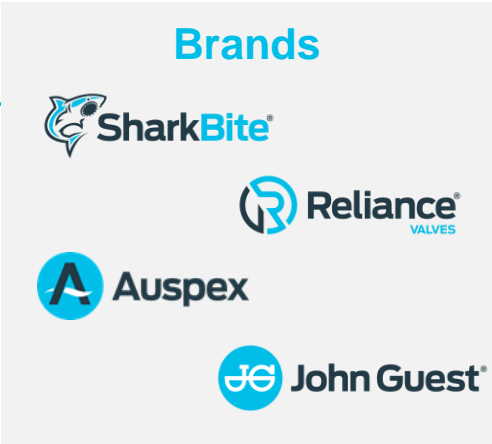
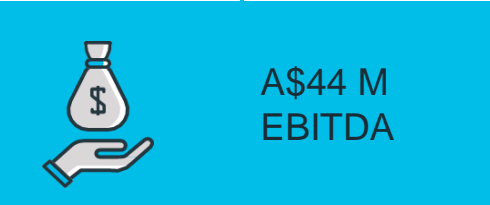
Geographic mix²



1. FY20 actual results
 2. Based on FY20 external sales only and excludes intercompany sales to Americas / APAC

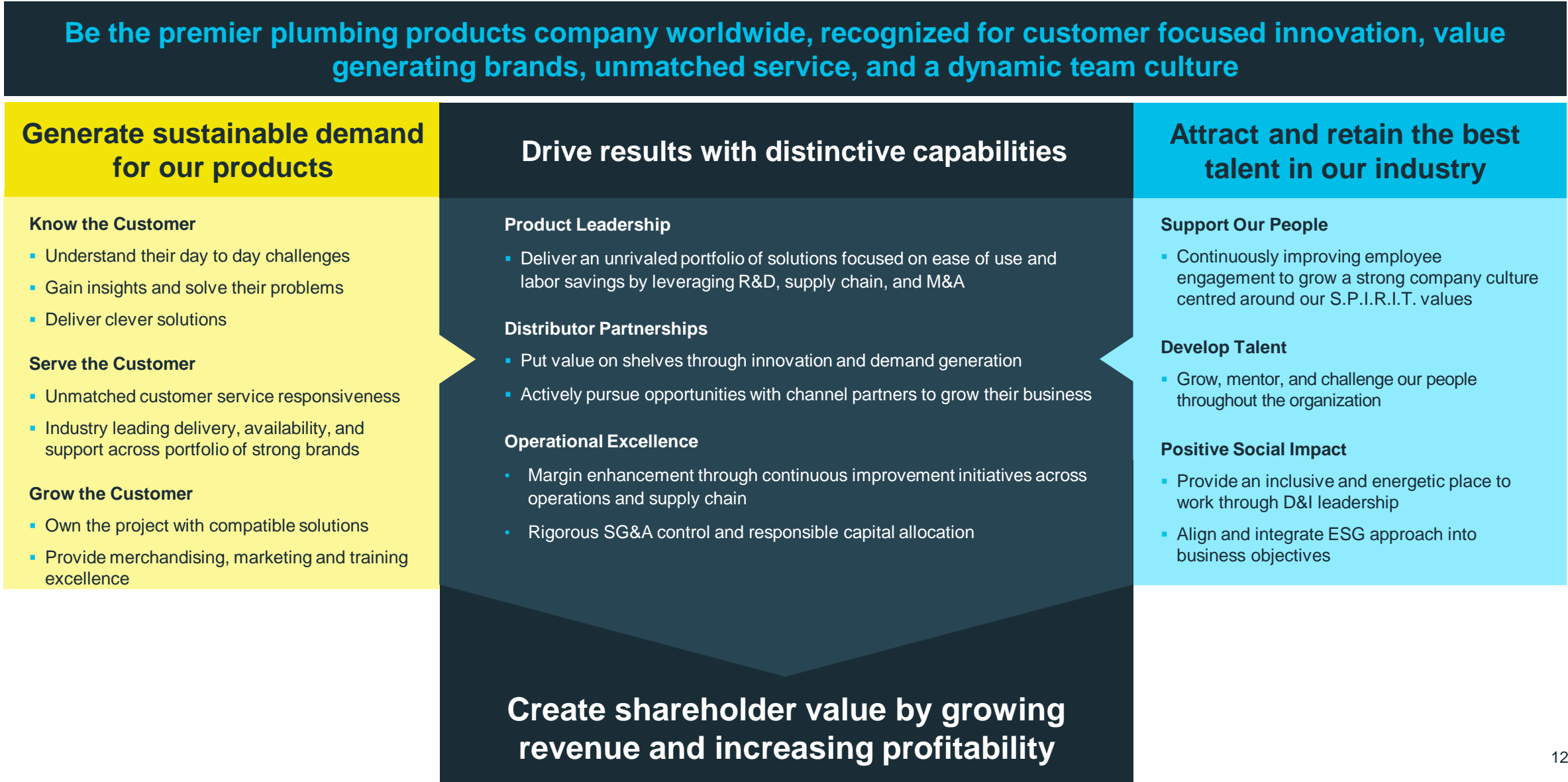
RWC APAC snapshot

Exceptionally strong brands in a diversified set of markets, and geographies



¹Segment net sales includes \$100 million of intercompany sales to other segments; FY20 results

Strategic priorities support our long-term vision



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
<ul style="list-style-type: none"> • 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: <ul style="list-style-type: none"> • Americas • APAC • EMEA 	Ongoing investment in: <ul style="list-style-type: none"> • capacity expansion • core new product development <p>Ongoing assessment of operational footprint and supply chain optimisation</p>	M&A aligned with strategy: <ul style="list-style-type: none"> • 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 Franked to the extent possible – estimated at less than 30%	On-market Share Buybacks: Preferred means of distributing excess cash beyond dividends Assessed when appropriate

Capital Management

Considerations in setting leverage targets and distribution strategy

- RWC will target a leverage ratio (Net Debt to EBITDA) in the range of 1.5x to 2.5x
- Maintaining leverage within this range will ensure the company has ready access to debt markets with appropriately low levels of refinancing risk
- The key objectives of RWC's approach to capital management are:
 - Funding on-going capital re-investment in the company
 - Enabling the company to take advantage of ongoing growth opportunities and to respond to changing operating conditions
 - Preserving balance sheet flexibility to maintain ready access to debt markets and ensuring liquidity
 - Maximising returns to shareholders
- If leverage drops below lower end of target range and near-term investment opportunities that meet return requirements are limited, RWC will consider returning surplus capital to shareholders in addition to dividends
- An on-market share buyback would be most effective means of distributing excess cash and would contribute to positive earnings accretion on an Earnings Per Share (EPS) basis
- Share buybacks will be considered in future having regard to level of earnings, operating performance, economic outlook, and capital requirements to support organic growth and other investment opportunities including M&A

RWC financial snapshot for year ended 30 June 2020

Net sales

\$1,162 million

+5% growth overall¹

Adjusted EBITDA²

\$251.3 million

-9% on prior year

Adjusted NPAT²

\$130.3 million

-18% on prior year

Operating cash flow

\$278.3 million

+56%

Cash Conversion: 128%

Net debt reduction

\$124.4 million

Net debt \$302.2 million

Net leverage ratio³ at 1.39x

Total dividend

7.0 cps

Dividend policy: intended pay out range is 40-60% of NPAT

¹ Growth rates expressed as change over comparative period for the year ended 30 June 2020

² EBITDA, Adjusted EBITDA, Adjusted NPAT and Adjusted EPS are non-IFRS measures used by RWC to assess operating performance and defined in the Results Announcement dated 24 August 2020. These measures have not been subject to audit or review.

³ Net Debt/12-month trailing EBITDA

RWC latest results for Half Year ended 31 December 2020

Net sales

\$642.4 million

+13% growth overall¹
+17% in constant currency

EBITDA

\$166.3 million

+32% on pcp

Adjusted NPAT

\$99.3 million

+56% on pcp

Operating cash flow

\$155.6 million

+17%
Cash conversion: 94%

Net debt reduction

\$76 million

Net debt \$226 million
Net leverage ratio² at 0.88x

Interim dividend

6.0 cps

+33% on pcp
20% franked

¹ Growth rates expressed as change over comparative period for the six months ended 31 December 2019

² Net Debt/12-month trailing EBITDA

Outlook for FY 2021

RWC is not providing earnings guidance due to the continued uncertain market outlook and potential impacts of further COVID-19 outbreaks¹

- We will ensure the market has appropriate visibility on trading conditions as FY2021 progresses
- Sales growth rates may change materially from March onwards due to the impact of COVID-19 on sales in pcp:
 - US sales lifted significantly from March 2020: pcp sales growth comparisons likely to moderate from March 2021 onwards
 - UK sales adversely impacted by lockdown from March to June 2020: pcp sales comparisons expected to be favourable
 - Inflation pressure on raw materials (zinc, steel and resins), freight and packaging may adversely impact 2H earnings
- **January** 2021 sales relative to the pcp have continued to show positive momentum:
 - There were 2 fewer trading days in the month versus pcp. Sales on a constant currency basis were 14% higher than for the same month last year but 24% higher on a daily sales basis
 - **Americas** sales remained strong, up 20% on pcp, with retail sales again driving strong growth
 - **APAC** external sales up 1%, intercompany sales significantly higher than pcp due to sustained strength in the US
 - **EMEA** external sales up 6% on pcp. UK plumbing and heating sales up 18%, Continental Europe sales up 6% on pcp
- Positive sales growth in all regions during the first half of **February**

¹ Key assumptions for FY2021 are set out in the Results Announcement dated 22 February 2021

Summary

We remain well positioned for future growth and the resilience of the business has been demonstrated through the COVID-19 pandemic

- The RWC business is robust, successfully weathering recent extreme challenges
- The plumbing & heating market, and especially our primary repair and maintenance category, is highly resilient
- Our focus over the past year has been on execution and will continue to be so into the near future
- Strength and depth of the regional teams and RWC's inclusive culture are critical success factors
- The RWC business is well positioned and appropriately structured to navigate the near-term challenges and to accelerate out as visibility improves
- There remains significant uncertainty in the future, with the potential to dramatically impact our trading results, but we are confident in our ability to successfully work through these impacts