



# 2024 Annual General Meeting

24 October 2024

RELIANCE WORLDWIDE CORPORATION LIMITED  
ABN 46 610 855 877



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# RWC Board of Directors



Stuart Crosby  
Non-Executive Chairman



Heath Sharp  
Chief Executive Officer



Christine Bartlett  
Independent Non-Executive  
Director



Russell Chenu  
Independent Non-Executive  
Director



Darlene Knight  
Independent Non-Executive  
Director



Ian Rowden  
Independent Non-Executive  
Director



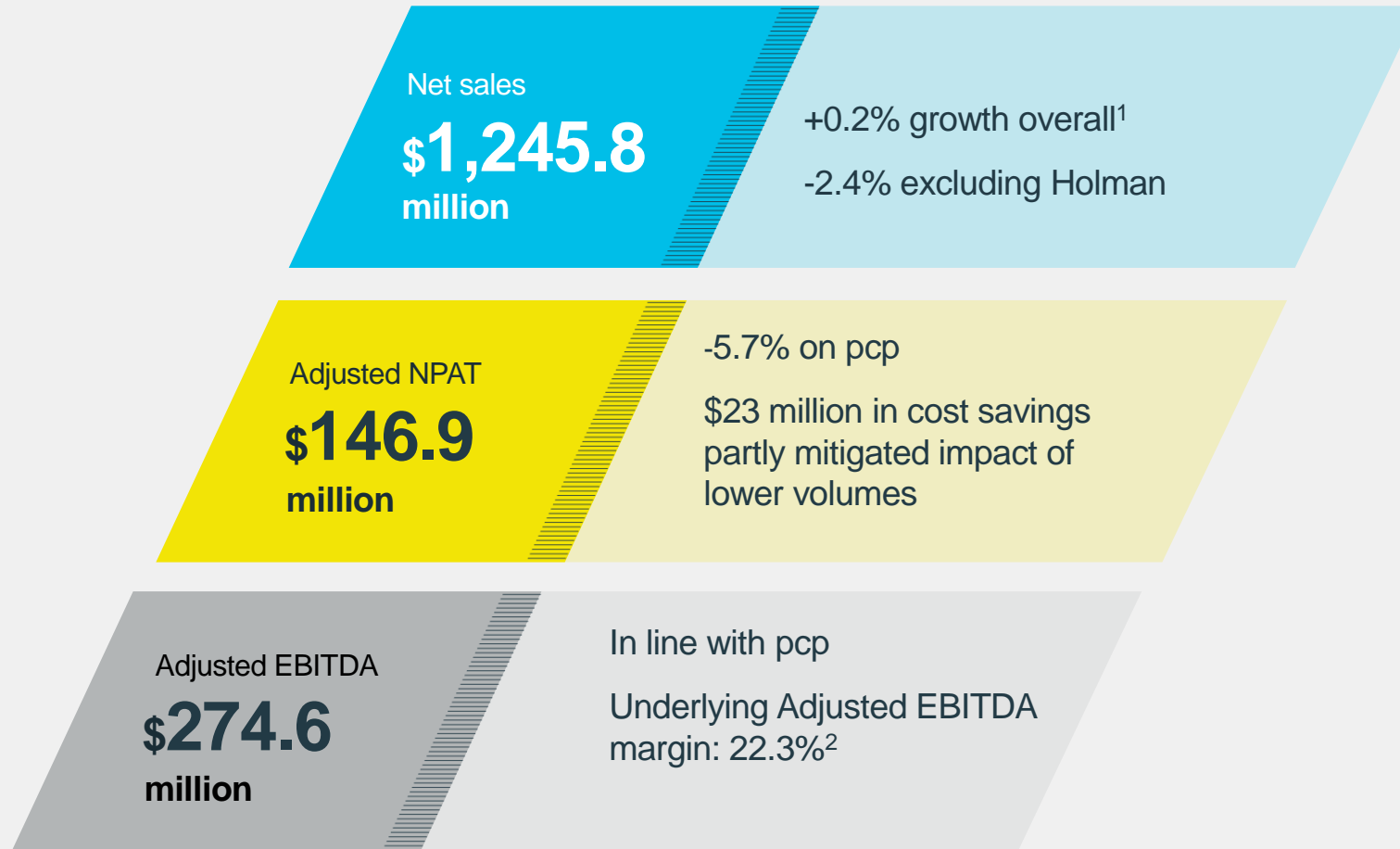
Brad Soller  
Independent Non-Executive  
Director

# Chairman's address

Stuart Crosby

# FY24 Financial Highlights

All figures in US\$



<sup>1</sup> Growth rates expressed as change over comparative period for the year ended June 2023

<sup>2</sup> Excluding Holman

# Balance sheet strengthened through net debt reduction

Debt metrics		
US\$m	30-Jun-24	30-Jun-23
Cash and cash equivalents	19.9	16.6
Gross debt	441.0	451.7
<b>Net debt<sup>1</sup></b>	<b>421.1</b>	<b>435.0</b>
Net debt / EBITDA <sup>2</sup>	1.59x	1.69x

<sup>1</sup> Net debt excludes lease liabilities

<sup>2</sup> Net debt/12-month trailing EBITDA

# FY24 Shareholder Distributions

	FY24 Interim		FY24 Final		FY24 Total		FY23 Total	
	US\$m	CPS	US\$m	CPS	US\$m	CPS	US\$m	CPS
<b>Total Distribution Amount</b>	<b>35.6</b>	<b>4.5</b>	<b>39.3</b>	<b>5.0</b>	<b>74.9</b>	<b>9.5</b>	<b>75.1</b>	<b>9.5</b>
- Dividend	17.8	2.25	19.6	2.5	37.4	4.8	75.1	9.5
- On-market Share Buyback	17.8	2.25	19.6	2.5	37.4	4.8	-	-
<b>Dividend Paid/Payable in A\$</b>		<b>3.459</b>		<b>3.781</b>		<b>7.240</b>		<b>14.241</b>
Dividend Franked Amount		0%		0%		0%		~5% <sup>1</sup>

## Distribution Policy

- Revised distribution policy settings introduced in February 2024
- 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
- 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

<sup>1</sup> FY23: Interim Dividend 10% franked, Final Dividend unfranked

# RWC Board Committee Chairs



Darlene Knight

Chair – Health & Safety  
Committee



Brad Soller

Chair – Audit & Risk  
Committee



Christine Bartlett

Chair – Nomination &  
Remuneration Committee



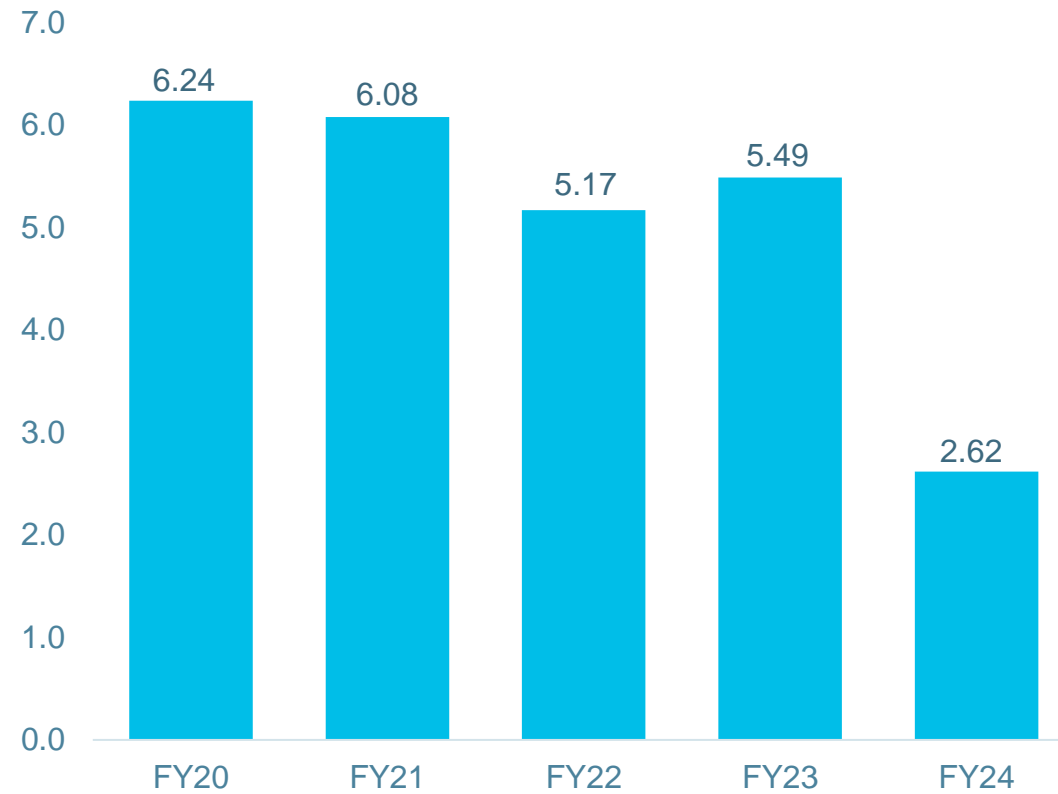
Ian Rowden

Chair – ESG Committee  
(from 24 October 2024)



# Health & Safety

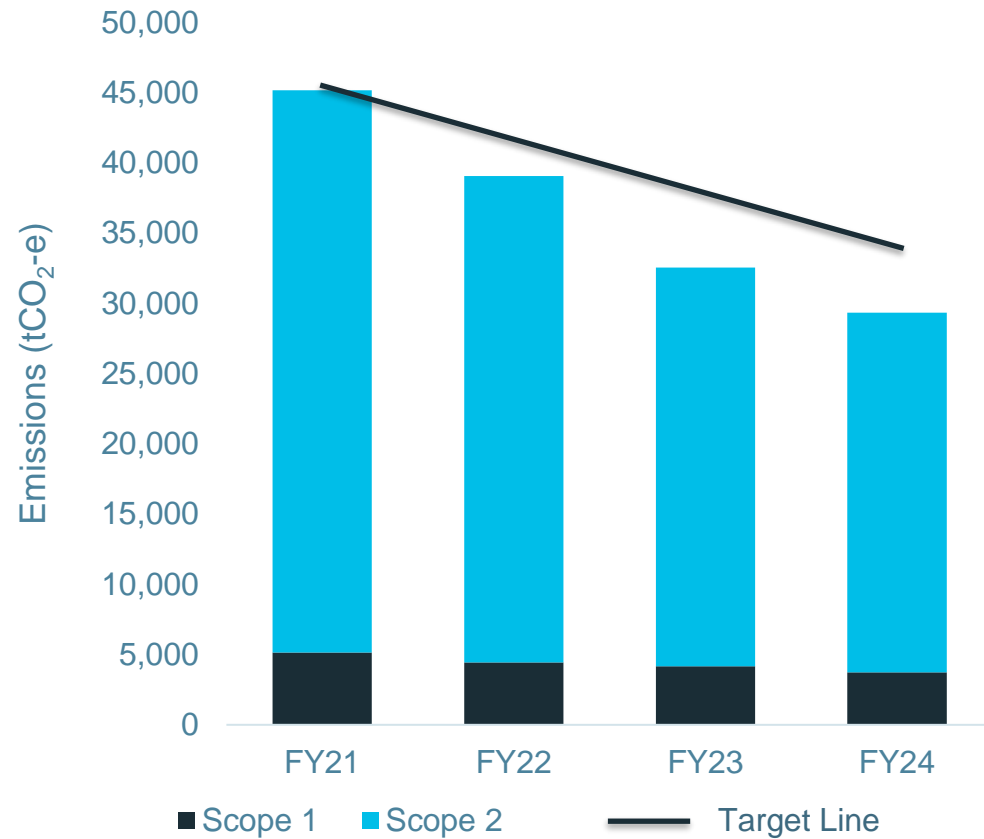
Recordable Injury Frequency Rate<sup>1</sup>



<sup>1</sup> All recorded lost time injuries plus other injuries requiring medical treatment per one million hours worked

# ESG FY24 Highlights

## GHG Scope 1 & 2 Results



Target  
**42%**  
 by 2030

Progress  
**35%**  
 in FY24

Net Zero  
 by  
**2050**

# Remuneration

- The remuneration market for CEOs in the US has moved significantly since 2021, particularly for LTI awards
- A review of CEO remuneration arrangements, including LTI opportunity in FY23, resulted in several changes to RWC's LTI framework
- US and Australian external consultants provided advice on structure and benchmarking analysis as part of the review
- Key factors included:
  - RWC is predominantly a US business whose shares are listed on the ASX
  - Over 70% of external revenue is generated from its Americas business
  - 75% of senior executives and other leaders are based in the Americas, including CEO
  - Majority of senior roles within RWC, other than regional roles, will be filled from the US employment market. Having US competitive employment terms is vital to recruiting and retaining talent
  - Benchmarking analysis against a peer group of 16 building materials companies (all NYSE listed), 14 of which are US based
- As a result of this review, an element of service period only stock was introduced in FY24 to have a remuneration package which is appropriately market competitive in the US

# CEO's address

Heath Sharp

# FY24 Overview

Strong execution offset soft residential new construction and remodel markets

**Strong financial performance**

**Successful new product rollouts boosted performance**

**Holman acquisition completed and integration with RWC well advanced**

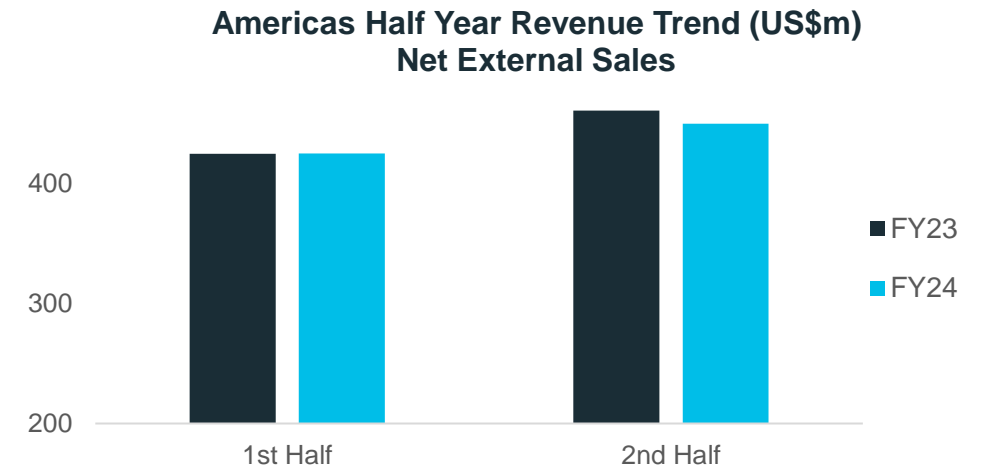
**Progress with group-wide operational projects that will underpin future performance**



# Segment results: Americas

Strong operating earnings growth

Americas			
US\$m	FY24	FY23	% Change
<b>Net Sales</b>	<b>877.7</b>	<b>890.1</b>	<b>(1.4%)</b>
<b>Adjusted EBITDA<sup>1,2</sup></b>	<b>184.3</b>	<b>159.5</b>	<b>15.5%</b>
<i>Adjusted EBITDA margin (%)</i>	<i>21.0%</i>	<i>17.9%</i>	<i>310bps</i>
<b>Adjusted EBIT<sup>1,2</sup></b>	<b>152.0</b>	<b>131.0</b>	<b>17.0%</b>
<i>Adjusted EBIT margin (%)</i>	<i>17.3%</i>	<i>14.7%</i>	<i>260bps</i>



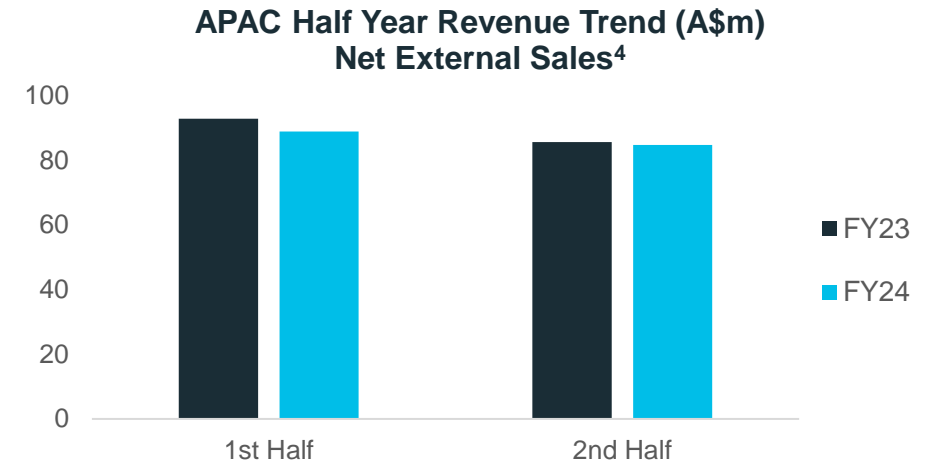
<sup>1</sup> Refer to Slide 17 for details of one-off costs, EBITDA and EBIT adjustments

<sup>2</sup> Prior to elimination of profits made on inventory sales between segments

# Segment results: Asia Pacific

Transfer of SharkBite manufacturing to the US impacted volumes and margins

Asia Pacific			
A\$m	FY24	FY23	% Change
<b>Net Sales</b>	<b>290.1</b>	<b>282.7</b>	<b>2.6%</b>
<b>Adjusted EBITDA<sup>1,2</sup></b>	<b>33.3</b>	<b>47.2</b>	<b>(29.4%)</b>
<i>Adjusted EBITDA margin (%)</i>	<i>11.5%</i>	<i>16.7%</i>	<i>(520bps)</i>
<b>Adjusted EBIT<sup>1,2</sup></b>	<b>15.8</b>	<b>33.2</b>	<b>(52.4%)</b>
<i>Adjusted EBIT margin (%)</i>	<i>5.4%</i>	<i>11.7%</i>	<i>(630bps)</i>



<sup>1</sup> Refer to Slide 17 for details of one-off costs, EBITDA and EBIT adjustments

<sup>2</sup> Prior to elimination of profits made on inventory sales between segments

<sup>3</sup> Source: Australian Bureau of Statistics

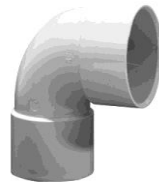
<sup>4</sup> Excludes Holman

# Holman overview

Two major revenue categories: Plumbing and Watering



## Plumbing



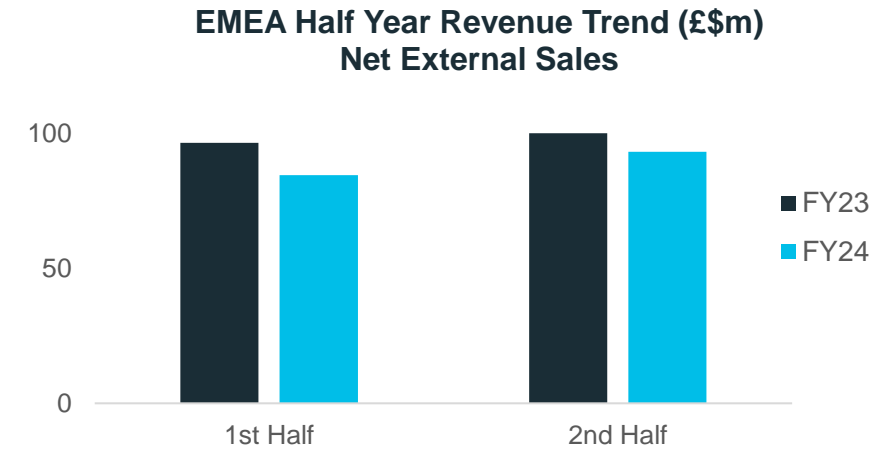
## Watering



# Segment results: EMEA

Margins impacted by lower volumes in UK and Continental Europe

EMEA			
£M	FY24	FY23	% Change
<b>Net Sales</b>	<b>209.4</b>	<b>226.0</b>	<b>(7.3%)</b>
<b>Adjusted EBITDA<sup>1,2</sup></b>	<b>61.3</b>	<b>72.9</b>	<b>(15.9%)</b>
<i>Adjusted EBITDA margin (%)</i>	<i>29.3%</i>	<i>32.3%</i>	<i>(300bps)</i>
<b>Adjusted EBIT<sup>1,2</sup></b>	<b>49.1</b>	<b>61.5</b>	<b>(20.2%)</b>
<i>Adjusted EBIT margin (%)</i>	<i>23.4%</i>	<i>27.2%</i>	<i>(380bps)</i>



<sup>1</sup> Refer to Slide 17 for details of one-off costs, EBITDA and EBIT adjustments

<sup>2</sup> Prior to elimination of profits made on inventory sales between segments

# FY25 First Half Outlook: guidance maintained<sup>1</sup>

Group	Prior Guidance	Current Guidance	Status
<b>External Sales</b>	Expected to be broadly flat, within a range of up or down by low single digit percentage points on pcp (excluding Holman and Supply Smart)	Unchanged	
<b>Operating Margin</b>	Improvement in consolidated EBITDA margin relative to pcp (excluding Holman)	Unchanged	
Americas	Prior Guidance	Current Guidance	Status
<b>External Sales</b>	Expected to be broadly flat, within a range of up or down by low single digit percentage points on pcp (excluding Supply Smart)	Unchanged	
Asia Pacific	Prior Guidance	Current Guidance	Status
<b>External Sales</b>	Expected to be broadly flat, within a range of up or down by low single digit percentage points on pcp (excluding Holman)	Unchanged	
EMEA	Prior Guidance	Current Guidance	Status
<b>External Sales</b>	Expected to be broadly flat, within a range of up or down by low single digit percentage points on pcp	Unchanged, but expected to be at bottom end of guidance range due to continued weak UK plumbing and heating market	

<sup>1</sup> Key assumptions for the First Half of FY25 are set out in the Operating and Financial Review dated 20 August 2024. Guidance excludes any contribution from Holman Industries.



# Strategic growth initiatives

Global strategy, local execution



**RWC's Vision: Complete plumbing global leader**

# Our Focus for FY 2025

## Execution excellence



Focus area	Activity	Target Outcome
People, Safety & Culture	<ul style="list-style-type: none"> <li>Keep safety our No.1 priority</li> <li>Progress our ESG priorities</li> </ul>	<ul style="list-style-type: none"> <li>Everyone safe, every day</li> <li>Positive impact on our people, our communities and the environment</li> </ul>
Supply Chain	<ul style="list-style-type: none"> <li>Standardise and strengthen S&amp;OP process and tools</li> <li>Supplier ESG initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Continual focus on delivery performance</li> <li>Optimise inventory levels globally</li> <li>Enhanced sustainability and social impact</li> </ul>
Strategic sourcing	<ul style="list-style-type: none"> <li>Strengthen sourcing operation across regions and optimise costs via scale leverage</li> </ul>	<ul style="list-style-type: none"> <li>Continuous cost improvement within a “quality first” approach</li> <li>Increasing supply redundancies and responsiveness to demand changes</li> </ul>
Operations	<ul style="list-style-type: none"> <li>Optimise global manufacturing footprint, leverage IP/capabilities internally for greatest return</li> <li>Operations/Fulfillment improvements</li> <li>Utilise global RWC IP and capabilities</li> </ul>	<ul style="list-style-type: none"> <li>Drive lowest cost of manufacture</li> <li>Right levels of inventory in the right places, better fulfillment processes to support higher service rates</li> <li>Technical high volume in-house, source labour intensive</li> </ul>
Innovation	<ul style="list-style-type: none"> <li>Ongoing new product releases, product updates and range extensions</li> <li>Long term R&amp;D</li> </ul>	<ul style="list-style-type: none"> <li>Create solutions to improve the productivity of the trade</li> <li>Increase the shelf value of our distributors</li> </ul>

**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.**



Plumbing matters. We make it better.