

ASX Announcement

24 October 2024

Investor presentation

Reliance Worldwide Corporation Limited (ASX: RWC) is conducting an investor presentation from 2.30pm today (Sydney time). A copy of the presentation slides is attached.

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This announcement has been authorised for release by the RWC Disclosure Committee.





Investor Briefing

24 October 2024

Plumbing Matters. We Make It Better.™



Important Notice

This presentation contains general information about Reliance Worldwide Corporation Limited's activities at the date of presentation (24 October 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.

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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 Operating and Financial Review dated 20 August 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 Circumstances may change and the contents of this presentation may become outdated as a result.

Agenda

1. Group strategy overview
2. Regional spotlight
 - Americas
 - APAC
 - EMEA
3. Manufacturing footprint review
4. Group-wide operational initiatives
5. Trading outlook update

Speaker introductions



Heath Sharp
CEO



Will Kilpatrick
EVP & President, Americas



Nicole Sumich
EVP & President, Asia Pacific



Dixon Thuston
EVP of & President, EMEA



Andrew Johnson
CFO

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

Everything rough plumbing

Broad portfolio of plumbing products and systems

Aimed at both Residential & Commercial end markets

Across new construction, repair and remodel

Distributed through wholesale, retail and OEM channels

Strategy Overview

RWC seeks to create 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.

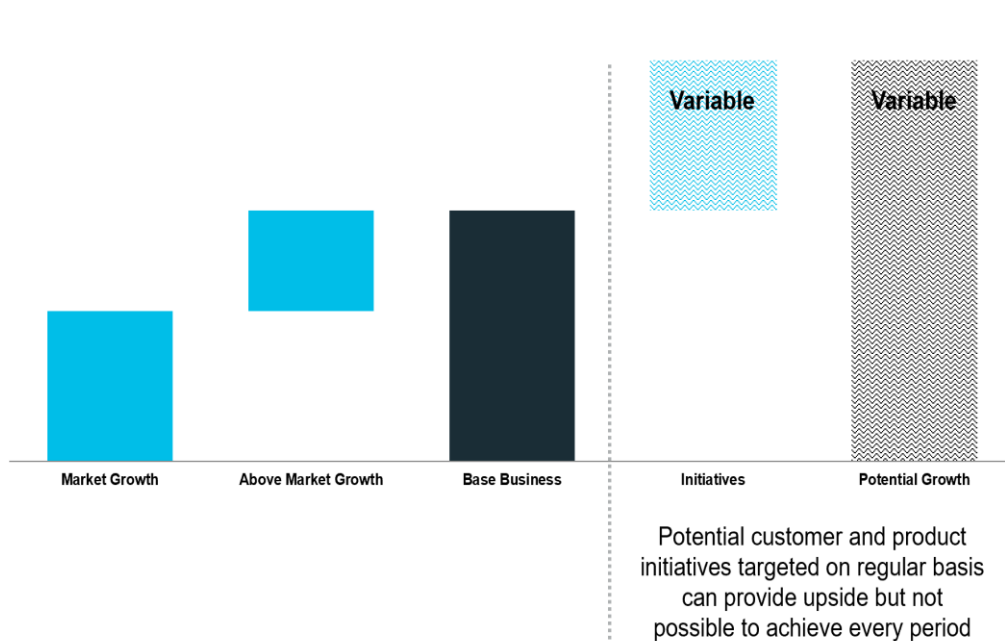
Safety culture to ensure a work environment that protects our people

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

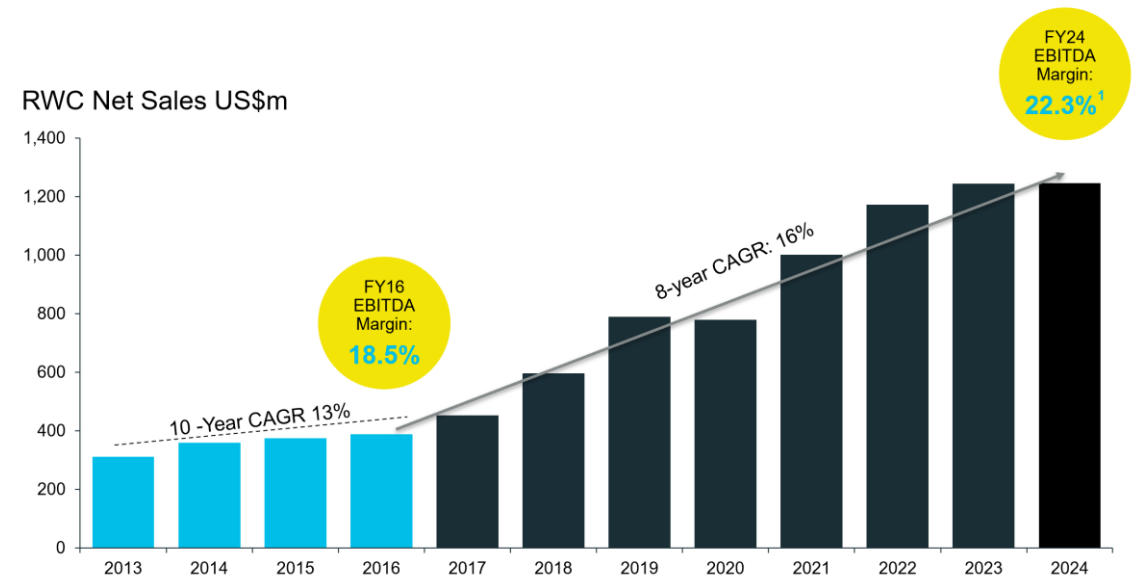
Sustainability focus delivers a more efficient operation while reducing environmental impact

RWC's model for growth

Organic growth initiatives in combination with acquisitions that collectively enhance and broaden RWC's product portfolio and customer reach



In any given period, targeted base business growth rate with upside from specific customer and product initiatives



Revenue growth since IPO in 2016 has been driven by a combination of organic growth initiatives and acquisitions

RWC is well positioned for long-term growth

Large and fragmented landscape



RWC's Total Addressable Market >US\$25B

Few large players

Enduring tail winds



Labour shortage



Ageing homes



Sustainability investments

Differentiated proposition



Save time

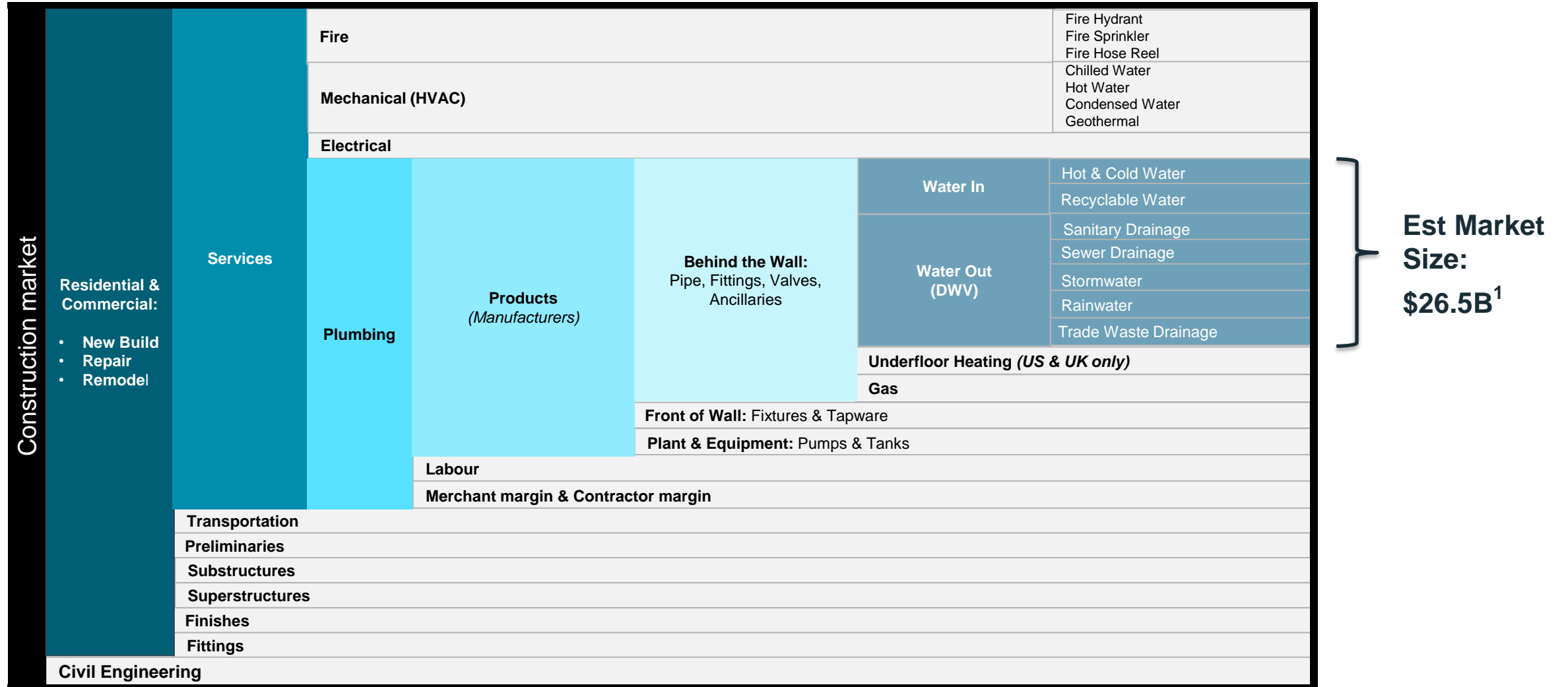


Make jobs easier



Tier 1 brands

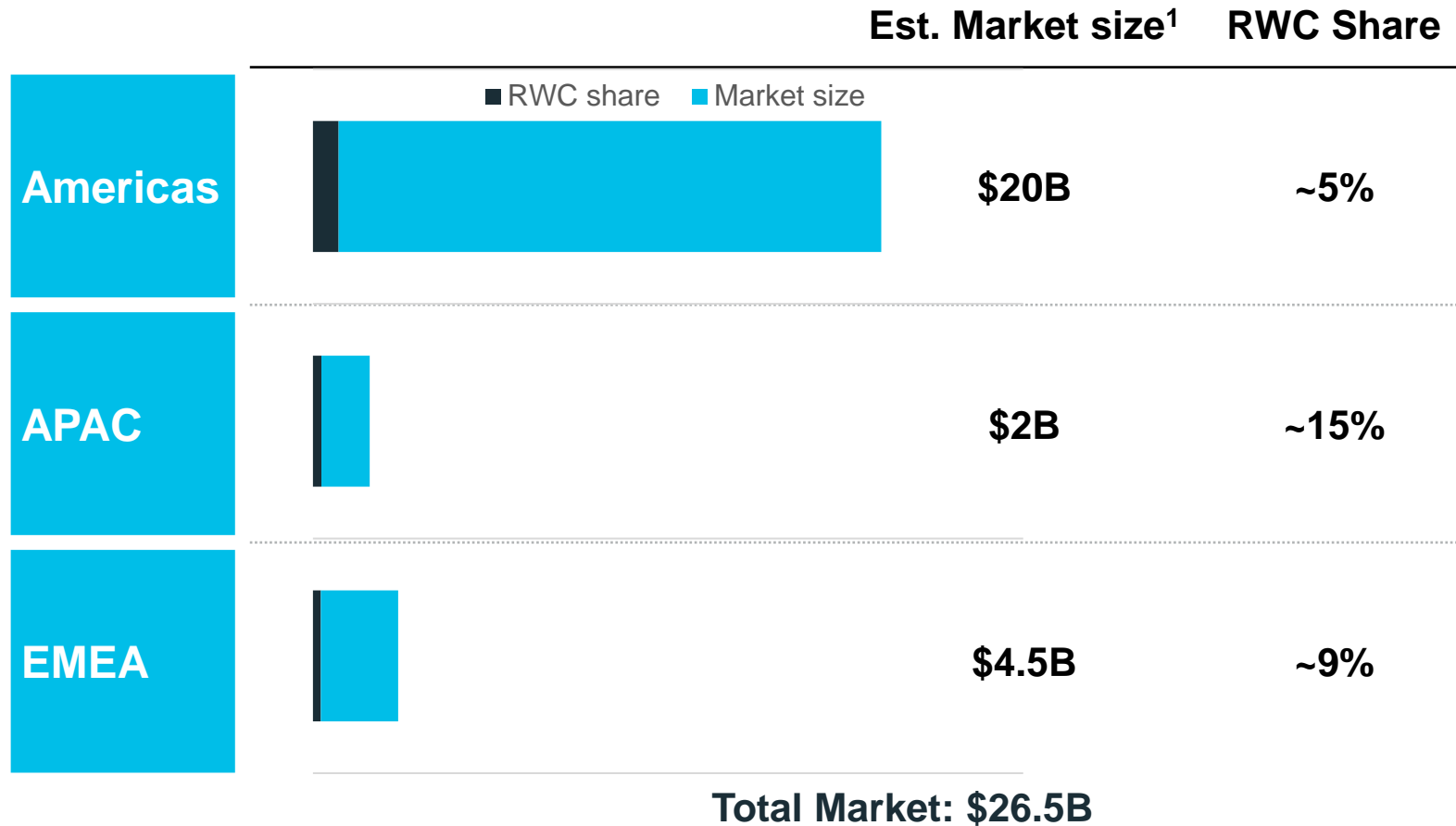
Estimating the total addressable market



1. Market size estimated at MSP for all water-in and water-out rough plumbing across R&R, new residential, and commercial markets for Americas, APAC and EMEA regions combined. All figures in US\$.

Target Addressable Market by region

RWC has healthy share of market with room for growth

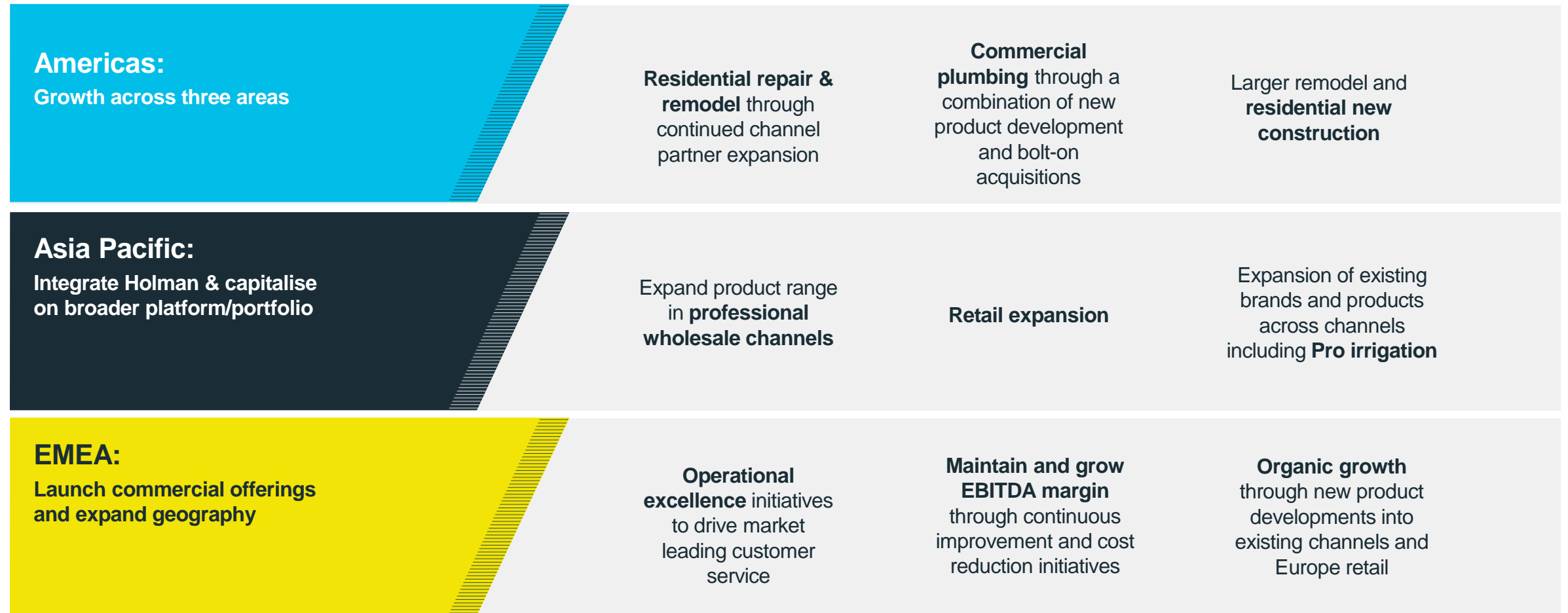


1. Market size estimated at MSP for all water-in and water-out rough plumbing across R&R, new residential, and commercial markets within each region. All figures in US\$. Market size estimates are for North America (Americas), Australia (APAC) and UK (EMEA).

Regional Strategy Summary

Strategic growth initiatives

Global strategy, local execution



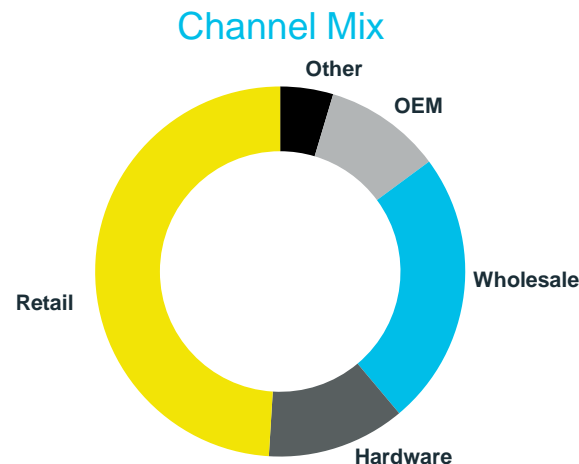
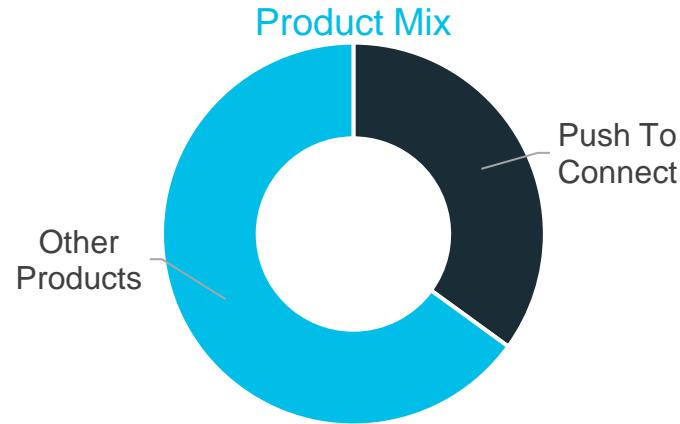
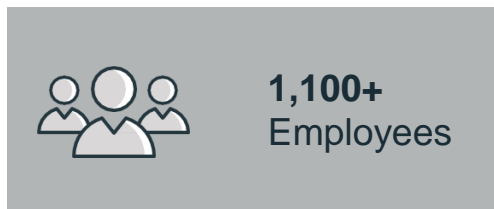
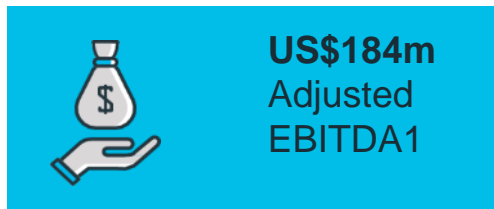
RWC's Vision: Complete plumbing global leader

Americas

Market leading brands driving growth initiatives

Americas | Overview

Strategy is to extend further into commercial plumbing and residential new construction while maintaining strong presence in residential repair and remodel



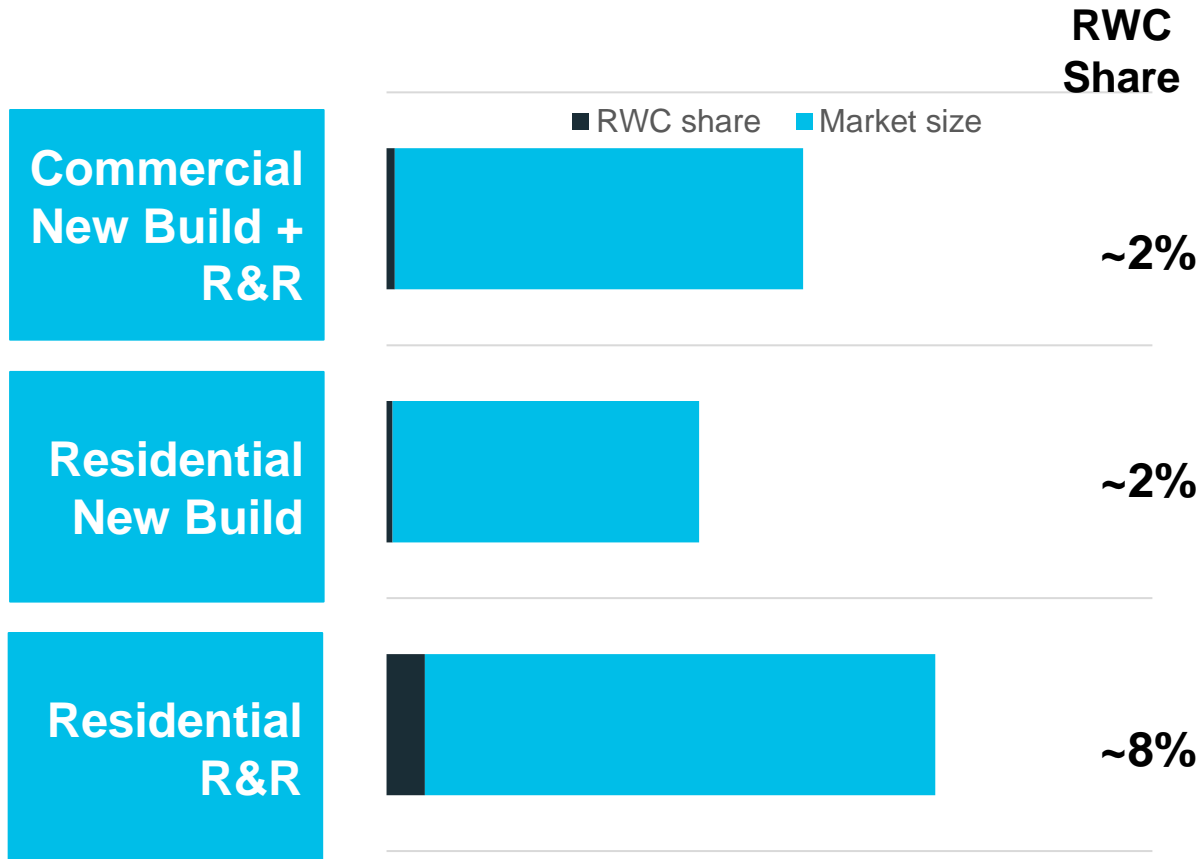
America’s growth opportunities are centred on three pillars:

- Residential repair & remodel through continued channel partner expansion
- Commercial plumbing with new product development and bolt-on acquisitions
- New residential construction

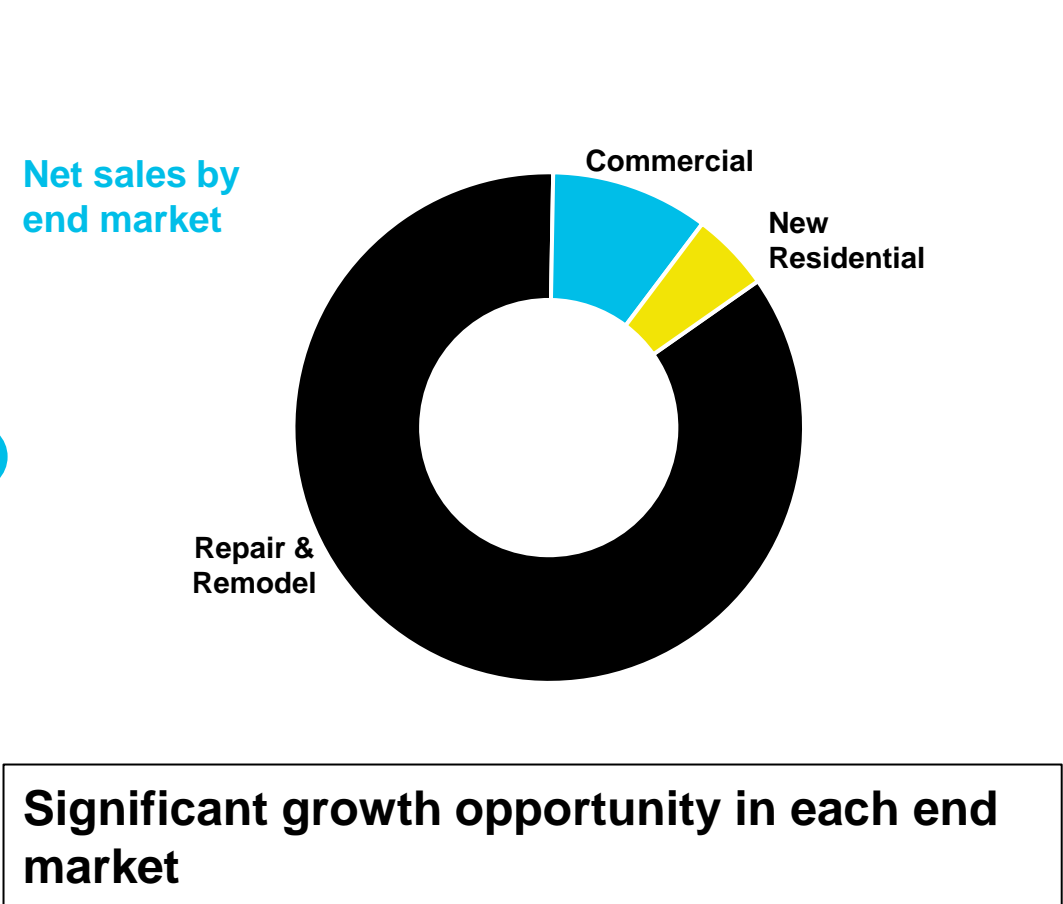
¹ Refer FY24 results announcement for EBITDA adjustments

Americas | Significant opportunity in end markets

Americas Target Addressable Market



RWC Americas net sales: US\$878M



Americas | Key brands and products

	Repair / Remodel	Commercial	New Residential
Key Brands	 	 	
Key Products			
<p>Trusted brands focused on products that make jobs easier for the Pros and DIY</p>			

Americas | Repair and remodel

Brands



Products



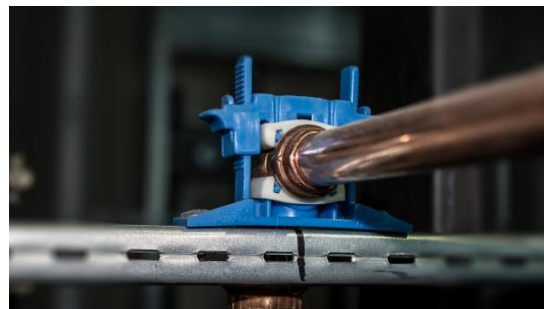
Push to connect fittings



PEX pipe



Crimp fittings



Pipe supports



Appliance installation



Water heater install / repair

Key growth areas: eCommerce, product development, service excellence

Americas | Commercial

Brands



Products



Outlet boxes



Water heater accessories



TestRite



HydroFlame



Pipe and fittings

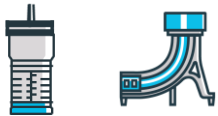

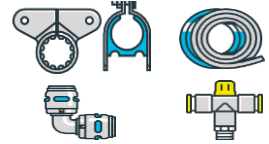




Pressure regulating valves

Key growth areas: Product development, bolt-on acquisitions

Americas | Overview of commercial job phases

We aim to have strong branded products in all phases of commercial jobs

Commercial Job Site Construction Phases						
Phase	0 Pre-Planning	1 Concrete Pour	2 Drain Waste & Vent	3 Potable Water Systems	4 Trim Out	5 Fixture Top Out
Context	Build out of detailed plans and product specs	Concrete floors poured with in-slab products placed	Plumbing system install begins with DWV products	Rough-in water systems installed	Water heater and outlet boxes installed	Front of wall products, supply valves/lines, and appliances
RWC Products		<ul style="list-style-type: none"> HydroFlame Pro In slab Popups 	<ul style="list-style-type: none"> TestRite 117 Supports Pipe Supports Pressure reducing valve stations 	<ul style="list-style-type: none"> Pipe Supports PEX-a/b Fittings Valves 	<ul style="list-style-type: none"> Water Heater Accessories Fittings Connectors Stands 	<ul style="list-style-type: none"> Gas Connectors Supply Lines 
Opportunities	<ul style="list-style-type: none"> Drains Backflow preventers Firestop 	<ul style="list-style-type: none"> Drains Firestop Grease interceptors 	<ul style="list-style-type: none"> DWV pipe No-hub couplings Riser clamps In-wall supports 	<ul style="list-style-type: none"> Valves (master, butterfly, gate) Grease traps Overhead supports Backflow preventers Hydrants Pressure pumps 	<ul style="list-style-type: none"> Commercial hydrants Sealants & caulks Water heaters Tubular & strainers 	<ul style="list-style-type: none"> Rooftop supports (plumbing/HVAC/electrical) Fixtures & tapware

• Current RWC lead-in commercial products with strong points of difference

Americas | New residential

Brands



Products



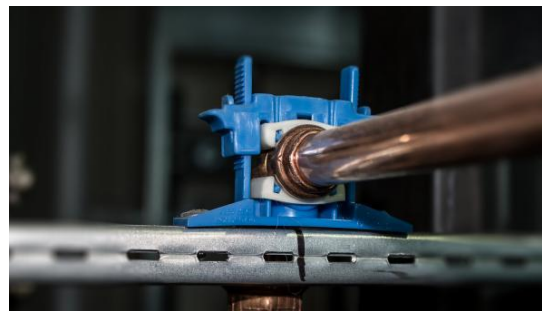
Fittings



PEX pipe



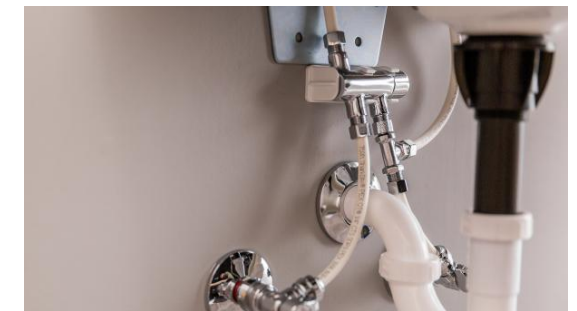
Supply lines & stop valves



Pipe supports



Outlet boxes



Plumbing valves

Key growth area: focused efforts leveraging product portfolio and channel relationships to win in largely untapped market

Americas | Key brands and products

Repair / Remodel

Commercial

New Residential

Key Brands



Key Products



Trusted brands focused on products that make jobs easier for the Pros and DIY





APAC

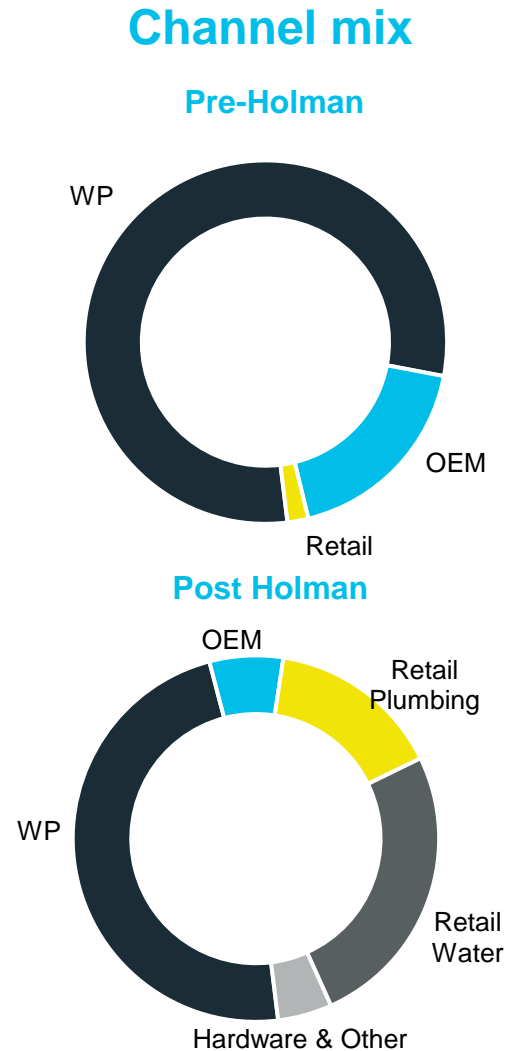
Leveraging RWC + Holman

APAC | Overview



Holman significantly changes APAC's growth profile

RWC	Holman
 <p>A\$241m Net Sales¹</p>	<p>A\$192m Net Sales³</p>
 <p>A\$28m Adjusted EBITDA²</p>	<p>A\$23m Adjusted EBITDA³</p>
 <p>440+ Employees</p>	<p>280+ Employees</p>
 <p>1500+ Locations</p>	<p>660+ Locations</p>



Strategy

Category leadership

- Lead the PEX market through wholesale partners, by bringing in global innovation and solutions that add most value to the end user

Channel and product diversification

- Pursue cross-selling of products through traditional wholesale channel targeted at the pro
- Broaden plumbing products via Retail and continue Holman category expansion
- Target pro-irrigation channels

Holman integration

- Realise cost synergies announced at time of acquisition





¹ Segment net sales includes A\$68 million of intercompany sales to other segments; FY24 results

² FY24 results. Refer to FY24 results announcement for EBITDA adjustments

³ Holman: unaudited management reports for 12 Months ended 31 December 2023

APAC | A compelling proposition

RWC and Holman bring together an unrivalled combination of four key elements

<p>1</p> 	<p>2</p> 	<p>3</p> 	<p>4</p> 
<p>Proven service and execution with dedicated team</p>	<p>75+ yrs. of innovation and local plumbing market knowledge</p>	<p>Well-known brands that are trusted by plumbers</p>	<p>Global expertise in retail and wholesale and ability to deliver value to the distributor</p>

APAC | Delivering RWC & Holman revenue synergies

The market has responded well to the acquisition.

Activity on revenue synergies is underway with positive engagement and momentum

Retail Hardware

- Holman®
- SharkBite®
- John Guest®
- Reliance VALVES
- HydroSeal

Wholesale Plumbing

- Holman®
- SharkBite®
- John Guest®
- Reliance VALVES

MRO

- Holman®
- SharkBite®
- John Guest®
- TubeFit

Specialist Retail

- Holman®
- John Guest®

APAC | SharkBite now available in Bunnings stores

Rollout to 76 Bunnings large-format stores to be completed by end of 2024



APAC | Launch of SharkBite in Bunnings

An opportunity for a brand refresh

- 69 fittings for Pex and Copper, Pex pipe, and ball valves
- **The Original Push-to-Connect** is the key tagline and point of difference
- **Coincides with “Lead Free”** providing points of difference with in-aisle marketing materials
- QR codes on tech sheets and box labels with **rich digital content**
- **Consistent wayfinding language** carried through to labels and packaging
- SharkBite® **branded shelf-ready cartons** ensure ease-of-shop and a relentless visual presence in-store



THE ORIGINAL PUSH-TO-CONNECT

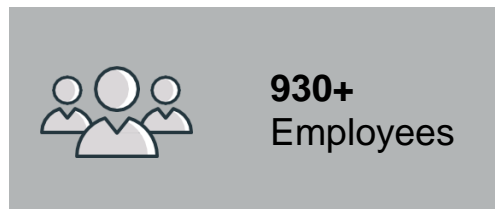
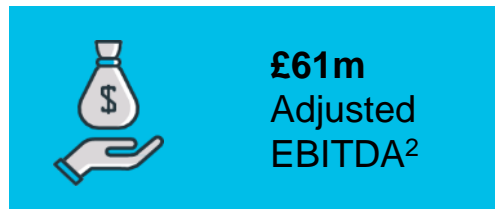


EMEA

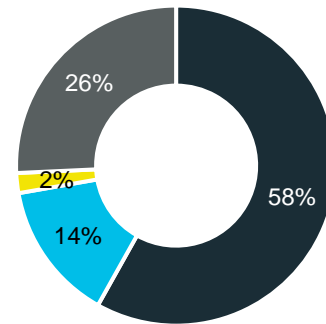
Driving to operational excellence

EMEA | Overview

EMEA is focused on driving operational efficiency ahead of market recovery

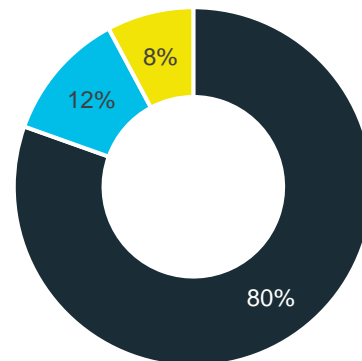


Category mix¹



■ UK P&H ■ UK Fluidtech ■ UK Export ■ Cont Europe

UK End Use Market Exposure



■ UK RMI ■ UK New Build ■ UK Commercial

Strategy

Pursue organic growth initiatives

- Targeted new product development opportunities leveraged across existing sales channels

Operational Excellence

- Market leading customer service
- S&OP processes to further drive operational efficiency

Margin focus

- Maintain and grow EBITDA margin through continuous improvement and cost reduction initiatives

¹ Segment net sales includes £31million of intercompany sales to other segments; FY24 results

² FY23 results. Refer to FY23 results announcement for EBITDA adjustments.

EMEA | Focused on business improvement

Current lower volume environment is allowing a focus on further lifting operating performance

Implementation of long-term structural change in the cost base of the EMEA business:

- Organisation re-design across spans and layers, reduced complexity and focused management structure
- Restructure of operating shifts and greater workforce flexibility to improve productivity
- Cost base being addressed through review of other expenditure categories
- **Goal is to improve our ability to meet higher volumes with a lower cost base**

Driving further improvement in customer lead time and delivery performance

- Supply chain challenges of 2022 and consolidation of Warehousing operations adversely impacted delivery performance
- Strength of brand and quality of RWC product was not impacted
- **Focused on achieving industry-leading order lead times and delivery performance for our customers**

EMEA | Looking beyond FY25

EMEA is well-positioned for a recovery in volumes

We will continue to pursue selected growth opportunities in EMEA

- UK commercial plumbing
- UK residential new construction
- Continental Europe expansion of residential plumbing and heating presence in retail

EMEA will continue to be RWC's centre of excellence for plastics extrusion and manufacturing

- EMEA will continue to lead plastic product design and development
- Expertise in tool design and making capabilities will be leveraged across the group

Current operational improvement focus will help to sustain margins particularly when volumes grow

- Brand and product strength have continued to underpin market position
- Increased manufacturing flexibility and enhanced delivery performance will further support customer experience

Manufacturing Strategy

Manufacturing locations



In the United States we manufacture:

- Push-to-connect fittings & other fittings
- Pipes
- Valves
- Integrated installation solutions



Americas
Global Operating
Headquarters in Atlanta

Europe, Middle East & Africa
Regional Headquarters
in London

Asia-Pacific
Regional Headquarters
in Brisbane

In Spain we manufacture:

- Push-to-connect fittings
- Pipes



In the UK we manufacture:

- Push-to-connect fittings
- Pipes
- Water filtration & drinks dispense fittings



In Perth Australia we manufacture:

- PVC fittings
- Watering & gardening products



In China we manufacture:

- Appliance installation & repair products



In Brisbane Australia we manufacture:

- Valves
- PVC fittings



In Melbourne Australia we manufacture:

- Push-to-connect fittings & other fittings
- Pipes



Manufacturing footprint

Assessment of future manufacturing footprint options, with a regional focus along with global co-ordination

- Goal is to ensure RWC maintains high quality and achieves lowest cost of manufacture
- Agility and speed-to-market also inform manufacture versus outsource
- Increasingly looking to leverage RWC's global centres of expertise around particular products and materials
- Future manufacturing focus will prioritise high volumes SKUs where technology and IP are key factors
- EZ-Flo plant in Ningbo (China) has added significant flexibility to global manufacturing options



Global initiatives

Overview

Global initiatives in focus for 2025



Execution excellence

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

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.

Outlook

FY25 First Half Outlook: guidance maintained¹

Group	Prior Guidance	Current Guidance	Status
External Sales	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	
Operating Margin	Improvement in consolidated EBITDA margin relative to pcp (excluding Holman)	Unchanged	
Americas	Prior Guidance	Current Guidance	Status
External Sales	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
External Sales	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
External Sales	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	

¹ 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.

Conclusion

RWC

Plumbing Matters. We Make It Better.