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ASX Announcement

19 August 2025

RWC REPORTS RESULTS FOR FINANCIAL YEAR ENDED 30 JUNE 2025

SALES RISE 5.5% TO US$1,314.7 MILLION

REPORTED NET PROFIT AFTER TAX RISES 13.5% TO US$125.0 MILLION

Highlights:

- Net Sales up 5.5% to $1,314.7 million over the prior corresponding period ("pcp")
- Reported net profit after tax of US$125.0 million, up 13.5% on pcp
- Adjusted EBITDA[1] of US$277.7 million, up 1.1% on pcp
- Adjusted net profit after tax[1] of US$147.7 million, up 0.5% on pcp
- Adjusted earnings per share of US19.0 cents per share, up 1.6% on pcp
- Results reflect full year contribution from Holman, acquired in March 2024
- Continued strong cash generation with a reduction in net debt; leverage[2] reduced to 1.30 times
- Final distribution of 5.0 cents per share: unfranked final dividend of US2.5 cents per share and on-market share buyback of US$19.4 million

Reliance Worldwide Corporation Limited (ASX: RWC) ("RWC" or "the Company") today announced Net Profit after Tax ("NPAT") of US$125.0 million for the financial year ended 30 June 2025 (up 13.5% on pcp) and Adjusted NPAT of US$147.7 million (up 0.5% on pcp).

Net sales were $1,314.7 million, 5.5% higher than pcp. Sales included a full year contribution from Holman Industries (Holman) which was acquired on 1 March 2024. Excluding Holman, and the impact from the closure of the Supply Smart sales model in FY24, sales were 0.5% lower than the pcp. Sales in the Americas were 2.1% lower than the pcp, and 0.6% lower excluding Supply Smart. Asia Pacific external sales excluding Holman were up 2.4% on the pcp, and EMEA external sales were 3.5% lower than the pcp.

Operating earnings (EBITDA) for the period were $269.8 million, up 9.0% on the pcp reflecting the earnings contribution from Holman. Results for the period included $7.9 million in one-off costs related to the integration of Holman and synergies realisation costs, together with costs associated with the rationalisation of European manufacturing operations. Excluding these costs, Adjusted EBITDA was $277.7 million, 1.1% higher than the pcp.

Operating margin was 21.1% compared with 22.0% in the pcp. Excluding Holman, Adjusted EBITDA margin was 22.3%, consistent with the pcp. Cost savings of $19.7 million were achieved in the period, driven by continuous improvement initiatives, the benefits of the restructuring in EMEA undertaken in FY24, and Holman synergies.

Cash generated from operations was $271.1 million, and operating cash flow conversion for the period was 97.6% of Adjusted EBITDA.

A final distribution amount of US5.0 cents per share (US$38.7million) has been declared, comprising an unfranked final cash dividend of US2.5 cents per share and the undertaking of an on-market share buy-back for US$19.4 million (equivalent in total to US2.5 cents per share).

[1] EBITDA (earnings before interest, tax, depreciation, and amortisation), Adjusted EBITDA, Adjusted NPAT and Adjusted EPS are non-IFRS measures used by RWC to assess operating performance. These measures have not been subject to audit or audit review.

[2] Net debt to Adjusted EBITDA

ABN 46 610 855 877

RWC Chief Executive Officer Heath Sharp said the result reflected the resilience of the core business in the face of challenging market conditions.

"In each of our key markets we have faced weaker demand. A year ago, we were anticipating interest rate reductions would stimulate residential remodel activity and new home construction. The reductions in interest rates seen so far have been insufficient to lift demand. In addition, uncertainty around tariffs has weighed on consumer and business sentiment in the US.

"In this context, we believe that our stable sales performance relative to the prior year is a creditable outcome. Coupled with further cost reduction measures, we have been able to maintain our underlying operating margin.

"This year included a full 12-month contribution from Holman following its acquisition in March 2024. We are very pleased with this acquisition and excited by the revenue growth opportunities presented by the combination of RWC and Holman in the APAC region.

"We have once again generated strong cash flows which we have used to further repay debt. Our leverage has reduced significantly to 1.30 times compared with 1.59 times at the end of the prior year," Heath Sharp said.

For the first six months of trading in FY26, RWC expects consolidated external sales to be broadly flat to down by low single digit percentage points, relative to the pcp. Americas sales are expected to be lower by low single digit percentage points after adjusting for the pull-forward of sales from the second half to the first half in the pcp and the exit of certain product lines in Canada. Asia Pacific and EMEA external sales are expected to be broadly flat relative to the pcp.

The imposition of additional US tariffs is expected to adversely impact operating earnings and margins. As a result of the mitigation actions being undertaken, RWC expects that the net cost impact of tariffs on FY26 operating earnings (EBITDA) will be in the range of $25 million to $30 million. This will disproportionately impact Americas first half operating earnings and margins due to the phasing of mitigation actions. Consequently, consolidated group EBITDA margin in the first half of FY26 is expected to be lower than the pcp due to these tariff impacts and lower volumes. RWC expects full year operating cash flow conversion in FY26 to be above 90%, consistent with our long-term target.

Given the uncertainty around the immediate economic outlook in each of these key markets, RWC is not providing quantitative guidance for overall FY26 full year revenue and earnings expectations.

Additional information

Please refer to the Appendix 4E, 2025 Annual Report, Operating and Financial Review (attached) and presentation slides released today for additional information and analysis. These documents should be read in conjunction with this and each other document.

ENDS

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This document was approved for release by the Board.

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