

ASX Announcement

21 November 2025

Trading Update

Reece Limited (“Reece” or “the Group”) today announces its 1Q FY26 trading update¹. The Group delivered sales revenue of A\$2,407m for the first quarter, up 8% on the same period last year, and up 6% on a constant currency basis². The increase in Group revenue was driven by incremental sales from network expansion completed in FY25.

Sales on a like for like³ basis increased 2% reflecting low single-digit growth in ANZ and low single-digit decline in the US.

The Group delivered 1Q FY26 EBITDA of \$222m, down 8% year-on-year. EBIT declined 18% to \$129m due to elevated depreciation and amortisation associated with ongoing investment in the business. During the quarter, 15 net new branches were added to the branch network, comprising of 5 branches in ANZ and 10 branches in the US.

Peter Wilson, Chair and CEO said: “As we expected, the first quarter was soft reflecting subdued housing markets. Sales were supported by network expansion over the past 12 months.

“Costs remain elevated driven by network growth, ongoing investment in core capabilities and the impact of labour cost inflation in competitive markets, especially the US.

“We are still expecting a period of soft activity in both regions. We have navigated cycles before and, as ever, take a long-term view and will continue to invest to build a stronger business for our team and customers.”

Off-market share buyback

Reece completed a successful off-market share buyback on 20 October 2025 returning excess capital to shareholders. A total of 28.1m shares were repurchased at the final Buy-back Price of \$13.00 for a total value of \$365m.

Reece funded the buyback via a mix of cash and debt. As a result, Reece anticipates gross interest expense on debt and borrowings of \$65m - \$75m for FY26.

[ENDS]

1 Q1 FY26 trading update metrics are derived from unaudited accounting records of the Group.

2 Constant currency basis applies the same US foreign exchange rate of 0.6743 from Q1 FY25 to current period sales to eliminate the foreign exchange impact when comparing sales to pcp.

3 Like for like sales refers to branches that have reported a full 12 months sales in both the current and prior year.

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This announcement has been authorised by Chantelle Duffy, Company Secretary at the direction of the Reece Limited Board.

About the Reece Group

Reece Group is a leading distributor of plumbing, waterworks and HVAC-R products to commercial and residential customers through more than 900 branches in Australia, New Zealand and the United States.

Established in 1920 and listed on the Australian Securities Exchange (ASX: REH), Reece Group has approximately 9,000 employees who are focused on building a better world for our customers by being our best.

For further information on Reece Group and its portfolio of businesses please visit group.reece.com/au.