reece group™

Reece Group FY26 result

August 2026

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Agenda

Peter Wilson
Chairman & CEO

Sasha Nikolic
Group President & MD

Andy Young
Group CFO

Overview

FY26 overview

Solid ANZ as volumes recovered;
softer US on weak residential construction

$9.4b

Sales revenue up 4.5% vs pcp

$901m

EBITDA flat vs pcp

$534m

EBIT down 2.6% vs pcp

49.5c

EPS up 0.7% vs pcp

11.9%

Return on capital up 5bps vs pcp

18.84c

Total dividend, per share, fully franked

Strategy Recap

Focused on delivering our 2030 vision

Reece Blueprint underpins everything we do

Purpose

Building a better world for our customers by being the best.

Values

- Create customers for life
- Be your best
- Team first
- Entrepreneurial spirit
- Innovate big and small
- Try. Try. Try.
- Own it
- Keep it simple
- Do the right thing
- Be humble

2030 vision

Be our trade’s most valuable partner. By being easy to do business with.

In every branch, on every screen, every day.

Strategic priorities

- Operational excellence
- Breakthrough innovation
- Investing for profitable growth

Customer Promise

Customised service

- Service
- Quality
- Relationships
- Expertise

Navigating the cycle

Deliver customer promise:
'Works for You'.

Grow through differentiated
proposition.

Invest & innovate through
the cycle.

Maintain efficient business model
through the cycle.

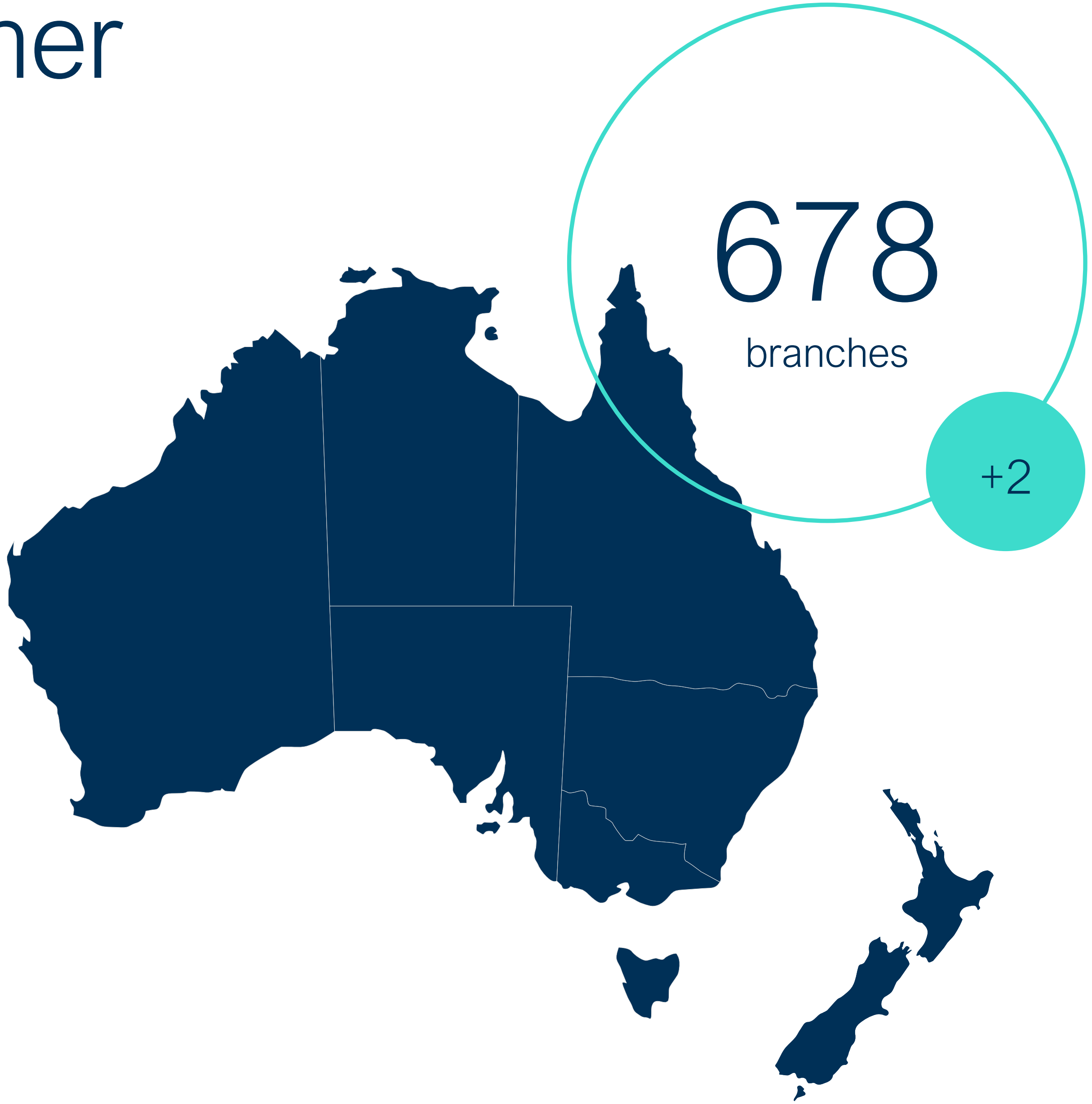
Operational update

Enhancing the customer experience in ANZ

Ongoing investment in network, including next-gen bathroom showroom

Through the cycle investment in business – digital & AI, employee proposition

Supply disruption minimal due to unified network and supply chain approach



Innovating to stay one step ahead of our customers' needs

Building network of scale in the US

292

branches

+25

Investment to scale and upgrade network +25 new branches

Anticipate 15-20 new organic branches per annum

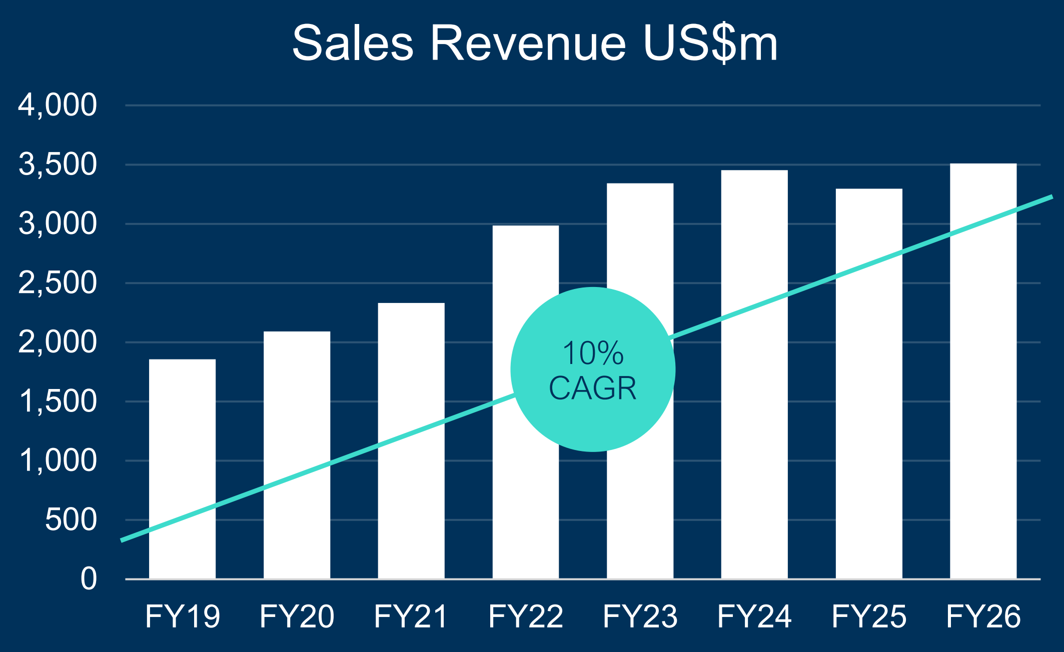
Embedding core capabilities and uplifting the customer experience

Long-term strategy in the US

Building a network of scale in the sunbelt

Uplifting standards, range and customer experience

Growing team capability and culture



7%

EBITDA CAGR[1]

+121

New branches since 2018 +71%

[1]EBITDA CAGR calculated from FY19 to FY26, on a pre AASB 16 Leases basis

Financial review

ANZ financial summary

Improved momentum

Sales up 8%

Stronger 2H with solid volume growth

Performance mixed across states

Inflation contribution ~2%

EBIT up 6%

Continued investment in the business

EBIT margin down 17bps, reflecting amortisation of Metalflex brand name (+7bps excl. Metalflex)

AUD$m	1H26	2H26	FY26	FY25	Var. %
Sales revenue	2,062	2,142	4,204	3,882	8.3%
EBITDA	261	271	532	495	7.3%
EBITDA margin	12.6%	12.7%	12.6%	12.8%	(11bps)
EBIT	179	181	360	339	6.1%
EBIT margin	8.7%	8.5%	8.6%	8.7%	(17bps)

US financial summary

Challenging market backdrop

Sales up 7%

Network expansion supported growth

FY26 like-for-like down 1.7%, flat 2H

RNC remained soft, Non-Res more resilient

Inflation contribution ~2%

Earnings down, continuing to invest

Costs driven by network expansion

Pace of organic rollout to revert in FY27

Continued investment in the business

USD$m	1H26	2H26	FY26	FY25	Var. %
Sales revenue	1,696	1,815	3,511	3,296	6.5%
EBITDA	123	128	251	263	(4.5%)
EBITDA margin	7.3%	7.0%	7.1%	8.0%	(83bps)
EBIT	55	63	118	136	(13.0%)
EBIT margin	3.2%	3.5%	3.4%	4.1%	(76bps)

AUD$m	1H26	2H26	FY26	FY25	Var. %
Sales revenue	2,585	2,589	5,174	5,096	1.5%
EBITDA	187	182	369	405	(8.8%)
EBITDA margin	7.2%	7.0%	7.1%	8.0%	(81bps)
EBIT	83	91	174	209	(16.8%)
EBIT margin	3.2%	3.5%	3.4%	4.1%	(74bps)

Cashflow

Lower capex spend driven by timing of investment

$401m capital returned to shareholders via share buybacks

Anticipate gross interest expense of $60 - $70m* for FY27

AUD$m	FY26	FY25
Net cash inflow from operations	**645**	**600**
Capital expenditure	(174)	(258)
Proceeds from sale of assets	20	9
Dividends paid	(110)	(157)
Cash inflow before acquisitions and financing activities	**381**	**194**
Business acquisitions / investments	(3)	(93)
Share buyback	(401)	-
Net financing activities	78	(167)
Net increase / (decrease) in cash	**56**	**(66)**
Free cash flow	**487**	**508**

*Estimate is indicative only and based on current drawdowns, interest and exchange rates (excludes AASB 16 Leases interest)

Balance sheet

Net working capital

NWC to sales ratio 19% (FY25: 19%)

Investment in inventory offset by favourable payables timing

Net working capital	AUD$m
NWC 30 June 2025	1,736
Inventory	101
Receivables	152
Payables	(218)
NWC 30 June 2026	1,771

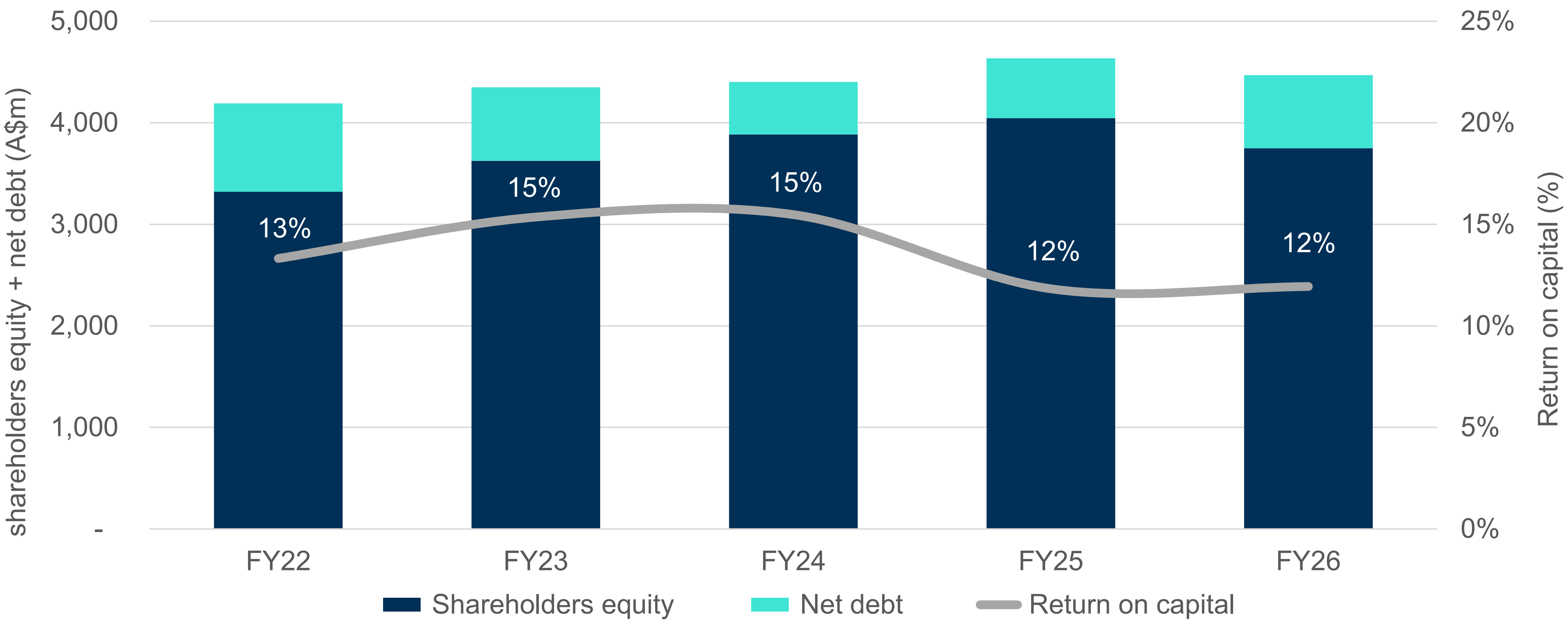
Debt

Reflects investment in the business and partial funding of share buyback

Net leverage ratio decreased in 2H to 1.0x (Dec 25: 1.5x)

	Jun26	Dec25	Jun25
Net debt	$744m	$1,008m	$590m
Net leverage ratio	1.0x	1.5x	0.8x
Average debt maturity	4.4 years	4.9 years	4.6 years
Available liquidity	$975m	$774m	$1,211m

Return on capital



Investing through the cycle to support long-term growth

Summary

Capital management priorities

Enabling profitable growth over the long-term

01.

Invest in the business

Organic investments and M&A

02.

Strong balance sheet

Pay down debt; retain flexibility for growth

03.

Returns to shareholders

Dividends, share buyback

Outlook

ANZ

Solid activity pipeline to support first half

Potential for lead indicators to deteriorate through FY27

US

RNC remains soft, Non-Resi more resilient

Residential demand unlikely to change until housing affordability improves

Long-term focus

Continuing to invest and innovate - benefit when the cycle turns

Key focus: delivering customer promise and building a stronger business

Strategy positions Reece for long-term success

01 A trusted brand
with a differentiated customer proposition

02 Long-term focus
invest to build a stronger business

03 Diversified business
by geography, segment, customer; resilient R+R focus

04 Large markets
with attractive long-term fundamentals

05 Well capitalised
strong balance sheet to support investment

06 Clear track record
100 years of growth through the cycle

Thank you

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Appendix

Reconciliation from statutory EBIT to EBITDA

30 June (A$m)	FY26	FY25	FY24	FY23	FY22
EBIT (statutory)	534	548	681	654	578
Add back/deduct:					
Depreciation and amortisation	367	352	326	290	258
EBITDA (non-IFRS)	901	901	1,007	944	836

Reconciliation from statutory EBIT to adjusted EBIT

30 June (A$m)	FY26	FY25	FY24	FY23	FY22
EBIT (statutory)	534	548	681	654	578
Add back/deduct:					
BAC income	-	-	-	(16)	(22)
Impairment	-	-	-	29	-
Business acquisition costs	-	-	-	1	2
Debt refinancing costs	-	-	-	-	4
Adjusted EBIT (non-IFRS)	534	548	681	668	562

Reconciliation from statutory NPAT to adjusted NPAT

30 June (A$m)	FY26	FY25	FY24	FY23	FY22
NPAT (statutory)	308	317	419	388	392
Add back/deduct: (tax effected)					
US tax adjustment (LIFO)	(18)	(5)	(3)	(2)	(28)
Impairment, BAC income, business acquisition costs & debt refinancing costs	-	-	-	19	(2)
Adjusted NPAT	290	312	416	405	362
Statutory EPS (cents)	50	49	65	60	61
Adjusted EPS (cents) (based on adjusted NPAT)	46	48	64	63	56

Appendix

Group definitions and non-IFRS measures

Adjusted EBITDA / Adjusted EBIT	Adjusted EBITDA and Adjusted EBIT are non-IFRS financial measures used by Reece for internal management reporting purposes to assess underlying performance.
Return on capital (ROC)	Adjusted EBIT (12-month rolling basis) divided by shareholders equity plus net debt.
Free cash flow	Adjusted EBITDA less net movements in working capital, income tax paid and lease payments.
Net leverage ratio	Net debt over EBITDA (12-month rolling basis) calculated on a pre-AASB16 Leases basis.
Available liquidity	Cash plus headroom on the Group's available facilities at period end.
Constant currency basis	Constant currency basis applies the US foreign exchange rate of 0.6471 from FY25 to current period sales to eliminate the foreign exchange impact when comparing sales against the previous corresponding period.
Like for like (LFL)	Like for like sales refers to branches that have reported a full 12-month of sales in both the current and prior year.
Net financing activities	Net financing cash flows excluding dividends and share buyback.
Average debt maturity	Average debt maturity of drawn funding facilities.