

The Reece logo, consisting of the word "reece" in a white, lowercase, sans-serif font, enclosed within a dark blue rounded rectangle.

reece

Half Year Results FY26

6 months ended
31 December 2025

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Note: All financial amounts contained in this presentation are expressed in Australian dollars unless otherwise stated. Any discrepancies between totals and the sum or calculation of components in tables contained in this presentation are due to rounding. Any discrepancies in the calculation of percentage movements in financial amounts from one period to another are due to rounding.



Peter Wilson
Chair & CEO



Sasha Nikolic
Group President & MD



Andy Young
Group CFO

Agenda

01 HY26 Overview & strategy recap

02 Operational update

03 Financial review

04 Outlook

05 Q&A

01

HY26 Overview & Strategy Recap

Peter Wilson



HY26 Group financial overview

Market conditions remain challenging

Sales revenue

\$4.6b



up 6% vs pcp

EBITDA

\$448m



down 6% vs pcp

EBIT

\$262m



down 14% vs pcp

EPS

23c



down 19% vs pcp

Return on capital

10.8%



down 222bps vs pcp

Half year dividend

5.44c

per share, fully franked

Our Blueprint



Inspired
by our
Purpose



Live the
Reece
Way



Embrace
our 2030
Vision



Execute
Strategic
Priorities



Deliver
Customer
Promise

2030 Vision

Our trade's most
valuable partner



Operational excellence

- Customised service
- Attracting, retaining and upskilling our people
- Leadership training and development



Accelerating innovation

- Integrated digital experience team
- Advancing our digital capabilities
- Product and range development



Investing for profitable growth

- Organic branch network expansion
 - US +19
 - ANZ +4

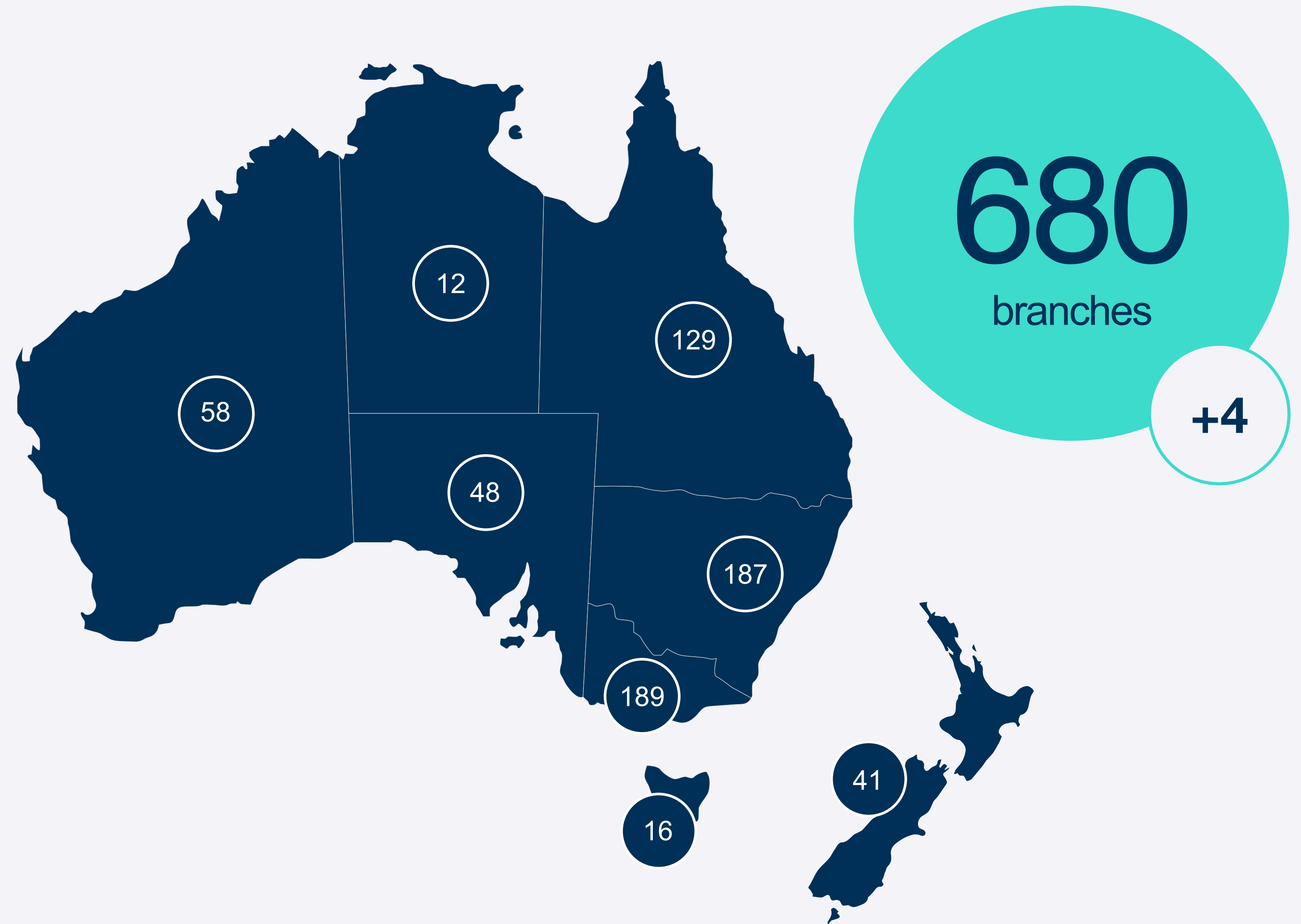
02

Operational Update

Sasha Nikolic



ANZ branch network



+4 new branches

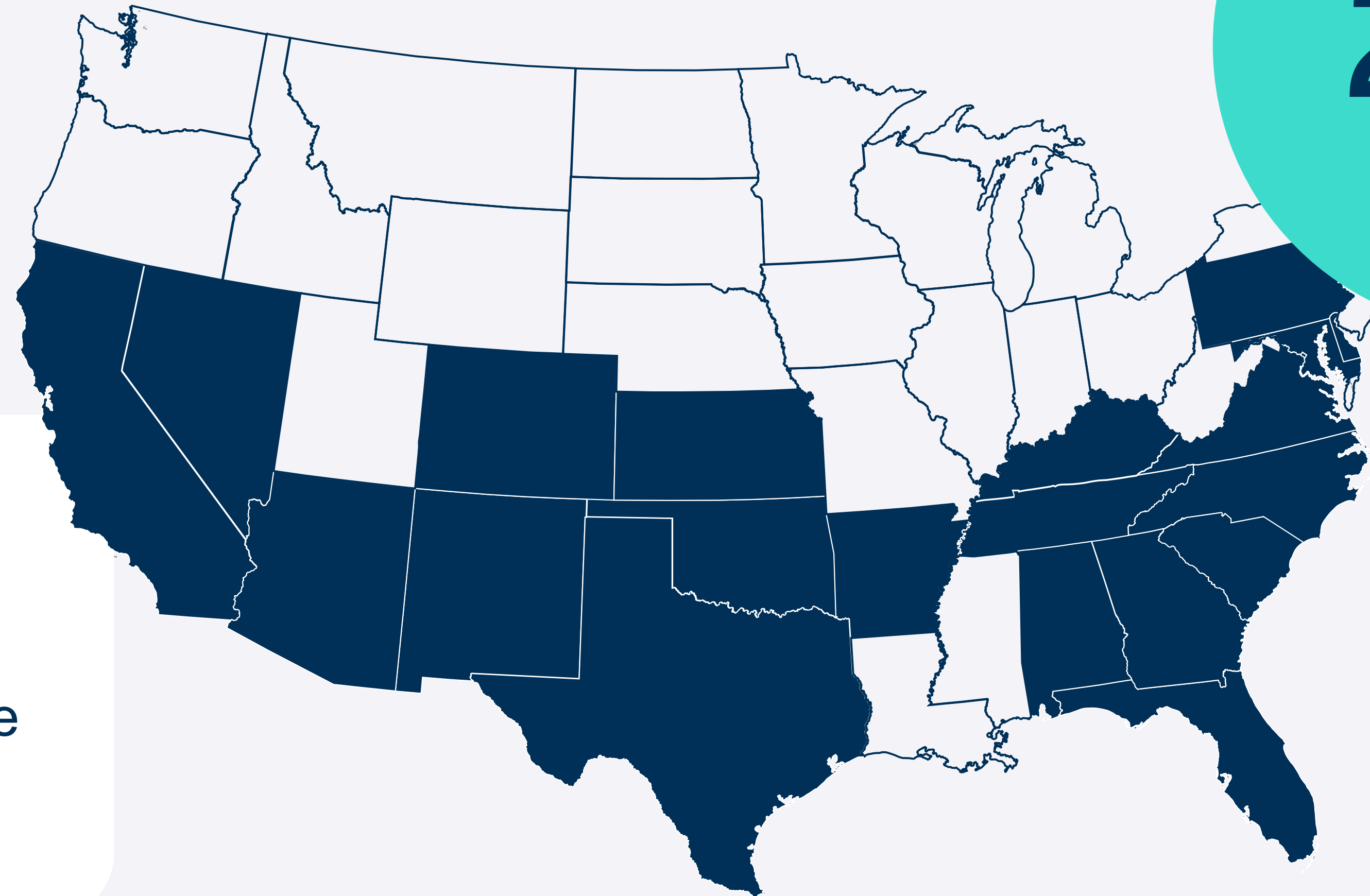
Ongoing investment
in network infill and
upgrades



Staying one step
ahead of our
customers' needs



US branch network



286
branches

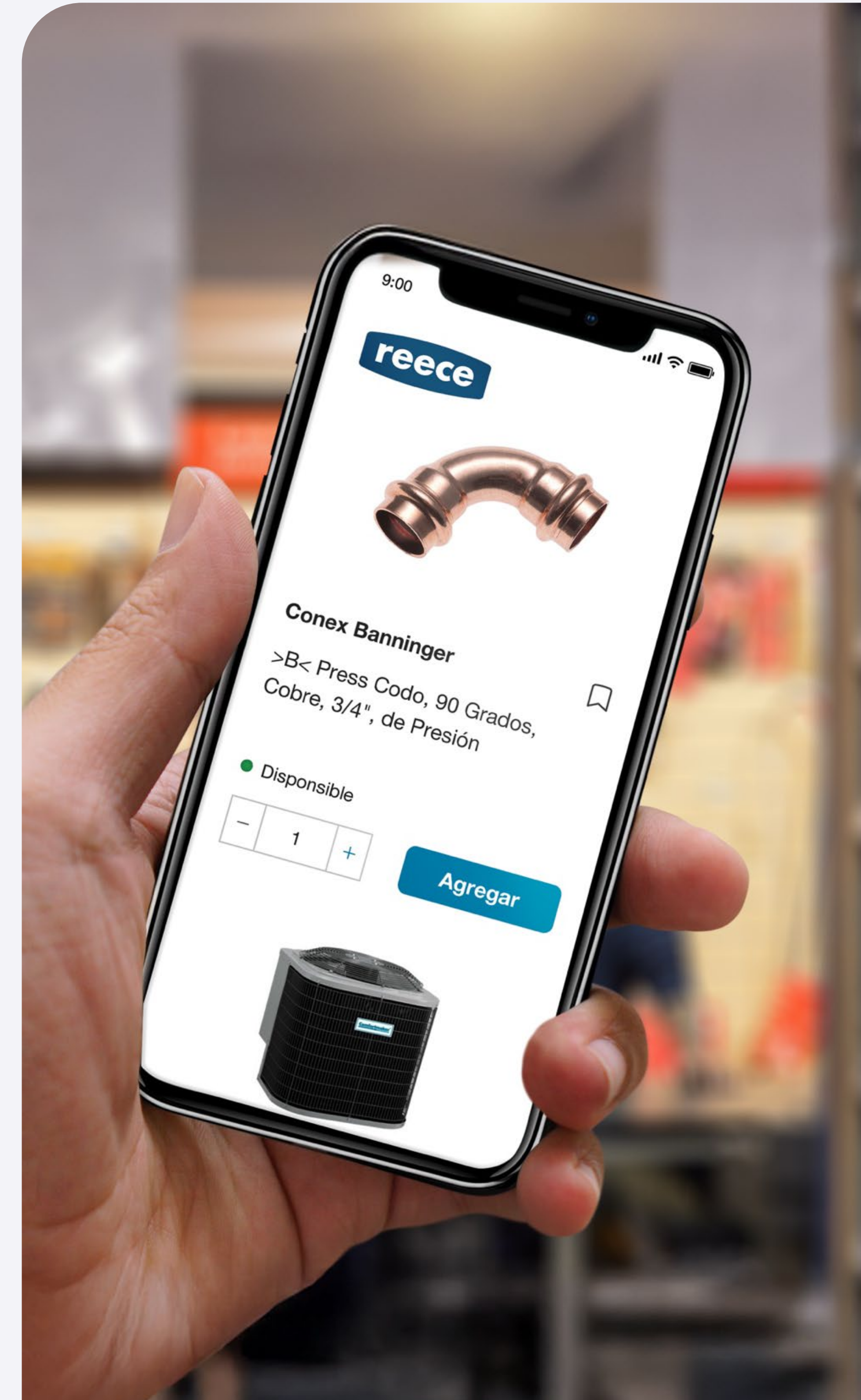
+19

+19 new branches

Ongoing investment
to scale and upgrade
network



Building capability to support growing network



03

Financial review

Andy Young



ANZ financial summary

Market stabilising, performance mixed across states

Sales up 4%

- Modest volume growth
- Performance remains mixed at a state level
- Pricing broadly neutral

EBIT down 7%

- Cost investment in people and digital initiatives
- Modest inflationary pressure in operational expenditure

HY26 31 December 2025 (A\$m)	HY26	HY25	Var. %
Sales revenue	2,062	1,980	4%
EBITDA	261	271	(4%)
EBITDA margin	12.6%	13.7%	(104bps)
EBIT	179	193	(7%)
EBIT margin	8.7%	9.7%	(106bps)

US financial summary

Residential new construction remains soft

Sales up 6% (US dollars)

- Network expansion supporting headline sales growth
- Sales down low single digits on a LFL basis
- Moderate inflation in select categories

EBIT down 26% (US dollars)

- Costs elevated due to network expansion
- Higher D&A reflecting ongoing investment in the business

USD

HY26 31 December 2025 (US\$m)	HY26	HY25	Var. %
Sales revenue	1,696	1,596	6%
EBITDA	123	135	(9%)
EBITDA margin	7.3%	8.5%	(120bps)
EBIT	55	74	(26%)
EBIT margin	3.2%	4.7%	(143bps)

AUD

HY26 31 December 2025 (A\$m)	HY26	HY25	Var. %
Sales revenue	2,585	2,422	7%
EBITDA	187	204	(8%)
EBITDA margin	7.2%	8.4%	(119bps)
EBIT	83	112	(26%)
EBIT margin	3.2%	4.6%	(141bps)

Cashflow

- Lower net cash inflow driven by elevated costs associated with network expansion
- Capex/sales ratio 1.8% supporting ongoing investment in the business
- Capital return of \$401m associated with share buyback
- Anticipate gross interest expense of \$65m - \$75m* for FY26

* Estimate is indicative only and based on current drawdowns, interest and exchange rates (excludes AASB16 Leases interest)

HY26 31 December 2025 (A\$m)	HY26	HY25
Net cash inflow from operations	199	256
Capital Expenditure	(86)	(129)
Proceeds from sale of assets	4	3
Dividends paid	(77)	(115)
Cash inflow before acquisitions and financing activities	40	15
Business acquisitions / investments	(3)	(23)
Net financing activities (excluding dividends and share buyback)	276	(65)
Share buyback	(401)	-
Net increase / (decrease) in cash	(86)	(73)
Free cash flow	142	208

Balance sheet

Net working capital

- NWC to sales ratio 20% (FY25: 19%), driven by seasonality in receivables and payables
- Tightly controlled inventory while maintaining availability

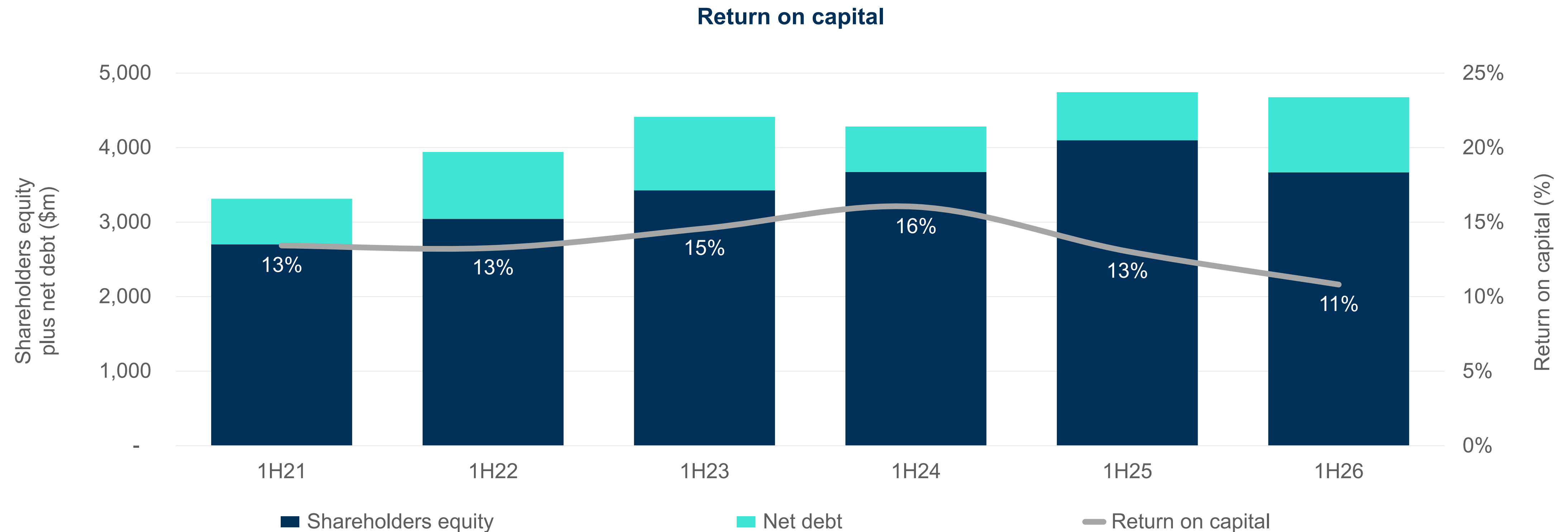
Net working capital	(A\$m)
NWC 30 June 2025	1,736
Inventory	5
Receivables	(72)
Payables	195
NWC 31 December 2025	1,864

Debt

- Increase in net debt driven by lower operating net cash inflow and share buyback
- Net leverage ratio 1.5x (FY25: 0.8x)

	HY26	FY25
Net debt	\$1,008m	\$590m
Net leverage ratio	1.5x	0.8x
Average debt maturity	4.9 years	4.6 years
Available liquidity	\$774m	\$1,211m

Group performance



Investing through the cycle to support long-term growth

Capital management priorities

Enable long-term profitable growth

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

\$401m share buyback

Off-market buyback of \$365m completed

On-market buyback up to \$85m (\$35m completed)

Strong balance sheet with flexibility to fund
future growth

04 Outlook

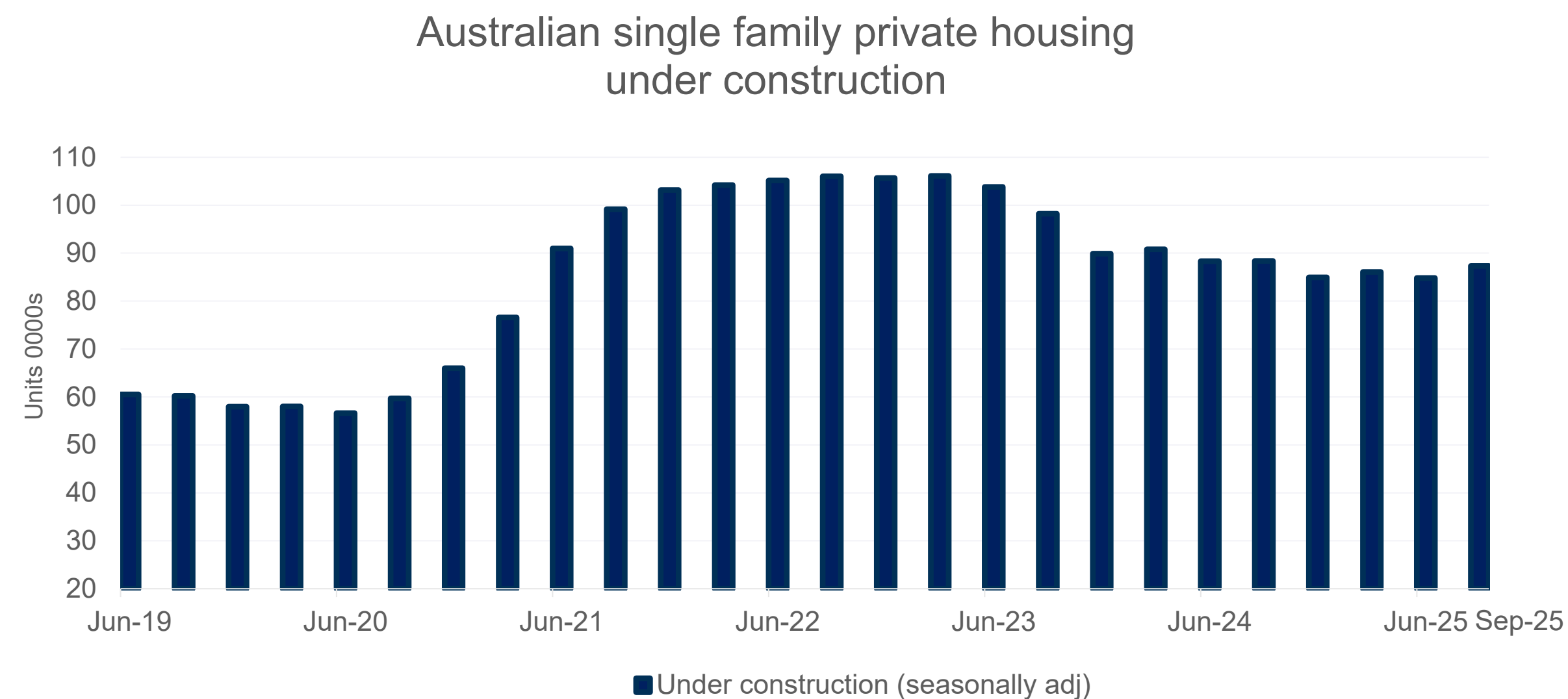
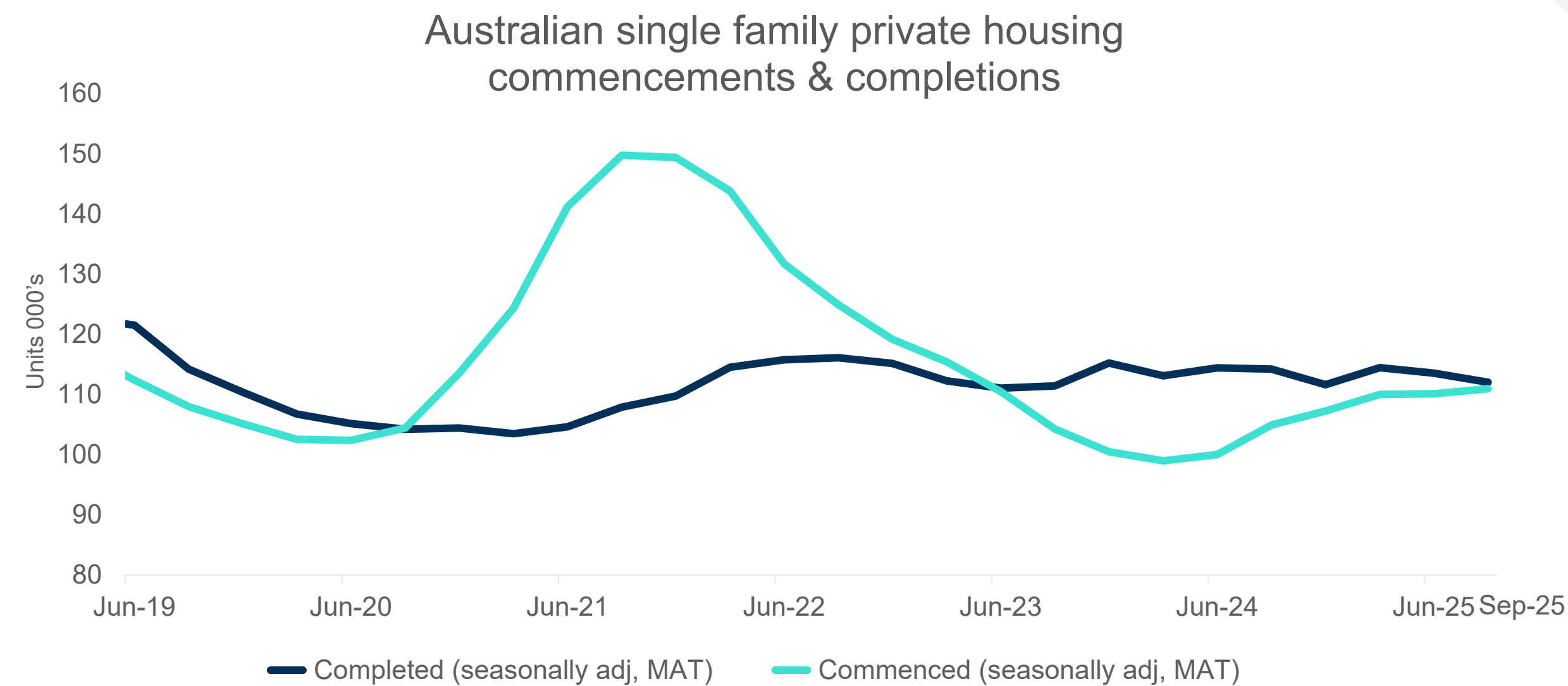
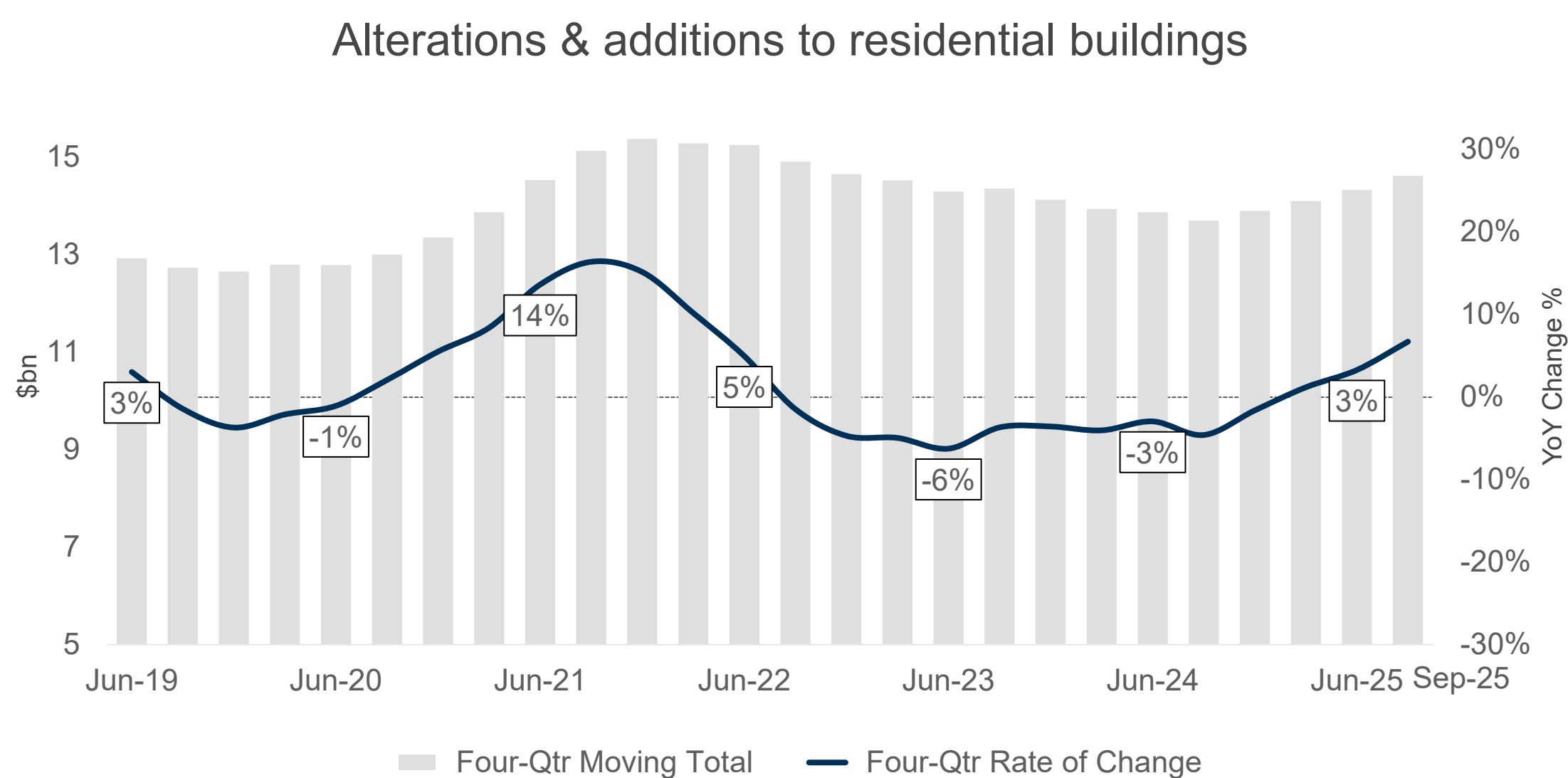
Peter Wilson



Outlook ANZ

Demand remains subdued

- Ongoing affordability challenges
- Gradual recovery emerging, expect performance to remain mixed across states
- Demand lags lead-indicator improvements

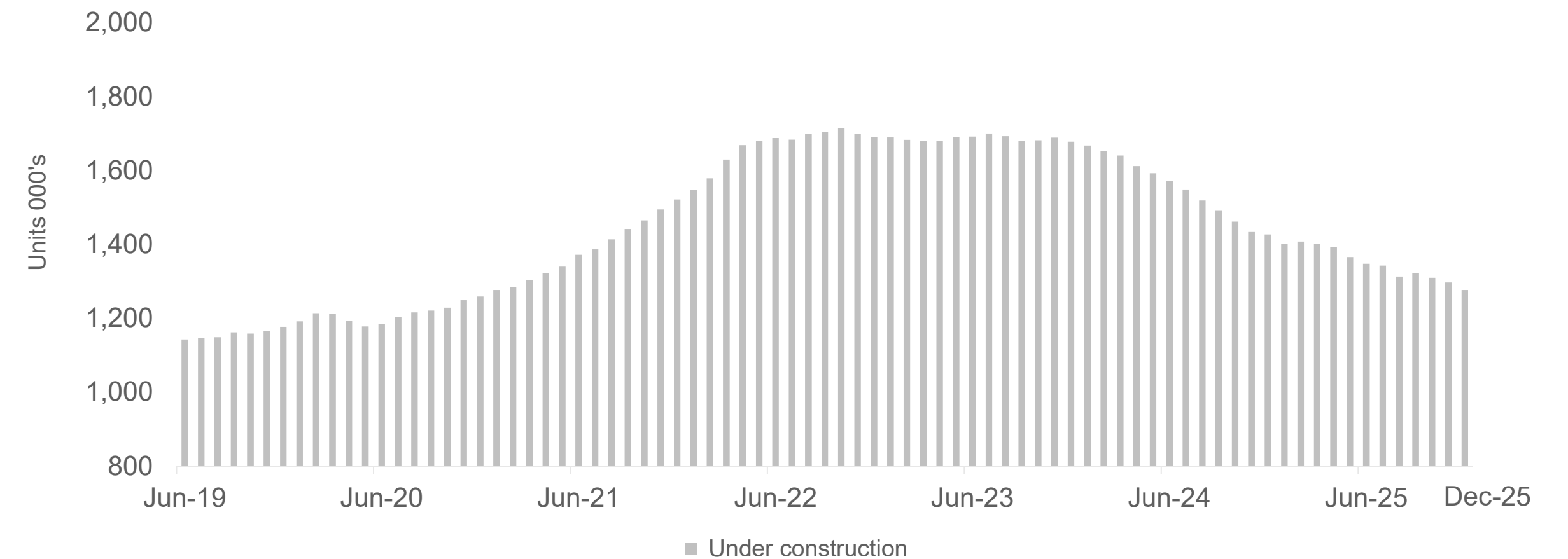


Outlook US

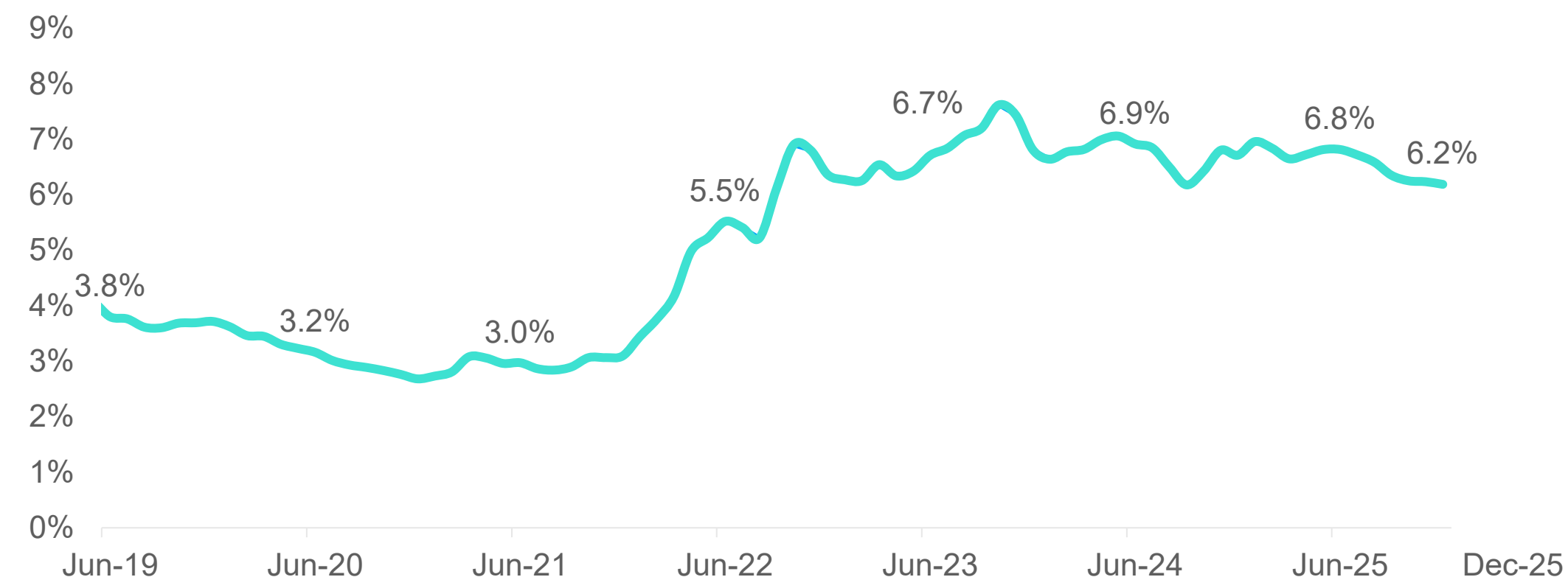
Housing market remains constrained

- Expect ongoing softness in residential new construction
- Housing affordability pressures continue to impact activity

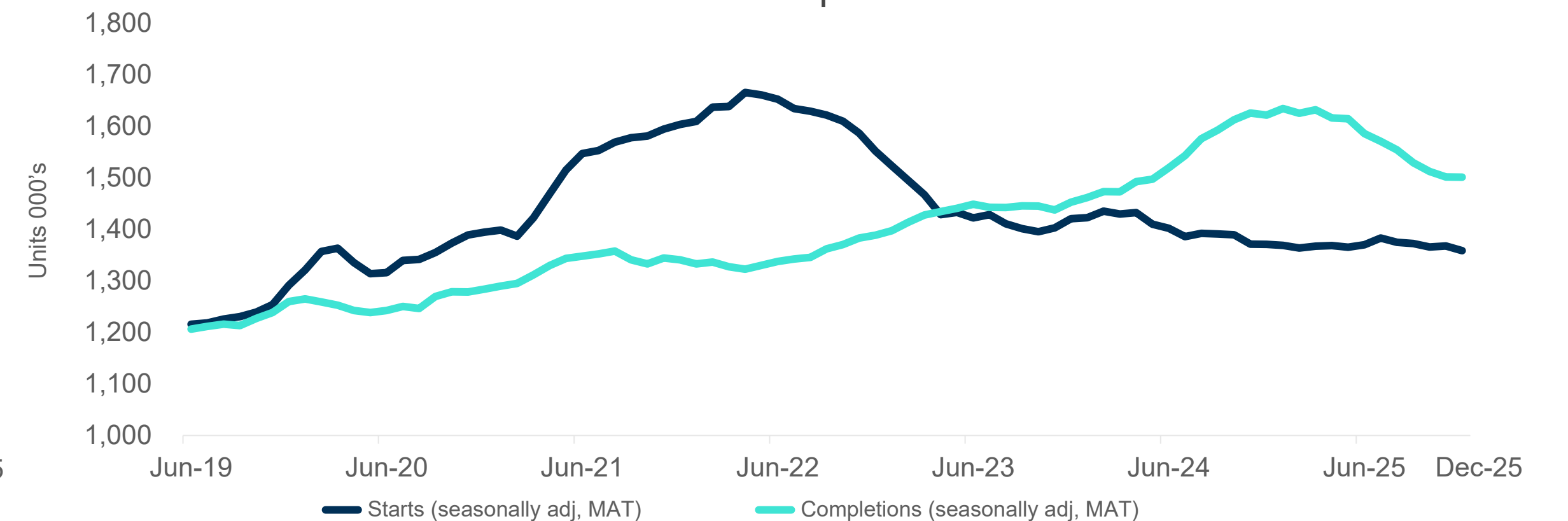
US single and multi family housing under construction



US 30-year fixed rate mortgage average (%)



US single and multi family housing starts & completions



A long-term approach



Focused on long-term strategy



Well capitalised,
enabling investment
to build a stronger
business



Large markets,
with attractive long-term
fundamentals

05 Q&A

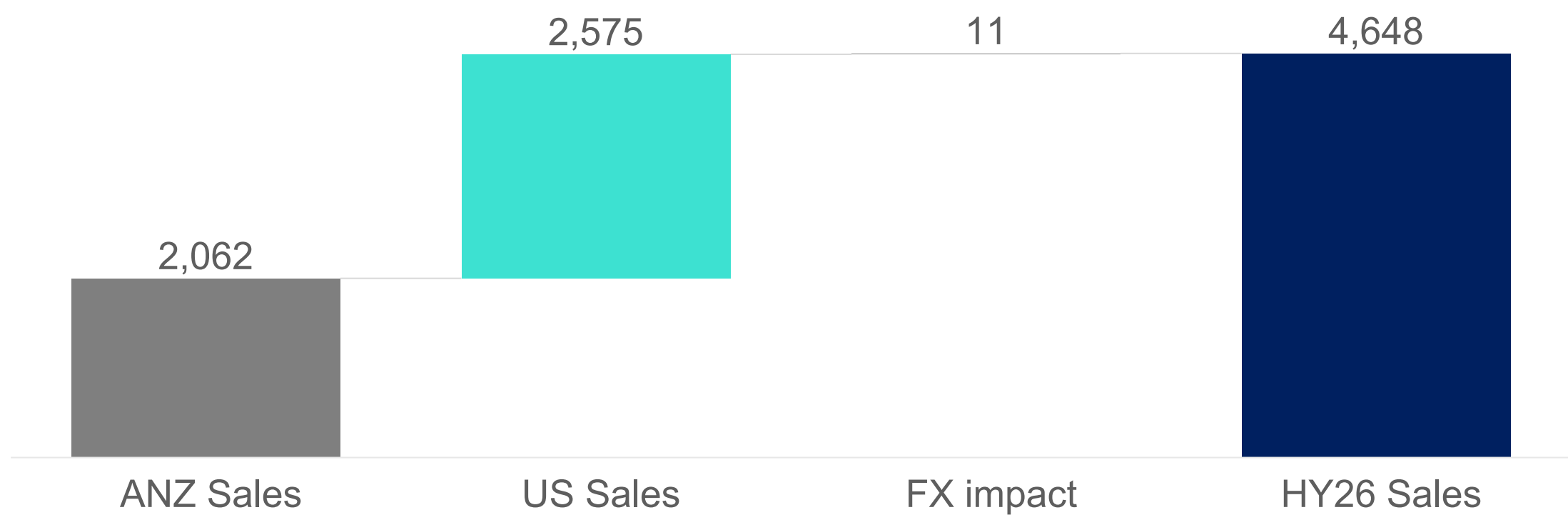


Appendix

Reconciliation from Statutory EBIT to EBITDA

31 Dec (A\$m)	HY26	HY25	HY24	HY23	HY22	HY21
EBIT (statutory)	262	305	367	325	275	236
Add back/deduct:						
Depreciation and amortisation	186	170	159	140	122	113
EBITDA (non-IFRS)	448	475	526	466	397	349

FX impact on sales (A\$m)



Reconciliation from statutory EBIT to Adjusted EBIT

31 Dec (A\$m)	HY26	HY25	HY24	HY23	HY22	HY21
EBIT (statutory)	262	305	367	325	275	236
Add back/deduct:						
BAC income	-	-	-	(7)	-	-
Impairment	-	-	-	29	-	-
Business acquisition costs	-	-	0.1	0.5	0.2	-
Adjusted EBIT (non-IFRS)	262	305	367	348	275	236

Appendix

Group definitions and non-IFRS measures

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.
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 0.6589 from HY25 to current period sales to eliminate the foreign exchange impact when comparing sales against the previous corresponding period.

Footnotes

1	Australian Bureau of Statistics, Private Sector, Houses, New.
2	Australian Bureau of Statistics, Value of work done during quarter; Chain Volume Measures, Alterations and additions including conversions, Total Residential.
3	United States Census Bureau, New Privately-Owned Housing, Total Units.
4	Freddie Mac, 30-Year Fixed Rate Mortgage Average in the United States, Primary Mortgage Market Survey, US weekly averages.



Works for you.