

ASX Announcement

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Q1 FY22 Update

Attached for release is the FY22 first quarter update for Reece Limited.

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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 over 800 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 8,000 employees committed to improving the lives of its customers by striving for greatness every day.

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

Q1 FY22 Update

Reece Limited ("Reece Group"; ASX: REH) today announces its Q1 FY22 sales update. The Group achieved sales revenue of A\$1,771m for the first quarter, up 13.2% on the same period last year. In ANZ, sales revenue was up 9.0%. In the US sales revenue grew 18.6% on a USD basis.

The Group does not see the first quarter's performance as illustrative of the remainder of the financial year, and expects EBITDA¹ for the first half of FY22 to be within the range of 8-11% up on 1H FY21.

Peter Wilson, Group CEO and Managing Director of the Reece Group said, "Sales revenue for the first quarter has been positive, reflecting momentum from FY21. We have continued to see growth in both regions which has exceeded our expectations. However, the future continues to be unpredictable with inflation dynamics, supply chain disruptions together with tight labour markets and wage inflation we are expecting to accelerate in Q2 and persist for the balance of FY22. As an essential service we will rely on our adaptive and resilient business model to protect and preserve our business today, whilst creating a position of strength to accelerate our long-term strategy".

¹ Earnings before Interest, Tax, Depreciation and Amortisation.