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First Quarter Results Presentation

Results to October 31, 2024

Legal Disclaimer

Cautionary note on forward-looking statements

Certain information included in this presentation and discussed on the conference call that this presentation accompanies is forward-looking, including within the meaning of the Private Securities Litigation Reform Act of 1995, and involves risks, assumptions and uncertainties that could cause actual results to differ materially from those expressed or implied by forward-looking statements. Forward-looking statements cover all matters which are not historical facts and speak only as of the date on which they are made. Forward-looking statements can be identified by the use of forward-looking terminology, including terms such as "believes," "estimates," "anticipates," "expects," "forecasts," "guidance," "intends," "continues," "plans," "projects," "goal," "target," "aim," "may," "will," "would," "could" or "should" or, in each case, their negative or other variations or comparable terminology and other similar references to future periods. Examples of forward-looking statements include, among others: statements or guidance regarding or relating to our future financial position, results of operations and growth, projected interest in and ownership of our common stock by investors including as a result of inclusion in North American market indices, plans and objectives for the future including our capabilities and priorities, risks associated with changes in global and regional economic, market and political conditions, ability to manage supply chain challenges, ability to manage the impact of product price fluctuations, our financial condition and liquidity, legal or regulatory changes and other statements concerning the success of our business and strategies. Many factors could affect our actual financial results or results of operations and could cause actual results to differ materially from those contained in such forward-looking statements, including but not limited to: weakness in the economy, market trends, uncertainty and other conditions in the markets in which we operate, and other factors beyond our control, including disruption in the financial markets and any macroeconomic or other consequences of political unrest, disputes or war; failure to rapidly identify or effectively respond to direct and/or end customers' wants, expectations or trends, including costs and potential problems associated with new or upgraded information technology systems or our ability to timely deploy new omni-channel capabilities; decreased demand for our products as a result of operating in highly competitive industries and the impact of declines in the residential and non-residential markets; changes in competition, including as a result of market consolidation or competitors responding more quickly to emerging technologies (such as generative artificial intelligence ("AI")); failure of a key information technology system or process as well as exposure to fraud or theft resulting from payment-related risks; privacy and protection of sensitive data failures, including failures due to data corruption, cybersecurity incidents or network security breaches; ineffectiveness of or disruption in our domestic or international supply chain or our fulfillment network, including delays in inventory availability at our distribution facilities and branches, increased delivery costs or lack of availability; failure to effectively manage and protect our facilities and inventory or to prevent personal injury to customers, suppliers or associates, including as a result of workplace violence; unsuccessful execution of our operational strategies; failure to attract, retain and motivate key associates; exposure of associates, contractors, customers, suppliers and other individuals to health and safety risks; risks associated with acquisitions, partnerships, joint ventures and other business combinations, dispositions or strategic transactions; regulatory, product liability and reputational risks and the failure to achieve and maintain a high level of product and service quality or comply with responsible sourcing standards; inability to renew leases on favorable terms or at all, as well as any remaining obligations under a lease when we close a facility; changes in, interpretations of, or compliance with tax laws; our indebtedness and changes in our credit ratings and outlook; fluctuations in product prices (e.g., commodity-priced materials, inflation/deflation) and foreign currency; funding risks related to our defined benefit pension plans; legal proceedings in the course of our business as well as failure to comply with domestic and foreign laws, regulations and standards, as those laws, regulations and standards or interpretations and enforcement thereof may change, or the occurrence of unforeseen developments such as litigation, investigations, governmental proceedings or enforcement actions; our failure to comply with the obligations associated with being a public company listed on the New York Stock Exchange and London Stock Exchange and the costs associated therewith; the costs and risk exposure relating to environmental, social and governance ("ESG") matters, including sustainability issues, regulatory or legal requirements, and disparate stakeholder expectations; adverse impacts caused by a public health crisis; and other risks and uncertainties set forth under the heading "Risk Factors" in our Annual Report on Form 10-K for the fiscal year ended July 31, 2024 filed with the Securities and Exchange Commission ("SEC") on September 25, 2024, and in other filings we make with the SEC in the future. Additionally, forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Other than in accordance with our legal or regulatory obligations, we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Non-GAAP Financial Information

This presentation contains certain financial information that is not presented in conformity with U.S. generally accepted accounting principles ("U.S. GAAP"). These non-GAAP financial measures include, but are not limited to, adjusted operating profit, adjusted operating margin, adjusted net income, adjusted earnings per share - diluted, adjusted EBITDA, adjusted effective tax rate, net debt, net debt to adjusted EBITDA ratio and free cash flow. The Company believes that these non-GAAP financial measures provide users of the Company's financial information with additional meaningful information to assist in understanding financial results and assessing the Company's performance from period to period. Management believes these measures are important indicators of operations because they exclude items that may not be indicative of our core operating results and provide a better baseline for analyzing trends in our underlying businesses, and they are consistent with how business performance is planned, reported and assessed internally by management and the Company's Board of Directors. Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names. These non-GAAP financial measures should not be considered in isolation or as a substitute for results reported under U.S. GAAP. These non-GAAP financial measures reflect an additional way of viewing aspects of operations that, when viewed with U.S. GAAP results, provide a more complete understanding of the business. The Company strongly encourages investors and shareholders to review the Company's financial statements and publicly filed reports in their entirety and not to rely on any single financial measure. Except as otherwise noted, see the appendix to this presentation for more information and a reconciliation of each non-GAAP financial measure to the most comparable U.S. GAAP measure. The Company does not provide a reconciliation of forward-looking non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures on a forward-looking basis because it is unable to predict with reasonable certainty or without unreasonable effort non-recurring items, such as those described in our earnings announcement, dated December 10, 2024, that may arise in the future. The variability of these items is unpredictable and may have a significant impact.

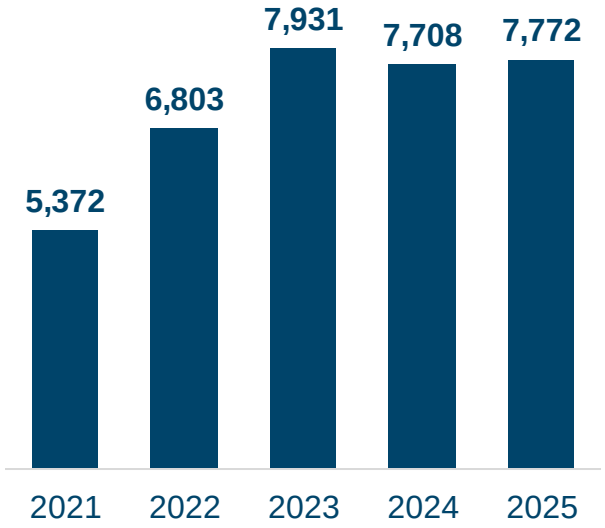
01 Highlights and introduction

Kevin Murphy, CEO

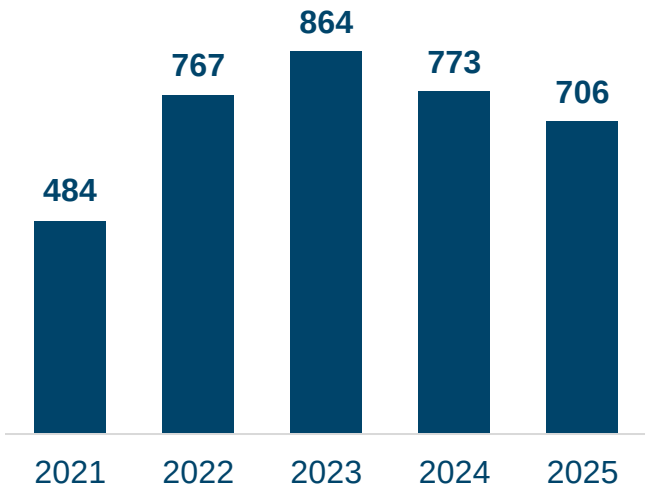
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First quarter financial highlights

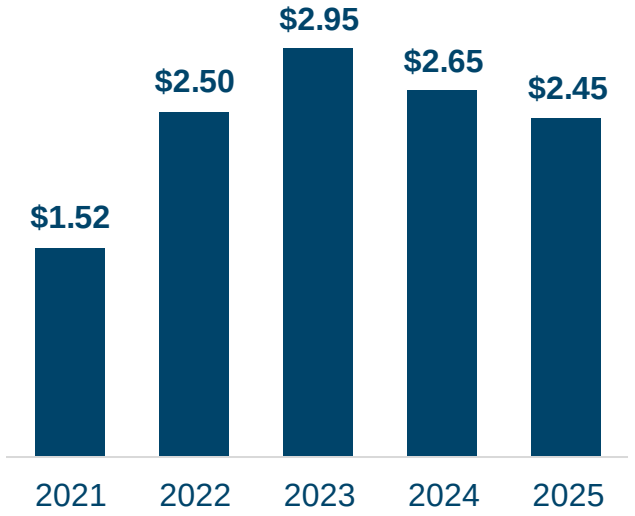
Q1 Net sales ($m)



Q1 Adjusted operating profit* ($m)



Q1 Adjusted EPS – diluted*



Solid performance despite market headwinds and deflation

* This is a non-GAAP measure. See the appendix to this presentation for more information and a reconciliation of the non-GAAP measure to the most comparable U.S. GAAP measure.

Balanced approach to US end markets

	% of US net sales*	**Q1 2025** US net sales growth/(decline)	Q1 2024 US net sales growth/(decline)
Residential	**51%**	**Flat**	**(7%)**
Non-residential	**49%**	**+1%**	**+2%**
Commercial	34%	Flat	+2%
Civil/Infrastructure	8%	+3%	(1%)
Industrial	7%	+4%	+3%
	100%	**+0.5%**	**(2.7%)**

* Residential / Non-residential proportions derived from management estimates as of FY2024.

USA first quarter net sales

Customer group	% of US net sales*	**Q1 2025** net sales growth/(decline)	Q1 2024 net sales growth/(decline)
Residential Trade Plumbing	17%	+1%	(12%)
HVAC	12%	+10%	+4%
Residential Building and Remodel	14%	(1%)	(3%)
Residential Digital Commerce	7%	(8%)	(14%)
Waterworks	22%	+3%	(1%)
Commercial / Mechanical	14%	+1%	+6%
Fire & Fabrication, Facilities Supply and Industrial	14%	(6%)	Flat
USA	**100%**	**+0.5%**	**(2.7%)**

* For year ended July 31, 2024.

02 Financial review

Bill Brundage, CFO

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First quarter financial highlights

$m (except per share amounts)	Q1 2025	Q1 2024	Change
Net sales	7,772	7,708	+0.8%
Gross margin	30.1%	30.2%	(10 bps)
Adjusted operating profit*	706	773	(8.7%)
Adjusted operating margin*	9.1%	10.0%	(90 bps)
Adjusted earnings per share – diluted*	$2.45	$2.65	(7.5%)
Adjusted EBITDA*	758	819	(7.4%)
Net debt : adjusted EBITDA*	1.2x	1.0x	

Solid performance despite market headwinds and deflation

*This is a non-GAAP measure. See the appendix to this presentation for more information and a reconciliation of the non-GAAP measure to the most comparable U.S. GAAP measure.
Adjusted operating margin is calculated as adjusted operating profit divided by net sales. Net debt : adjusted EBITDA is provided on a rolling 12 month basis.

Segment financial highlights

$m	Q1 2025	Q1 2024	Change
Net sales			
US	7,369	7,329	+0.5%
Canada	403	379	+6.3%
Total net sales	7,772	7,708	+0.8%
Adjusted operating profit*			
US	697	766	(9.0%)
Canada	23	23	Flat
Central and other costs	(14)	(16)	
Total adjusted operating profit	706	773	(8.7%)

* The Company uses adjusted operating profit as a measure of segment profit under U.S. GAAP.

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Cash flow – first quarter

$m	Q1 2025	Q1 2024
Adjusted EBITDA*	758	819
Working capital	(376)	(219)
Interest and tax	(74)	(79)
Other items	37	36
Operating cash flow	345	557
Capex	(77)	(91)
Proceeds from the sale of assets	6	7
Free cash flow*	274	473

* This is a non-GAAP measure. See the appendix to this presentation for more information and a reconciliation of adjusted EBITDA to the most comparable U.S. GAAP measure. Free cash flow is calculated as net cash provided by operating activities less capital expenditures plus proceeds from the sale of assets and divestitures, and the reconciliation is shown above where net cash provided by operating activities is reflected as operating cash flow.

Capital allocation

1. Organic growth

Working capital

- Inventory position normalized

Capex investments

- Invested **$77m** in the first quarter
- Supply chain network optimization
- Technology
- Branch expansion and refurbishment

2. Dividends

- Quarterly dividend of **$0.83** per share, an increase of 5% over the prior year

3. Acquisitions

- Completed one acquisition during the first quarter and one subsequently
- Pipeline remains healthy

4. Surplus capital returns

- **$256m** share repurchases completed during first quarter
- **~1.3m** shares repurchased during first quarter
- Share repurchase program has outstanding balance of approx. **$600m** at quarter end

1.2x Net debt : adjusted EBITDA*
at October 31, 2024

1-2x
Target net leverage range

* This is a non-GAAP measure. See the appendix to this presentation for more information and a reconciliation to the most comparable U.S. GAAP measure.

FY2025 Guidance (unchanged)

- Net sales to be low single digit growth
  - Assumes our markets are down low single digits, inclusive of pricing slightly down for the year.
  - We assume **continued Company market outperformance** and contribution from already completed acquisitions…
  - …offset in part by one fewer sales day.
- Adjusted operating margin* of **9.0% to 9.5%**
- Interest expense of **$180 - $200** million
- Adjusted effective tax rate* of **~26%**
- Capital expenditures of **$400 - $450** million

* This is a non-GAAP measure. See slide 2 of this presentation for more information on forward-looking statements and non-GAAP financial information.

03 Closing remarks

Kevin Murphy, CEO

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Closing remarks

Thank you to our associates.

1. Disciplined execution from our teams to deliver revenue growth and market outperformance despite ongoing market headwinds and commodity price deflation.

2. Strong balance sheet positions us well as we continue to invest in the business.

3. We remain committed to delivering productivity for our customers by enhancing our value-added services and digital tools.

4. We expect to continue to outperform our markets as we leverage multi-year structural tailwinds.

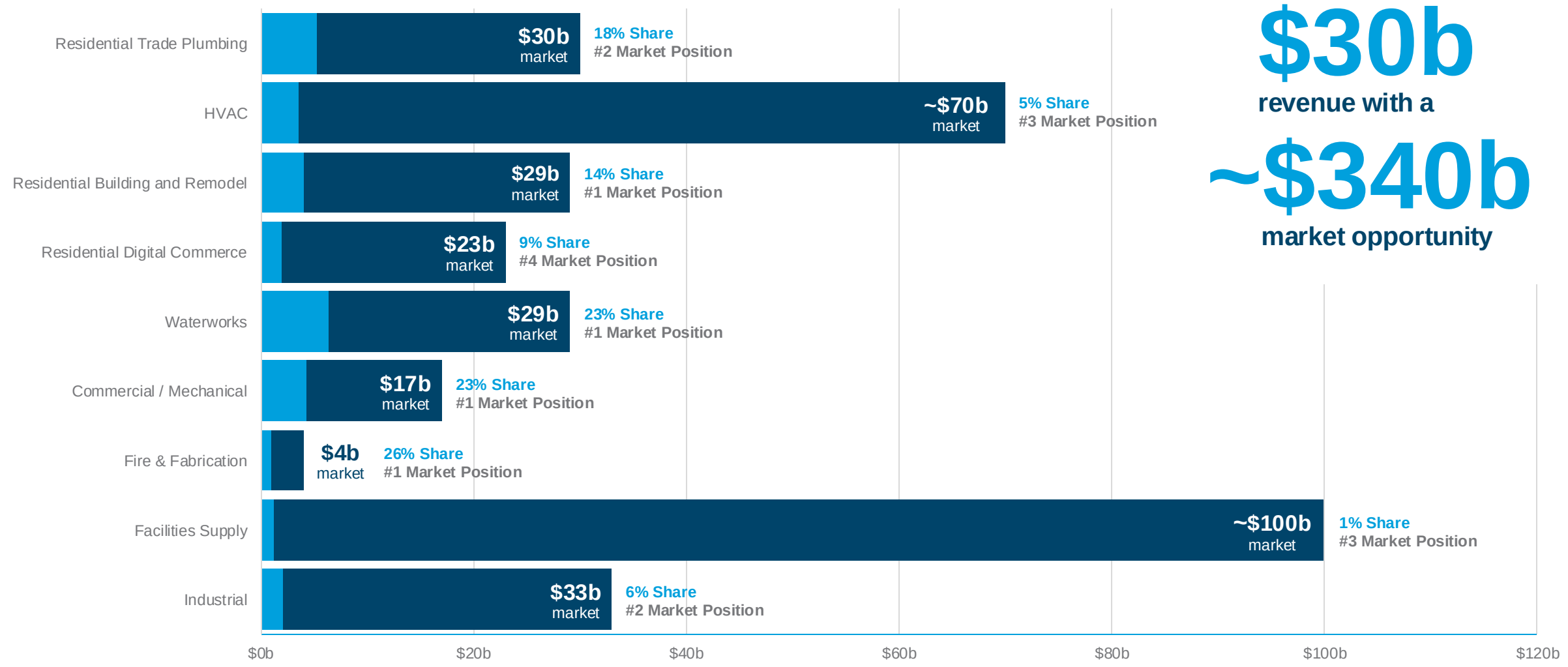
Join us for

Q&A



04 Appendix

Leading positions in highly fragmented North American markets



$30b
revenue with a
~$340b
market opportunity

Market size, share and position are approximates derived from management estimates as of FY2024.

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Reconciliation of Net Income to Adjusted Operating Profit and Adjusted EBITDA

	Three months ended October 31,				
(In millions)	**2024**	**2023**	**2022**	**2021**	**2020**
Net income	$470	$519	$595	$560	$335
Income from discontinued operations (net of tax)	—	—	—	(25)	(19)
Income from continuing operations	470	519	595	535	316
Provision for income taxes	154	172	197	176	106
Interest expense, net	46	45	41	27	28
Other (income) expense, net	(5)	3	(2)	1	—
Operating profit	665	739	831	739	450
Corporate restructurings[1]	3	—	—	1	6
Amortization of acquired intangibles	38	34	33	27	28
Adjusted Operating Profit	706	773	864	767	484
Depreciation & impairment of PP&E	44	39	37	36	32
Amortization & impairment of non-acquired intangibles	8	7	11	11	8
Adjusted EBITDA	$758	$819	$912	$814	$524

1. For the three months ended October 31, 2024, corporate restructurings primarily related to incremental costs in connection with transition activities following the establishment of our parent company's domicile in the United States. For the three months ended October 31, 2021 and 2020, corporate restructuring costs related to the incremental costs of the Company's listing in the United States.

Net Debt : Adjusted EBITDA reconciliation

Net debt comprises bank overdrafts, bank and other loans and derivative financial instruments, excluding lease liabilities, less cash and cash equivalents. Long-term debt is presented net of debt issuance costs. A rolling 12-month adjusted EBITDA is used in the net debt to adjusted EBITDA ratio to assess the appropriateness of the Company's financial leverage.

	As of October 31,	
(In millions, except ratios)	**2024**	**2023**
Long-term debt	$3,447	$3,663
Short-term debt	550	55
Bank overdrafts[(1)]	5	28
Derivative liabilities	6	15
Cash and cash equivalents	(601)	(743)
Net debt	$3,407	$3,018
Adjusted EBITDA	$2,954	$3,012
Net Debt / Adjusted EBITDA[(2)]	1.2x	1.0x

(1) Bank overdrafts are included in other current liabilities in the Company's Consolidated Balance Sheets.

(2) Adjusted EBITDA is on a rolling 12-month basis.

Adjusted EBITDA (rolling 12-month) reconciliation

Adjusted EBITDA is net income before charges/credits relating to depreciation, amortization, impairment and certain non-GAAP adjustments.

(In millions)	Twelve months ended October 31,	
	2024	**2023**
Net income	$1,686	$1,813
Provision for income taxes	711	550
Interest expense, net	180	188
Other expense, net	1	16
Corporate restructurings[(1)]	31	—
Impairments and other charges[(2)]	—	125
Depreciation and amortization	345	320
Adjusted EBITDA	$2,954	$3,012
Net Debt: Adjusted EBITDA	1.2x	1.0x

(1) For the rolling twelve months ended October 31, 2024, corporate restructurings primarily related to incremental costs in connection with establishing a new corporate structure to domicile our ultimate parent company in the United States, including transition activities following the domicile.

(2) For the rolling twelve months ended October 31, 2023, impairments and other charges related to $107 million in software impairment charges in the United States, as well as $18 million in charges associated with the closure of certain smaller, underperforming branches in the United States. Such amounts were mainly recorded in the third quarter of fiscal year 2023.

Reconciliation of Net Income to Adjusted Net Income and Adjusted EPS - Diluted

	Three months ended October 31,									
	2024		2023		2022		2021		2020	
(In millions, except per share amounts)		*per share*[1]		*per share*[1]		*per share*[1]		*per share*[1]		*per share*[1]
Net income	$470	$2.34	$519	$2.54	$595	$2.84	$560	$2.51	$335	$1.48
Income from discontinued operations (net of tax)	—	—	—	—	—	—	(25)	(0.11)	(19)	(0.08)
Income from continuing operations	470	2.34	519	2.54	595	2.84	535	2.40	316	1.40
Corporate restructurings[2]	3	0.01	—	—	—	—	1	—	6	0.03
Amortization of acquired intangibles	38	0.19	34	0.16	33	0.15	27	0.12	28	0.12
Discrete tax adjustments[3]	(7)	(0.04)	—	—	—	—	—	—	—	—
Tax impact-non-GAAP adjustments[4]	(10)	(0.05)	(10)	(0.05)	(8)	(0.04)	(6)	(0.02)	(8)	(0.03)
Adjusted net income	$494	$2.45	$543	$2.65	$620	$2.95	$557	$2.50	$342	$1.52
Diluted weighted-average shares outstanding		201.3		204.6		209.8		222.7		225.6

(1) Per share on a dilutive basis.

(2) For the three months ended October 31, 2024, corporate restructurings primarily related to incremental costs in connection with transition activities following the establishment of our parent company's domicile in the United States. For the three months ended October 31, 2021 and 2020, corporate restructuring costs related to the incremental costs of the Company's listing in the United States.

(3) For the three months ended October 31, 2024, discrete tax adjustments mainly related to the tax treatment of certain compensation items that is not material.

(4) For the three months ended October 31, 2024, 2023, 2022, 2021 and 2020, the tax impact on non-GAAP adjustments primarily related to the amortization of acquired intangibles.

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Thank you