Fourth Quarter and Full Year 2024 Earnings Webcast Presentation

Rollins, Inc.

February 13, 2025

Cautionary Statement Regarding Forward-Looking Statements

This presentation as well as other written or oral statements by the Company may contain “forward-looking statements” as defined in the Private Securities Litigation Reform Act of 1995. We have based these forward-looking statements on our current opinions, expectations, intentions, beliefs, plans, objectives, assumptions and projections about future events and financial trends affecting the operating results and financial condition of our business. Although we believe that these forward-looking statements are reasonable, we cannot assure you that we will achieve or realize these plans, intentions, or expectations. Generally, statements that do not relate to historical facts, including statements concerning possible or assumed future actions, business strategies, events or results of operations, are forward-looking statements. The words “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “should,” “will,” “would,” and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking.

Forward-looking statements in this presentation include, but are not limited to, statements regarding: expectations with respect to our financial and business performance; demand for our services; our pipeline of and approach to acquisitions and potential targets; expected growth; continuous improvement; focus on pricing; a modernization program; a balanced capital allocation program; commitment to a solid investment grade rating through disciplined growth and conservative leverage; maintenance of ample liquidity; focus on using free cash flow to fund growth, complemented by access to credit markets; sustainable dividend; and approach to share repurchase opportunities.

These forward-looking statements are based on information available as of the date of this presentation, and current expectations, forecasts, and assumptions, and involve a number of judgments, risks and uncertainties. Important factors could cause actual results to differ materially from those indicated or implied by forward-looking statements including, but not limited to, those set forth in the sections entitled “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023 and may also be described from time to time in our future reports filed with the SEC, including the Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Accordingly, forward-looking statements should not be relied upon as representing our views as of any subsequent date, and we do not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required by law.

Reconciliation of GAAP and Non-GAAP Financial Measures

A non-GAAP financial measure is a numerical measure of financial performance, financial position, or cash flows that either 1) excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the most directly comparable measure calculated and presented in accordance with GAAP in the statement of operations, balance sheet or statement of cash flows, or 2) includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the most directly comparable measure so calculated and presented.

These measures should not be considered in isolation or as a substitute for revenues, net income, earnings per share or other performance measures prepared in accordance with GAAP. Management believes all of these non-GAAP financial measures are useful to provide investors with information about current trends in, and period-over-period comparisons of, the Company's results of operations. An analysis of any non-GAAP financial measure should be used in conjunction with results presented in accordance with GAAP.

The Company has used the following non-GAAP financial measures in this earnings presentation:

Organic revenues

Organic revenues are calculated as revenues less the revenues from acquisitions completed within the prior 12 months and excluding the revenues from divested businesses. Acquisition revenues are based on the trailing 12-month revenue of our acquired entities. Management uses organic revenues, and organic revenues by type to compare revenues over various periods excluding the impact of acquisitions and divestitures.

Adjusted operating income and adjusted operating margin

Adjusted operating income and adjusted operating margin are calculated by adding back to net income those expenses resulting from the amortization of certain intangible assets, adjustments to the fair value of contingent consideration resulting from the acquisition of Fox Pest Control, and restructuring costs related to restructuring and workforce reduction plans. Adjusted operating margin is calculated as adjusted operating income divided by revenues. Management uses adjusted operating income and adjusted operating margin as measures of operating performance because these measures allow the Company to compare performance consistently over various periods.

Adjusted net income and adjusted EPS

Adjusted net income and adjusted EPS are calculated by adding back to the GAAP measures amortization of certain intangible assets, adjustments to the fair value of contingent consideration resulting from the acquisition of Fox, and restructuring costs related to restructuring and workforce reduction plans, and excluding gains and losses on the sale of non-operational assets and gains on the sale of businesses, and by further subtracting the tax impact of those expenses, gains, or losses. Management uses adjusted net income and adjusted EPS as measures of operating performance because these measures allow the Company to compare performance consistently over various periods.

EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, incremental EBITDA margin and adjusted incremental EBITDA margin

EBITDA is calculated by adding back to net income depreciation and amortization, interest expense, net, and provision for income taxes. EBITDA margin is calculated as EBITDA divided by revenues. Adjusted EBITDA and adjusted EBITDA margin are calculated by further adding back those expenses resulting from the adjustments to the fair value of contingent consideration resulting from the acquisition of Fox, restructuring costs related to restructuring and workforce reduction plans, and excluding gains and losses on the sale of non-operational assets and gains on the sale of businesses. Management uses EBITDA, EBITDA margin, adjusted EBITDA and adjusted EBITDA margin as measures of operating performance because these measures allow the Company to compare performance consistently over various periods. Incremental EBITDA margin is calculated as the change in EBITDA divided by the change in revenue. Management uses incremental EBITDA margin as a measure of operating performance because this measure allows the Company to compare performance consistently over various periods. Adjusted incremental EBITDA margin is calculated as the change in adjusted EBITDA divided by the change in revenue. Management uses adjusted incremental EBITDA margin as a measure of operating performance because this measure allows the Company to compare performance consistently over various periods.

Free cash flow and free cash flow conversion

Free cash flow is calculated by subtracting capital expenditures from cash provided by operating activities. Management uses free cash flow to demonstrate the Company's ability to maintain its asset base and generate future cash flows from operations. Free cash flow conversion is calculated as free cash flow divided by net income. Management uses free cash flow conversion to demonstrate how much net income is converted into cash. Management believes that free cash flow is an important financial measure for use in evaluating the Company's liquidity. Free cash flow should be considered in addition to, rather than as a substitute for, net cash provided by operating activities as a measure of our liquidity. Additionally, the Company's definition of free cash flow is limited, in that it does not represent residual cash flows available for discretionary expenditures, due to the fact that the measure does not deduct the payments required for debt service and other contractual obligations or payments made for business acquisitions. Therefore, management believes it is important to view free cash flow as a measure that provides supplemental information to our consolidated statements of cash flows.

Adjusted sales, general and administrative ("SG&A")

Adjusted SG&A is calculated by removing the adjustments to the fair value of contingent consideration resulting from the acquisition of Fox. Management uses adjusted SG&A to compare SG&A expenses consistently over various periods.

Leverage ratio

Leverage ratio, a financial valuation measure, is calculated by dividing adjusted net debt by adjusted EBITDAR. Adjusted net debt is calculated by adding operating lease liabilities to total long-term debt less a cash adjustment of 90% of cash and cash equivalents. Adjusted EBITDAR is calculated by adding back to net income depreciation and amortization, interest expense, net, provision for income taxes, operating lease cost, and stock-based compensation expense. Management uses leverage ratio as an assessment of overall liquidity, financial flexibility, and leverage.

See the appendix for a reconciliation of non-GAAP financial measures used in this presentation with their most directly comparable GAAP measures.

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Full Year
2024 Results

Revenue	$3.4B	up ▲	10.3%
Adjusted EPS[1]	$0.99	up ▲	11.2%
Free Cash Flow[1]	$580M	up ▲	17.0%

Delivered Record Revenue and Earnings in 2024

Other
2024 Highlights

- Solid growth across all major service lines.
- Organic growth of **7.9%**, acquisitions drove remaining growth, partially offset by divestitures of 0.7%.
- Healthy gross margin and improvement across several cost categories drove **+40 bps** of operating margin expansion.
- Executed balanced capital allocation program, deploying approximately **$500M** of capital.
- Welcomed **44** new businesses to Rollins portfolio through 32 acquisitions and 12 franchise buybacks.

Full year comparisons are against FY 2023 unless otherwise noted.
[1] These amounts are non-GAAP measures (see Appendix).

Q4
2024 Results

Revenue	$832M	up ▲ 10.4%
Adjusted EPS[1]	$0.23	up ▲ 9.5%
Free Cash Flow[1]	$184M	up ▲ 29.9%

Strong Finish to 2024; Highest Organic Revenue Growth Rate of the Year

Other
Q4 Highlights

- Strong growth across all major service lines
- Organic growth of **8.5%**, acquisitions drove remaining growth, partially offset by divestitures of 0.5%.
- Gross margin improvement of **40 bps** despite auto claims headwind
- Leveraged savings from administrative costs to strategically invest in selling & marketing
- Free cash flow conversion of well above **100%**

Full quarter comparisons are against FY 2023 unless otherwise noted.
[1] These amounts are non-GAAP measures (see Appendix).

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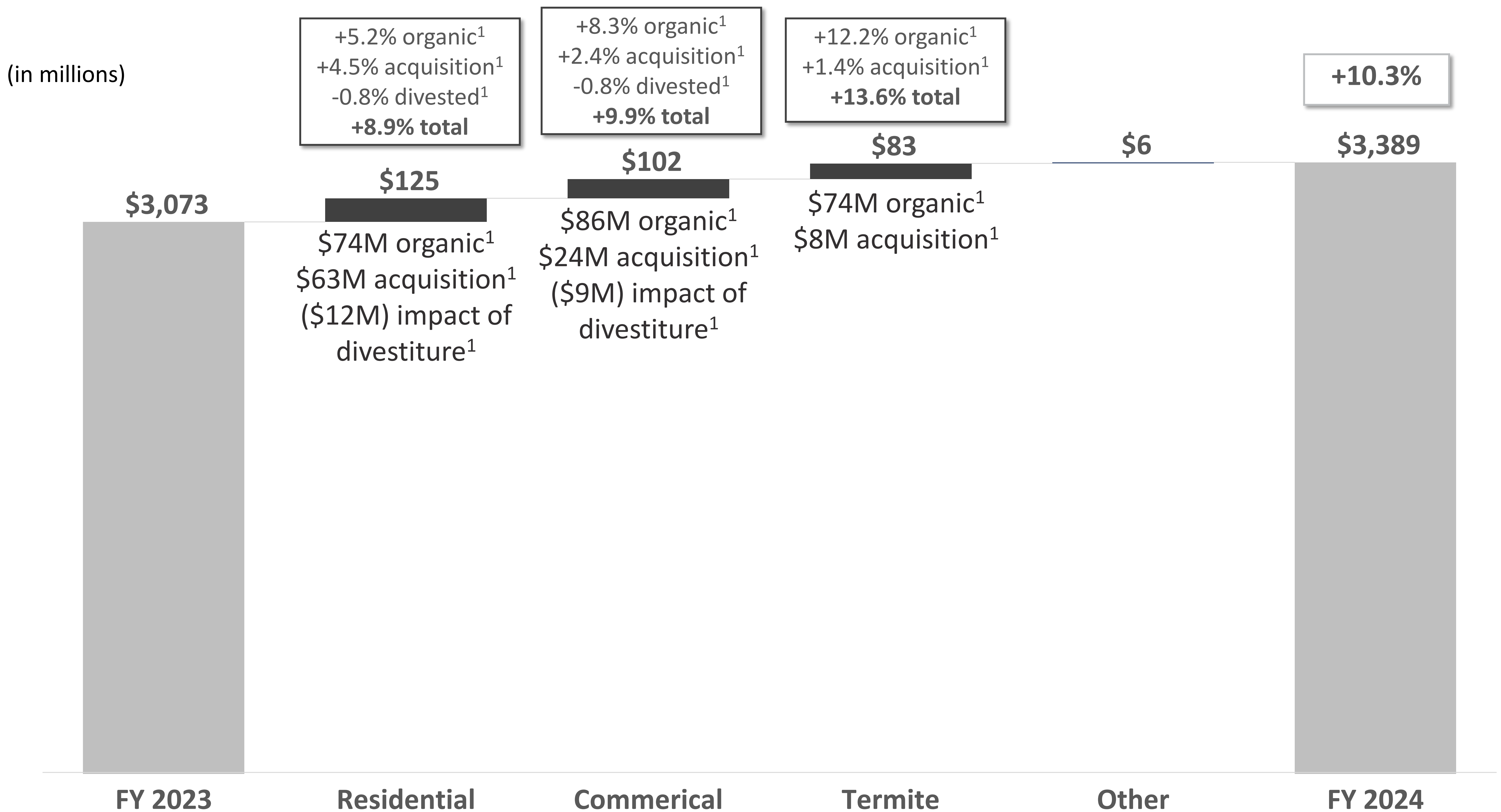
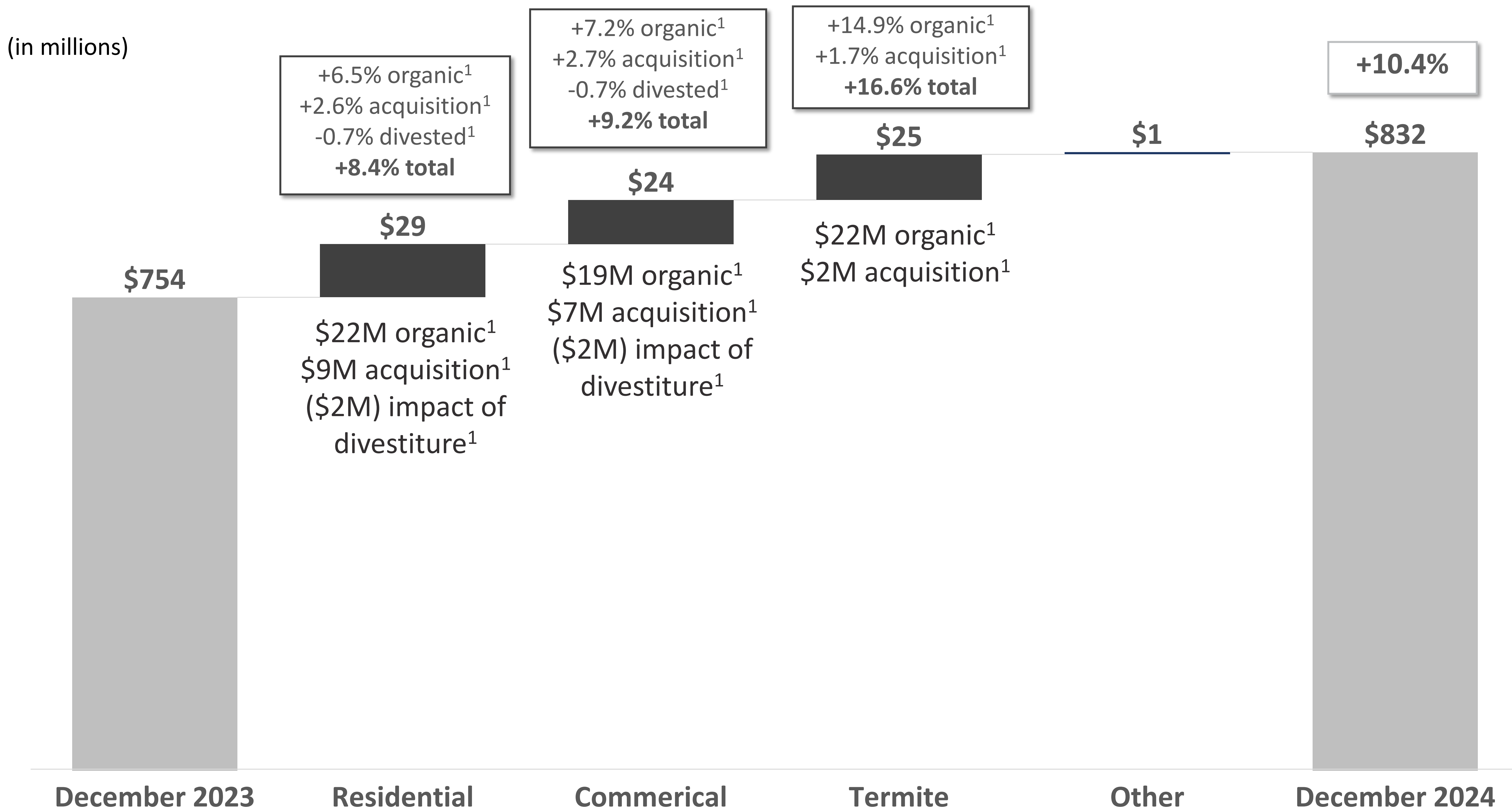
FY 2024 Revenue Growth



Solid Revenue Growth Across All Three Service Lines

Note: Figures may not foot due to rounding.
[1]These amounts are non-GAAP measures

Q4 Revenue Growth

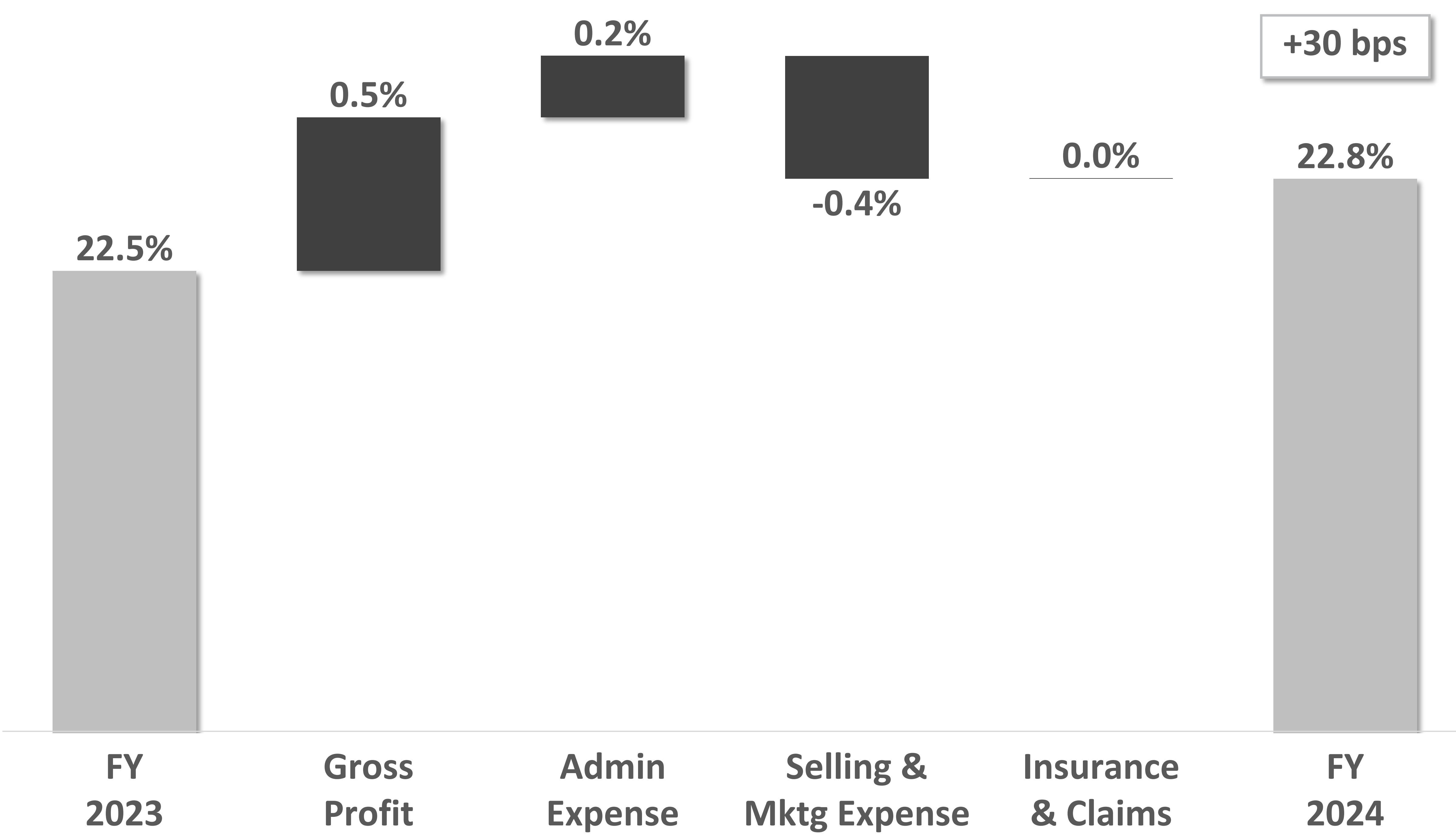


Strongest Quarterly Organic Growth Rate of the Year in Q4

Note: Figures may not foot due to rounding.

[1]These amounts are non-GAAP measures

FY 2024 Adjusted EBITDA Margin[1]



+30 BPS of Margin Expansion Driven by Gross Margin Leverage, Partially Offset by Growth Investments

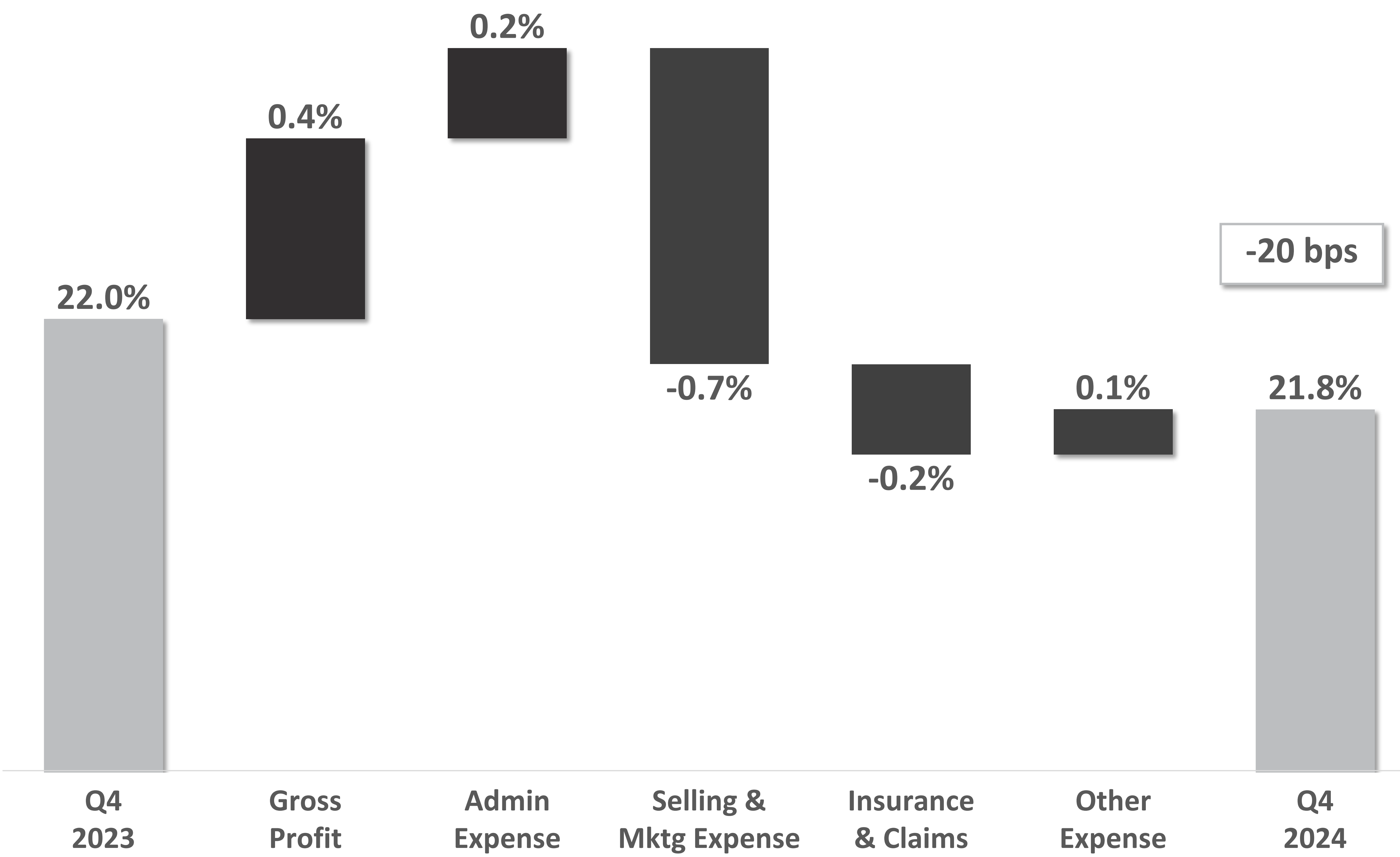
HIGHLIGHTS

Gross Profit
- Gross margin of 52.7%
- Pricing continues to outpace inflation
- Improvement across several key cost categories

Adj. SG&A[1]
- Leverage in administrative costs, offset by incremental investments in Selling & Marketing expenses in 2H of 2024 to bolster sales resources and capitalize on health of underlying markets

[1]These amounts are non-GAAP measures (see Appendix)

Q4 Adjusted EBITDA Margin[1]



Adj. SG&A[1] Pressure Drove -20 BPS of Adj. EBITDA[1] Margin Decline

HIGHLIGHTS

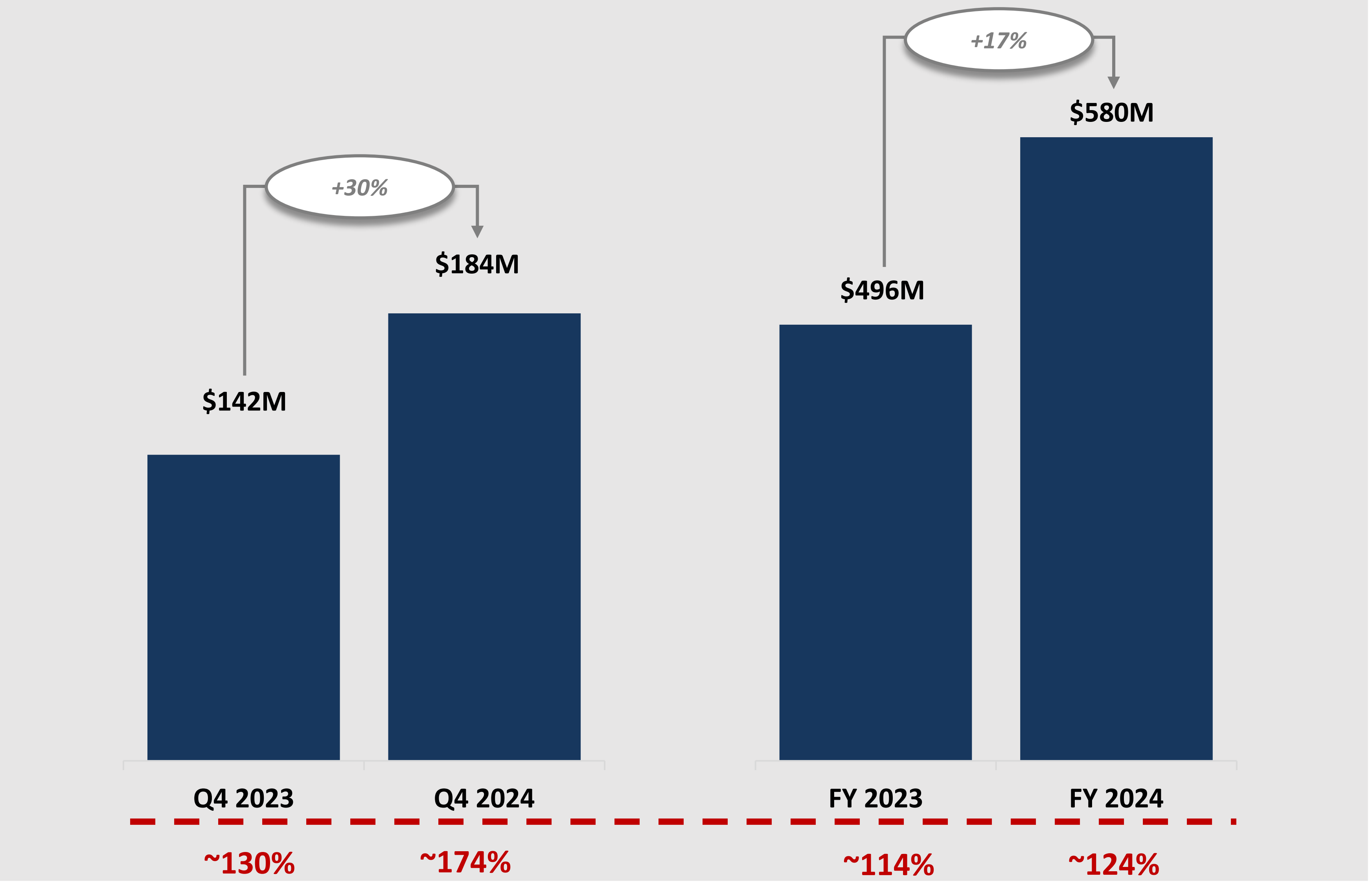
Gross Profit
- Gross margin 51.3%
- Leverage from people and materials & supplies offset pressure from higher insurance-related costs due to developments on legacy auto claims in December

Adj. SG&A[1]
- Leverage on administrative people costs was offset by headwinds from increased insurance & claims, as well as selling and marketing expenses associated with growth initiatives

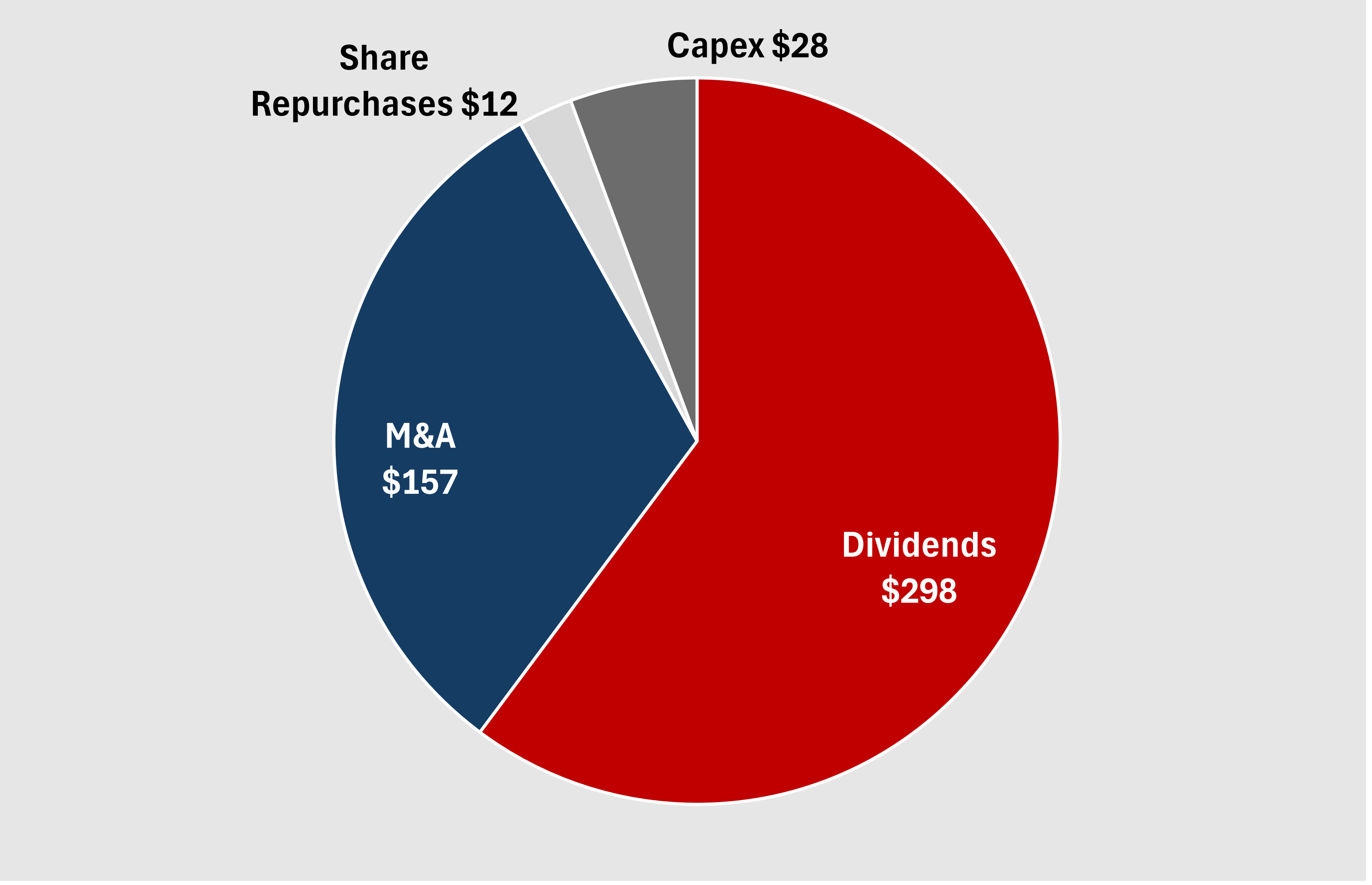
[1]These amounts are non-GAAP measures (see Appendix)

Free Cash Flow and Capital Allocation

Q4 & FY 2024 Free Cash Flow



FY 2024 Uses of Cash Flow



Cash Generation
- FY Free Cash Flow Conversion was ~124%
- Strong balance sheet with modest levels of debt

Acquisitions
- Completed 44 acquisitions in 2024, 32 acquisitions and 12 franchise buybacks

Dividends
- Healthy dividend +13% YoY

Solid Cash Flow Generation and Balanced Capital Allocation Strategy

Investment-Grade Corporate Credit Ratings

As part of our modernization journey, we have received investment-grade corporate credit ratings from Fitch and S&P

Fitch	S&P
BBB+	**BBB**

Provides Access Point to Debt Capital Markets as We Execute Our Growth Strategy

ROLLINS

Investment-Grade Financial Policy

INVESTMENT GRADE FINANCIAL POLICY

LEVERAGE

Committed to a Solid Investment Grade Rating Through Disciplined Growth & Conservative Leverage

- Target Leverage of below 2.0x over time (net, lease adjusted basis)
- Value flexibility to access capital markets (bonds & CP)
- Aligns with conservative company culture and management objectives

Leverage Ratio
- Updated leverage calculation to better align with ratings agencies
- Leverage 0.8x for FY 2024

LIQUIDITY

Maintain Ample Liquidity Through Cash, CP Market Access, and Undrawn Revolver Capacity

- Cash on balance sheet of $90MM as of FYE 2024
- Newly authorized $1 Billion Commercial Paper program, backstopped by existing $1 Billion multi-year Credit Facility
- Generated ~$1.9 Billion of Free Cash Flow[1] over the last 4 years (2021-2024)

BALANCED CAPITAL ALLOCATION FRAMEWORK

M&A

Focus on Using Free Cash Flow to Fund Growth, Complemented by Access to Credit Markets

- High quality, profitable businesses with strong leadership and culture
- Primarily "tuck-ins", occasional larger transaction (~$200 to 400 million)
- Prioritize opportunities with significant synergies and attractive returns

SUSTAINABLE DIVIDEND

Focus on Growing as Earnings and Cash Flow Compound

RETURN OF CAPITAL

Pursue Opportunistic Share Repurchase Opportunities with Excess Cash

[1]These amounts are non-GAAP measures (see Appendix)

Key Takeaways

Focus on Modernization

Hiring key talent across the organization to accelerate modernization efforts

Focused on upgrading technology and executing continuous improvement across key processes

Received Investment-Grade Corporate Credit Ratings from Fitch and S&P

Exceptional Performance

Full year 2024 organic growth of 7.9% driven by robust organic growth across all service areas

Second half organic growth accelerated to 8.0% from 7.6% in the first half of 2024

Healthy pipeline of acquisitions supports 2-3% growth from M&A goal

Essential nature of services provides consistency in business growth across all cycles

Margins Remain a Focus

Focus on pricing and productivity has resulted in increased margins across several key income statement categories

Incremental EBITDA Margins of ~25% for the full year, impacted by growth investments and legacy auto insurance claim developments. Isolating for these two facts, incremental margin generated by underlying operations is solidly in 30% range

Balance Sheet Provides Flexibility

Healthy balance sheet positions us well to execute on capital allocation priorities

FY 2024 cash flow conversion of ~124%

Announced 10% (vs. Q4 2023) increase in quarterly dividend payable in Q1; have increased regular dividend ~65% since beginning of FY 2022

[1]These amounts are non-GAAP measures (see Appendix)

Growth Algorithm

	Last 3 Years	2025E	Medium-Term Outlook
Revenue Growth	12%	~7% to 8% Organic ~2% to 3% M&A	Above-Market Organic Growth + M&A
Adj. Incremental EBITDA Margin[1]	24%	Approaching ~30%	~30-35%
FCF Conversion[1]	119%	>100%	>100%

[1]These amounts are non-GAAP measures (see Appendix)

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Appendix

Reconciliation of GAAP and Non-GAAP Financial Measures

Set below are reconciliations of non-GAAP financial measures used in this investor presentation and conference call with their most directly comparable GAAP measures.

(unaudited, in thousands, except per share data)	Three Months Ended December 31,				Twelve Months Ended December 31,			
			Variance				Variance	
	2024	2023	$	%	**2024**	2023	$	%
Reconciliation of Net Income to Adjusted Net Income and Adjusted EPS [7]								
Net income	**$ 105,675**	$ 108,803			**$ 466,379**	$ 434,957		
Fox acquisition-related expenses [1]	**4,212**	5,266			**17,902**	15,795		
Restructuring costs [2]	**—**	—			**—**	5,196		
Loss (gain) on sale of assets, net [3]	**250**	(410)			**(683)**	(6,636)		
Gain on sale of businesses [4]	**—**	(15,450)			**—**	(15,450)		
Tax impact of adjustments [5]	**(1,142)**	2,712			**(4,408)**	280		
Adjusted net income	**$ 108,995**	$ 100,921	8,074	8.0	**$ 479,190**	$ 434,142	45,048	10.4
EPS - basic and diluted	**$ 0.22**	$ 0.22			**$ 0.96**	$ 0.89		
Fox acquisition-related expenses [1]	**0.01**	0.01			**0.04**	0.03		
Restructuring costs [2]	**—**	—			**—**	0.01		
Loss (gain) on sale of assets, net [3]	**—**	—			**—**	(0.01)		
Gain on sale of businesses [4]	**—**	(0.03)			**—**	(0.03)		
Tax impact of adjustments [5]	**—**	0.01			**(0.01)**	—		
Adjusted EPS - basic and diluted [6]	**$ 0.23**	$ 0.21	0.02	9.5	**$ 0.99**	$ 0.89	0.10	11.2
Weighted average shares outstanding - basic	**484,304**	483,922			**484,249**	489,949		
Weighted average shares outstanding - diluted	**484,351**	484,112			**484,295**	490,130		

(1) Consists of expenses resulting from the amortization of certain intangible assets and adjustments to the fair value of contingent consideration resulting from the acquisition of Fox Pest Control. While we exclude such expenses in this non-GAAP measure, such expenses are expected to recur, the revenue from the acquired company is reflected in this non-GAAP measure and the acquired assets contribute to revenue generation.

(2) Restructuring costs consist of costs primarily related to severance and benefits paid to employees pursuant to restructuring and workforce reduction plans.

(3) Consists of the gain or loss on the sale of non-operational assets.

(4) Represents the gain on the sale of certain non-core businesses.

(5) The tax effect of the adjustments is calculated using the applicable statutory tax rates for the respective periods.

(6) In some cases, the sum of the individual EPS amounts may not equal total non-GAAP EPS calculations due to rounding.

(7) In 2024, we revised the non-GAAP metrics adjusted net income, adjusted EPS, and adjusted EBITDA to exclude gains and losses related to non-operational asset sales. These measures are of operating performance and we believe excluding the gains and losses on non-operational assets allows us to better compare our operating performance consistently over various periods. As a result, these measures may not be comparable to the corresponding measures disclosed in prior years.

Reconciliation of GAAP and Non-GAAP Financial Measures

Set below are reconciliations of non-GAAP financial measures used in this investor presentation and conference call with their most directly comparable GAAP measures.

(unaudited, in thousands, except per share data)	Three Months Ended December 31, 2024	2023	Variance $	Variance %	Twelve Months Ended December 31, 2024	2023	Variance $	Variance %
Reconciliation of Net Income to EBITDA, Adjusted EBITDA, EBITDA Margin, and Adjusted EBITDA Margin (5)								
Net income	**$ 105,675**	$ 108,803			**$ 466,379**	$ 434,957		
Depreciation and amortization	**30,535**	26,143			**113,220**	99,752		
Interest expense, net	**5,027**	8,258			**27,677**	19,055		
Provision for income taxes	**39,675**	37,872			**163,851**	151,300		
EBITDA	**$ 180,912**	$ 181,076	(164)	(0.1)	**$ 771,127**	$ 705,064	66,063	9.4
Fox acquisition-related expenses (1)	**—**	1,050			**1,049**	3,148		
Restructuring costs (2)	**—**	—			**—**	5,196		
Loss (gain) on sale of assets, net (3)	**250**	(410)			**(683)**	(6,636)		
Gain on sale of businesses (4)	**—**	(15,450)			**—**	(15,450)		
Adjusted EBITDA	**$ 181,162**	$ 166,266	14,896	9.0	**$ 771,493**	$ 691,322	80,171	11.6
Revenues	**$ 832,169**	$ 754,086	78,083		**$ 3,388,708**	$ 3,073,278	315,430	
EBITDA margin	**21.7%**	24.0%			**22.8%**	22.9%		
Incremental EBITDA margin			(0.2)%				20.9%	
Adjusted EBITDA margin	**21.8%**	22.0%			**22.8%**	22.5%		
Adjusted incremental EBITDA margin			19.1%				25.4%	
Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow and Free Cash Flow Conversion								
Net cash provided by operating activities	**$ 188,158**	$ 152,825			**$ 607,653**	$ 528,366		
Capital expenditures	**(4,183)**	(11,186)			**(27,572)**	(32,465)		
Free cash flow	**$ 183,975**	$ 141,639	42,336	29.9	**$ 580,081**	$ 495,901	84,180	17.0
Free cash flow conversion	**174.1%**	130.2%			**124.4%**	114.0%		

(1) Consists of expenses resulting from the amortization of certain intangible assets and adjustments to the fair value of contingent consideration resulting from the acquisition of Fox Pest Control. While we exclude such expenses in this non-GAAP measure, such expenses are expected to recur, the revenue from the acquired company is reflected in this non-GAAP measure and the acquired assets contribute to revenue generation.

(2) Restructuring costs consist of costs primarily related to severance and benefits paid to employees pursuant to restructuring and workforce reduction plans.

(3) Consists of the gain or loss on the sale of non-operational assets.

(4) Represents the gain on the sale of certain non-core businesses.

(5) In 2024, we revised the non-GAAP metrics adjusted net income, adjusted EPS, and adjusted EBITDA to exclude gains and losses related to non-operational asset sales. These measures are of operating performance and we believe excluding the gains and losses on non-operational assets allows us to better compare our operating performance consistently over various periods. As a result, these measures may not be comparable to the corresponding measures disclosed in prior years.

Reconciliation of GAAP and Non-GAAP Financial Measures

Set below are reconciliations of non-GAAP financial measures used in this investor presentation and conference call with their most directly comparable GAAP measures.

	Three Months Ended December 31,				Twelve Months Ended December 31,			
			Variance				Variance	
(unaudited, in thousands)	**2024**	2023	$	%	**2024**	2023	$	%
Reconciliation of Revenues to Organic Revenues								
Revenues	**$ 832,169**	$ 754,086	78,083	10.4	**$ 3,388,708**	$ 3,073,278	315,430	10.3
Revenues from acquisitions	**(18,223)**	—	(18,223)	2.4	**(95,517)**	—	(95,517)	3.1
Revenues of divestitures	**—**	(4,060)	4,060	(0.5)	**—**	(20,559)	20,559	(0.7)
Organic revenues	**$ 813,946**	$ 750,026	63,920	8.5	**$ 3,293,191**	$ 3,052,719	240,472	7.9
Reconciliation of Residential Revenues to Organic Residential Revenues								
Residential revenues	**$ 369,062**	$ 340,469	28,593	8.4	**$ 1,535,104**	$ 1,409,872	125,232	8.9
Residential revenues from acquisitions	**(8,728)**	—	(8,728)	2.6	**(62,799)**	—	(62,799)	4.5
Residential revenues of divestitures	**—**	(2,245)	2,245	(0.7)	**—**	(11,913)	11,913	(0.8)
Residential organic revenues	**$ 360,334**	$ 338,224	22,110	6.5	**$ 1,472,305**	$ 1,397,959	74,346	5.2
Reconciliation of Commercial Revenues to Organic Commercial Revenues								
Commercial revenues	**$ 280,446**	$ 256,704	23,742	9.2	**$ 1,125,964**	$ 1,024,176	101,788	9.9
Commercial revenues from acquisitions	**(7,004)**	—	(7,004)	2.7	**(24,460)**	—	(24,460)	2.4
Commercial revenues of divestitures	**—**	(1,815)	1,815	(0.7)	**—**	(8,646)	8,646	(0.8)
Commercial organic revenues	**$ 273,442**	$ 254,889	18,553	7.2	**$ 1,101,504**	$ 1,015,530	85,974	8.3
Reconciliation of Termite and Ancillary Revenues to Organic Termite and Ancillary Revenues								
Termite and ancillary revenues	**$ 172,428**	$ 147,868	24,560	16.6	**$ 688,186**	$ 605,533	82,653	13.6
Termite and ancillary revenues from acquisitions	**(2,491)**	—	(2,491)	1.7	**(8,258)**	—	(8,258)	1.4
Termite and ancillary organic revenues	**$ 169,937**	$ 147,868	22,069	14.9	**$ 679,928**	$ 605,533	74,395	12.2

Reconciliation of GAAP and Non-GAAP Financial Measures

Set below are reconciliations of non-GAAP financial measures used in this investor presentation and conference call with their most directly comparable GAAP measures.

(unaudited, in thousands)		Twelve Months Ended December 31, 2024
Reconciliation of Long-term Debt and Net Income to Leverage Ratio		
Long-term debt (1)	**$**	**397,000**
Operating lease liabilities (2)		**417,218**
Cash adjustment (3)		**(80,667)**
Net adjusted debt	**$**	**733,551**
Net income	**$**	**466,379**
Depreciation and amortization		**113,220**
Interest expense, net		**27,677**
Provision for income taxes		**163,851**
Operating lease cost (4)		**133,420**
Stock-based compensation		**29,984**
Adjusted EBITDAR	**$**	**934,531**
Leverage ratio		**0.8x**

(1) As of December 31, 2024, the Company had outstanding borrowings of $397.0 million under the Credit Facility. Borrowings under the Credit Facility are presented under the long-term debt caption of our consolidated balance sheet, net of $1.7 million in unamortized debt issuance costs as of December 31, 2024.

(2) Operating lease liabilities are presented under the operating lease liabilities - current and operating lease liabilities, less current portion captions of our consolidated balance sheet.

(3) Represents 90% of cash and cash equivalents per our consolidated balance sheet as of both periods presented.

(4) Operating lease cost excludes short-term lease cost associated with leases that have a duration of 12 months or less.

Reconciliation of GAAP and Non-GAAP Financial Measures

Set below are reconciliations of non-GAAP financial measures used in this investor presentation and conference call with their most directly comparable GAAP measures.

(unaudited, in thousands)	Three Months Ended December 31, 2024	Three Months Ended December 31, 2023	Variance %	Twelve Months Ended December 31, 2024	Twelve Months Ended December 31, 2023	Variance %
Reconciliation of Sales, general and administrative expenses ("SG&A") to Adjusted SG&A						
SG&A	**$ 245,545**	$ 218,565		**$ 1,015,067**	$ 915,233	
Fox acquisition-related expenses (1)	**—**	1,050		**1,049**	3,148	
Adjusted SG&A	**$ 245,545**	$ 217,515		**$ 1,014,018**	$ 912,085	
Revenues	**$ 832,169**	$ 754,086		**$ 3,388,708**	$ 3,073,278	
Adjusted SG&A as a % of revenues	**29.5 %**	28.8 %	(0.7)%	**29.9 %**	29.7 %	(0.2)%

(1) Consists of expenses resulting from adjustments to the fair value of contingent consideration resulting from the acquisition of Fox Pest Control. While we exclude such expenses in this non-GAAP measure, the revenue from the acquired company is reflected in this non-GAAP measure and the acquired assets contribute to revenue generation.

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