

Re-presentation of financial information in US dollars

As announced in July 2024, the Group will change its presentation currency to US dollars for all reporting periods starting from 1 January 2025, as it believes that this will provide better alignment of the reporting of performance with its business exposures. Consequently, the Group's first quarter results for the three-month period ending 31 March 2025, and all subsequent financial information, will be prepared using US dollars as the presentation currency.

For comparative purposes, the Group has today published historical financial information re-presented in US dollars on its IR website (www.rentokil-initial.com/investors). The selected unaudited information included in the document has been derived from the consolidated financial statements and accounting records of the Group for each of the years ended 31 December 2022, 31 December 2023 and 31 December 2024, and for the six months ended 30 June 2024.

Statement of Profit or Loss and Other Comprehensive Income (unaudited)

	6 months to 30 June			
	2024	2024	2023	2022
	\$m	\$m	\$m	\$m
Revenue	6,941	3,425	6,687	4,613
Operating expenses	(6,168)	(2,987)	(5,861)	(4,189)
Net impairment losses on financial assets	(72)	(31)	(49)	(30)
Operating profit	701	407	777	394
Finance income	59	30	60	61
Finance cost	(252)	(122)	(234)	(99)
Share of profit from associates net of tax	9	5	11	11
Profit before income tax	517	320	614	367
Income tax expense	(125)	(72)	(140)	(79)
Profit for the year	392	248	474	288
Profit for the year attributable to:				
Equity holders of the Company	392	248	474	288
Non-controlling interests	—	—	—	—
Other comprehensive income:				
Items that are not reclassified subsequently to the income statement:				
Remeasurement of net defined benefit liability	—	—	—	2
Items that may be reclassified subsequently to the income statement:				
Net exchange adjustments offset in reserves	(35)	(18)	(172)	(169)
Net gain/(loss) on net investment hedge	(22)	(11)	136	(84)
Cost of hedging	(7)	(2)	12	(2)
Effective portion of changes in fair value of cash flow hedge	35	6	4	(7)
Tax related to items taken to other comprehensive income	(8)	2	7	14
Other comprehensive income for the year	(37)	(23)	(13)	(246)
Total comprehensive income for the year	355	225	461	42
Total comprehensive income for the year attributable to:				
Equity holders of the Company	355	225	461	42
Non-controlling interests	—	—	—	—
Earnings per share attributable to the Company's equity holders:				
Basic (cents)	15.54	9.85	18.84	14.37
Diluted (cents)	15.51	9.81	18.75	14.30

Balance Sheet (unaudited)

	At 31 December 2024 \$m	At 30 June 2024 \$m	At 31 December 2023 \$m	At 31 December 2022 \$m
Assets				
Non-current assets				
Intangible assets	8,899	9,006	8,970	8,836
Property, plant and equipment	628	634	636	599
Right-of-use assets	577	577	576	543
Investments in associated undertakings	46	54	56	76
Other investments	26	27	27	28
Deferred tax assets	43	61	55	52
Contract costs	298	289	285	260
Retirement benefit assets	4	9	4	4
Trade and other receivables	71	62	57	109
Derivative financial instruments	8	23	72	25
	10,600	10,742	10,738	10,532
Current assets				
Other investments	1	1	1	1
Inventories	287	258	264	242
Trade and other receivables	1,137	1,199	1,121	1,004
Current tax assets	28	11	42	44
Derivative financial instruments	–	13	18	–
Cash and cash equivalents	1,158	1,967	1,989	2,625
	2,611	3,449	3,435	3,916
Liabilities				
Current liabilities				
Trade and other payables	(1,400)	(1,447)	(1,457)	(1,411)
Current tax liabilities	(53)	(58)	(61)	(73)
Provisions for liabilities and charges	(144)	(86)	(119)	(161)
Bank and other short-term borrowings	(1,460)	(1,515)	(1,444)	(1,627)
Lease liabilities	(163)	(168)	(162)	(163)
Derivative financial instruments	(4)	(45)	(41)	–
	(3,224)	(3,319)	(3,284)	(3,435)
Net current (liabilities)/assets	(613)	130	151	481
Non-current liabilities				
Other payables	(86)	(104)	(90)	(109)
Bank and other long-term borrowings	(3,127)	(3,922)	(4,016)	(4,324)
Lease liabilities	(394)	(397)	(405)	(393)
Deferred tax liabilities	(638)	(675)	(659)	(621)
Retirement benefit obligations	(32)	(36)	(36)	(36)
Provisions for liabilities and charges	(381)	(451)	(455)	(461)
Derivative financial instruments	(36)	(27)	(20)	(111)
	(4,694)	(5,612)	(5,681)	(6,055)
Net assets	5,293	5,260	5,208	4,958

Equity**Capital and reserves attributable to the Company's equity holders**

Share capital	41	41	41	410
Share premium	20	19	19	14
Other reserves	(932)	(928)	(903)	(883)
Retained earnings	6,166	6,130	6,053	5,788
	5,295	5,262	5,210	4,960
Non-controlling interests	(2)	(2)	(2)	(2)
Total equity	5,293	5,260	5,208	4,958

Statement of Changes in Equity (unaudited)

	Attributable to equity holders of the Company					Total equity \$m
	Share capital \$m	Share premium \$m	Other reserves \$m	Retained earnings \$m	Non-controlling interests \$m	
At 1 January 2022	34	10	(3,947)	5,615	(2)	1,710
Profit for the period	–	–	–	288	–	288
Other comprehensive income:						
Net exchange adjustments offset in reserves	–	–	(169)	–	–	(169)
Net loss on net investment hedge	–	–	(84)	–	–	(84)
Net loss on cash flow hedge	–	–	(7)	–	–	(7)
Cost of hedging	–	–	(2)	–	–	(2)
Remeasurement of net defined benefit liability	–	–	–	2	–	2
Tax related to items taken directly to other comprehensive income	–	–	–	14	–	14
Total comprehensive income for the year	–	–	(262)	304	–	42
Transactions with owners:						
Shares issued in the year	7	–	–	–	–	7
Merger relief on acquisition of Terminix Global Holdings, Inc	–	–	3,347	–	–	3,347
Gain on stock options	–	4	–	–	–	4
Cost of issuing new shares	–	–	(21)	–	–	(21)
Dividends paid to equity shareholders	–	–	–	(147)	–	(147)
Cost of equity-settled share-based payment plans	–	–	–	22	–	22
Tax related to items taken directly to equity	–	–	–	(2)	–	(2)
Movement in the carrying value of put options	–	–	–	(4)	–	(4)
At 31 December 2022	41	14	(883)	5,788	(2)	4,958
Adjustment on initial application of IFRS 17	–	–	–	(1)	–	(1)
Adjusted balance as at 1 January 2023	41	14	(883)	5,787	(2)	4,957
Profit for the period	–	–	–	474	–	474
Other comprehensive income:						
Net exchange adjustments offset in reserves	–	–	(172)	–	–	(172)
Net gain on net investment hedge	–	–	136	–	–	136
Net gain on cash flow hedge	–	–	4	–	–	4
Cost of hedging	–	–	12	–	–	12
Tax related to items taken directly to other comprehensive income	–	–	–	7	–	7
Total comprehensive income for the year	–	–	(20)	481	–	461
Transactions with owners:						
Gain on stock options	–	5	–	–	–	5
Dividends paid to equity shareholders	–	–	–	(252)	–	(252)
Cost of equity-settled share-based payment plans	–	–	–	32	–	32
Movement in the carrying value of put options	–	–	–	5	–	5
At 31 December 2023	41	19	(903)	6,053	(2)	5,208
Profit for the year	–	–	–	392	–	392
Other comprehensive income:						
Net exchange adjustments offset in reserves	–	–	(35)	–	–	(35)
Net loss on net investment hedge	–	–	(22)	–	–	(22)

Net gain on cash flow hedge	–	–	35	–	–	35
Cost of hedging	–	–	(7)	–	–	(7)
Tax related to items taken directly to other comprehensive income	–	–	–	(8)	–	(8)
Total other comprehensive income for the year	–	–	(29)	384	–	355
Transactions with owners:						
Gain on stock options	–	1	–	–	–	1
Dividends paid to equity shareholders	–	–	–	(292)	–	(292)
Cost of equity-settled share-based payment plans	–	–	–	25	–	25
Tax related to items taken directly to equity	–	–	–	(3)	–	(3)
Movement in the carrying value of put options	–	–	–	(1)	–	(1)
At 31 December 2024	41	20	(932)	6,166	(2)	5,293

	Attributable to equity holders of the Company					Total equity \$m
	Share capital \$m	Share premium \$m	Other reserves \$m	Retained earnings \$m	Non-controlling interests \$m	
At 1 January 2024	41	19	(903)	6,053	(2)	5,208
Profit for the period	–	–	–	248	–	248
Other comprehensive income:						
Net exchange adjustments offset in reserves	–	–	(18)	–	–	(18)
Net loss on net investment hedge	–	–	(11)	–	–	(11)
Net gain on cash flow hedge	–	–	6	–	–	6
Cost of hedging	–	–	(2)	–	–	(2)
Tax related to items taken directly to other comprehensive income	–	–	–	2	–	2
Total comprehensive income for the year	–	–	(25)	250	–	225
Transactions with owners:						
Dividends paid to equity shareholders	–	–	–	(186)	–	(186)
Cost of equity-settled share-based payment plans	–	–	–	14	–	14
Tax related to items taken directly to equity	–	–	–	(1)	–	(1)
At 30 June 2024	41	19	(928)	6,130	(2)	5,260

Cash flow Statement (unaudited)

	6 months to 30 June			
	2024	2024	2023	2022
	\$m	\$m	\$m	\$m
Cash flows from operating activities				
Operating profit	701	407	777	394
Adjustments for:				
– Depreciation and impairment of property, plant and equipment	204	98	191	184
– Depreciation and impairment of leased assets	157	79	150	132
– Amortisation and impairment of intangible assets (excluding computer software)	254	110	218	146
– Amortisation and impairment of computer software	33	16	32	27
– Other non-cash items	23	17	32	9
Changes in working capital (excluding the effects of acquisitions and exchange differences on consolidation):				
– Inventories	(15)	7	(18)	(11)
– Contract costs	(18)	(7)	(24)	(13)
– Trade and other receivables	(48)	(89)	(36)	(36)
– Trade and other payables and provisions	(129)	(75)	(76)	52
Interest received	46	24	31	16
Interest paid	(229)	(156)	(237)	(65)
Income tax paid	(111)	(39)	(124)	(95)
Net cash flows from operating activities	868	392	916	740
Cash flows from investing activities				
Purchase of property, plant and equipment	(219)	(106)	(207)	(190)
Purchase of intangible fixed assets	(56)	(27)	(55)	(46)
Proceeds from sale of property, plant and equipment	5	2	17	6
Acquisition of companies and businesses, net of cash acquired	(220)	(96)	(298)	(1,163)
Disposal of companies and businesses	–	–	–	2
Disposal of investment in associate	–	–	24	–
Dividends received from associates	14	–	5	5
Net change to cash flow from investment in term deposits	(1)	–	–	1
Net cash flows from investing activities	(477)	(227)	(514)	(1,385)
Cash flows from financing activities				
Dividends paid to equity shareholders	(292)	(186)	(252)	(147)
Capital element of lease payments	(185)	(91)	(195)	(130)
Cost of issuing new shares	–	–	–	(20)
Cash outflow on settlement of debt-related foreign exchange forward contracts	(11)	(8)	(4)	32
Proceeds from new debt	–	–	–	2,857
Debt repayments	(464)	(5)	–	(971)
Net cash flows from financing activities	(952)	(290)	(451)	1,621
Net (decrease)/increase in cash and cash equivalents	(561)	(125)	(49)	976
Cash and cash equivalents at beginning of year	1,062	1,062	1,064	327
Exchange (loss)/gain on cash and cash equivalents	(34)	(31)	47	(239)
Cash and cash equivalents at end of the financial year	467	906	1,062	1,064

Segmental Analysis (unaudited)

		Operating						
	Revenue	Revenue	Revenue	Revenue	Operating profit	Operating profit	Operating profit	
	2024	30 June 2024	2023	2022	2024	30 June 2024	2023	2022
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
North America								
Pest Control	4,026	2,007	3,981	2,169	688	372	745	369
Hygiene & Wellbeing	138	60	131	128	25	12	23	23
Sub-total North America	4,164	2,067	4,112	2,297	713	384	768	392
International								
Europe (incl LATAM)								
Pest Control	678	334	642	531	158	76	154	128
Hygiene & Wellbeing	450	219	428	400	69	31	65	66
France Workwear	294	144	275	238	52	25	48	38
	1,422	697	1,345	1,169	279	132	267	232
UK & Sub-Saharan Africa								
Pest Control	261	128	243	227	68	33	63	59
Hygiene & Wellbeing	294	142	243	227	60	29	54	60
	555	270	486	454	128	62	117	119
Asia & MENAT								
Pest Control	338	162	311	287	44	21	42	42
Hygiene & Wellbeing	113	55	111	112	14	7	14	14
	451	217	422	399	58	28	56	56
Pacific								
Pest Control	172	86	154	129	29	15	27	19
Hygiene & Wellbeing	163	81	155	152	42	22	40	39
	335	167	309	281	71	37	67	58
Sub-total International	2,763	1,351	2,562	2,303	536	259	507	465
Total	6,927	3,418	6,674	4,600	1,249	643	1,275	857
Central and regional overheads								
	14	7	13	13	(175)	(77)	(150)	(133)
Restructuring costs	–	–	–	–	(9)	(2)	(9)	(15)
Revenue and Adjusted Operating Profit								
	6,941	3,425	6,687	4,613	1,065	564	1,116	709
One-off and adjusting items					(110)	(47)	(121)	(169)
Amortisation and impairment of intangible assets					(254)	(110)	(218)	(146)
Operating profit					701	407	777	394

Adjusted Profit Before Tax (unaudited)

		6 months to 30 June		
	2024	2024	2023	2022
	\$m	\$m	\$m	\$m
Profit before income tax	517	320	614	367
Net interest adjustments	17	8	(1)	(22)
One-off and adjusting items	110	47	121	169
Amortisation and impairment of intangibles	254	110	218	146
Adjusted Profit Before Tax	898	485	952	660

Free Cash Flow (unaudited)

	6 months to 30 June			
	2024	2024	2023	2022
	\$m	\$m	\$m	\$m
Net cash flows from operating activities	868	391	916	740
Purchase of property, plant, equipment	(219)	(106)	(207)	(190)
Purchase of intangible assets	(56)	(27)	(55)	(46)
Capital element of lease payments and initial direct costs incurred	(185)	(91)	(188)	(130)
Proceeds from sale of property, plant, equipment and software	5	2	17	6
Cash impact of one-off and adjusting items	99	52	132	73
Dividends received from associates	14	–	5	5
Free Cash Flow	526	221	620	458

Key USD/GBP rates used

	FY 24	HY 24	FY 23	FY 22	
Average	0.7829	0.7900	0.8038	0.8051	Used in Statement of Profit or Loss and Cash Flow Statement
Closing	0.7988	0.7915	0.7851	0.8265	Used in Balance Sheet