Baird 2024 Global Industrial Conference

Rollins, Inc.

Ken Krause, EVP & Chief Financial Officer

November 14, 2024

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; a healthy market environment; our disciplined and strategic approach to mergers and acquisitions; broad brand portfolio; prioritizing opportunities with significant synergies; expected growth and margin expansion; strategic pricing and procurement optimization; continuous improvement initiatives enhancing profitability; distinct competitive advantages that enable us to extend our leadership position; structural tailwinds; and creation of shareholder value through disciplined capital allocation.

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.

Further, 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.

ROLLINS®

Reconciliation of GAAP and Non-GAAP Financial Measures

The Company has used the non-GAAP financial measures of organic revenues, organic revenues by type, adjusted operating income, adjusted operating margin, adjusted net income, adjusted earnings per share (“EPS”), earnings before interest, taxes, depreciation and amortization (“EBITDA”), EBITDA margin, Adjusted EBITDA, adjusted EBITDA margin, incremental EBITDA margin, adjusted incremental EBITDA margin, free cash flow, free cash flow conversion, net debt, net leverage ratio, and adjusted sales, general and administrative expenses ("SG&A") in this presentation. Organic revenue is calculated as revenue less the revenue from acquisitions completed within the prior 12 months and excluding the revenue from divested businesses. Acquisition revenue is based on the trailing 12-month revenue of our acquired entities. Adjusted operating income and adjusted operating income margin are calculated by adding back to the GAAP measures those expenses resulting from the 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. Adjusted net income and adjusted EPS are calculated by adding back to the GAAP measure 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 by further subtracting the tax impact of those expenses, gains, or losses. Adjusted EBITDA and adjusted EBITDA margin are calculated by adding back to the GAAP measures 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. Incremental EBITDA margin is calculated as the change in EBITDA divided by the change in revenue. Adjusted incremental EBITDA margin is calculated as the change in adjusted EBITDA divided by the change in revenue. Free cash flow is calculated by subtracting capital expenditures from cash provided by operating activities. Free cash flow conversion is calculated as free cash flow divided by net income. Net debt is calculated as total long-term debt less cash and cash equivalents. Net leverage ratio is calculated by dividing net debt by trailing twelve-month EBITDA. Adjusted SG&A is calculated by removing the adjustments to the fair value of contingent consideration resulting from the acquisition of Fox. 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 uses adjusted operating income, adjusted operating income margin, adjusted net income, adjusted EPS, EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, incremental EBITDA margin, adjusted incremental EBITDA margin, and adjusted SG&A as measures of operating performance because these measures allow the Company to compare performance consistently over various periods. Management also uses organic revenues, and organic revenues by type to compare revenues over various periods excluding the impact of acquisitions and divestitures. Management uses free cash flow to demonstrate the Company’s ability to maintain its asset base and generate future cash flows from operations. Management uses free cash flow conversion to demonstrate how much net income is converted into cash. Management uses net debt as an assessment of overall liquidity, financial flexibility, and leverage. Net leverage ratio is useful to investors because it is an indicator of our ability to meet our future financial obligations. 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.

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.

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

ROLLINS®

Long-Term Compounder

2000-2023

Revenue
+7%
CAGR

Adj. EBITDA [1]
+14%
CAGR

Operating Cash Flow
+18%
CAGR

Annual TSR
+21%
Average

1 This is a non-GAAP measure (see Appendix).

Successful Track Record

20+ YEARS OF CONSECUTIVE GROWTH	**~8%** 2008-2023 REVENUE CAGR	**>75%** RECURRING REVENUE	**+800BPS** 2008-2023 Adj. EBITDA[1] MARGIN EXPANSION

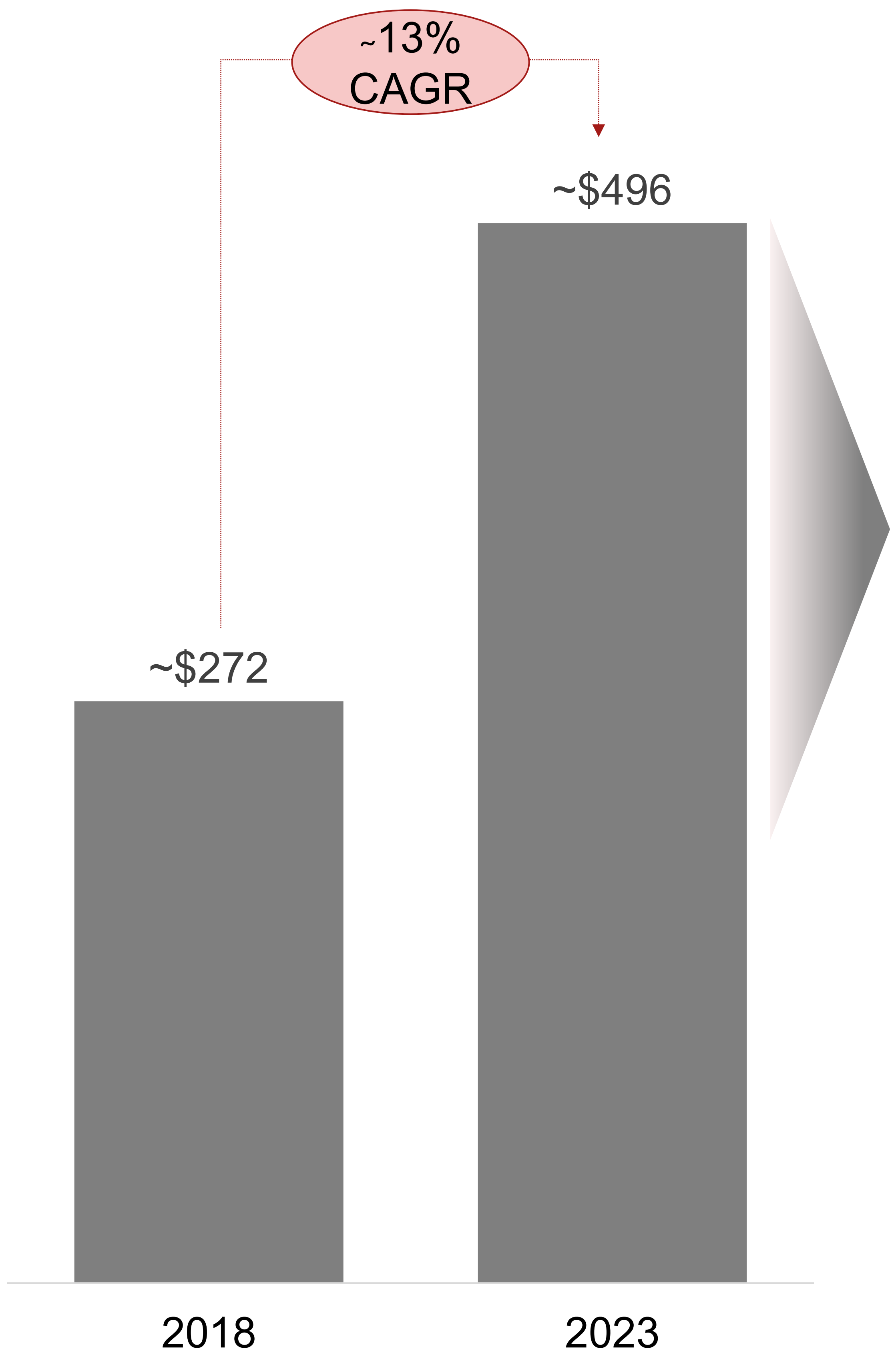
RESILIENT FINANCIAL PERFORMANCE ACROSS CYCLES

	REVENUE GROWTH	ADJ. EBITDA GROWTH [1]
GREAT FINANCIAL CRISIS **2008 – 2010**	~6%	~11%
INDUSTRIAL SLOWDOWN **2015 – 2016**	~6%	~8%
COVID PANDEMIC **2020 – 2022**	~12%	~15%

1 This is a non-GAAP measure (see Appendix).

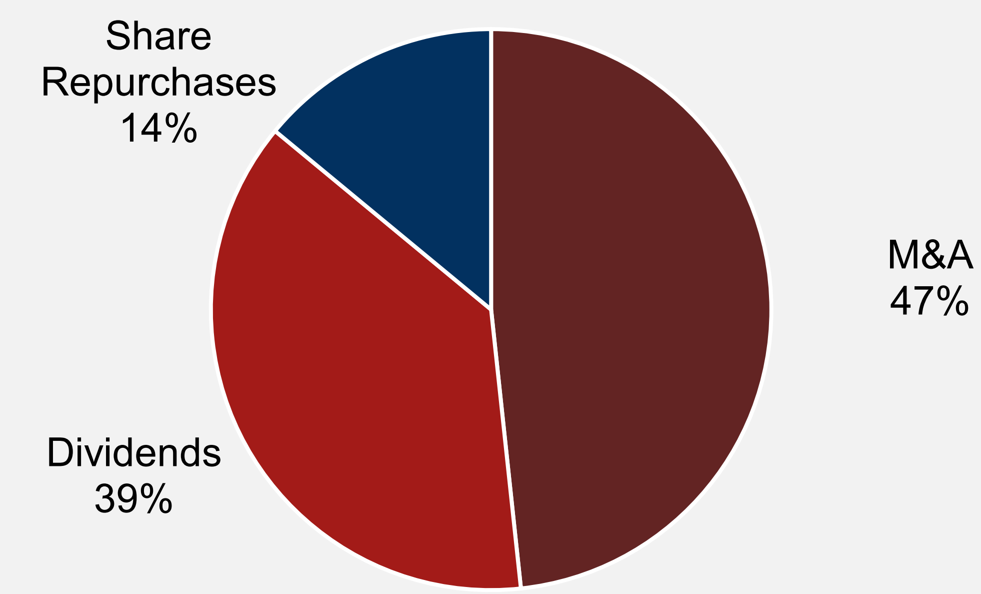
Disciplined Capital Deployment

Free Cash Flow[1] ($MM)



HOW IT WAS SPENT

Free Cash Flow[1] Allocated to M&A, Dividends & Share Repurchases



M&A $1.2B	Dividends $1.0B	Share Repurchases $0.4B
• High-Quality, Profitable Businesses with Strong Leadership • Prioritize Opportunities with Significant Synergies • Attractive Returns	• Dividend Increased 45% since Q4 2022 • Sustainable; Focus on Growing as Earnings and Cash Flow Compound	• 16.9MM Share Repurchase Authorization with Remaining Authorization of 11.4MM • ~40% IRR on Recent Deployment

1 This is a non-GAAP measure (see Appendix).

Platform Poised for Strong and Continued Growth

Organic Revenue Growth			Accretive M&A	Margin Expansion	
Above-Market Organic Growth	**Product Adjacencies and Portfolio Expansion**	**International Expansion**	**Continued Accretive M&A**	**Gross Margin**	**SG&A**
Continue above market growth through broad brand portfolio and multi-channel access	*Cross-sell new service offerings such as mosquito, bed bug, wildlife control, and flea and tick services*	*Build on existing international platforms*	*Drive further growth opportunities across fragmented landscape*	*Strategic pricing and procurement optimization through scale and vendor relationships*	*Centralization of select back-office services, platform technology spend, and talent management*

Q3 2024 Results

Revenue	**$916M**	**+9%**
Adj. EPS	**$0.29**	**+4%**
Free Cash Flow[1]	**$139M**	**+16%**

Other Q3 Highlights

- Healthy growth across all major service lines
- Organic growth[1] of **7.7%**; acquisitions drove remaining growth, offset by divestitures in Q3 2024
- Gross margin of **54%** and pressure in SG&A from incremental sales staffing and marketing activities drove **80** basis points decrease in Adj. EBITDA margins[1]
- Free cash flow[1] increased ~**16%**; Free cash flow conversion[1] of ~**102%**

Quarter Marked by Solid Organic Growth, Significant Investments in People and Advertising to Capitalize on Healthy Market Environment, and Double-Digit Operating Cash Flow Growth

Comparisons are against Q3 2023 unless otherwise noted.
[1] These amounts are non-GAAP measures (see Appendix).

Growth Algorithm

	Last 3 Years	2024E	Medium-Term Outlook
Revenue Growth	12%	~7% to 8% Organic ~2% to 3% M&A ~9% to 11%	Above-Market Organic Growth + M&A
Adj. Incremental EBITDA Margin [1]	~27%	~30%	~30-35%
FCF Conversion [1]	~112% Average	> 100%	> 100%

Key Takeaways

1

Rollins is a scaled player in the core North American pest control market, with distinct competitive advantages that enable us to extend our leadership position

2

We operate in a large and highly fragmented industry with significant runway for growth that has been accelerated by a number of structural tailwinds

3

We continue to invest for growth, both organically as well as through disciplined and strategic M&A

4

We strongly embrace our culture of continuous improvement and productivity that will be enhanced by our modernization efforts

5

We are a compounder and will continue to create shareholder value through disciplined capital allocation

Appendix

Non-GAAP Reconciliation

$MM	2000	2008	2010	2013	2015	2016	2018	2020	2021	2022	2023	Q1 2024	Q2 2024	Q3 2024
Revenue	$647	$1,021	$1,137	$1,337	$1,485	$1,573	$1,822	$2,161	$2,424	$2,696	$3,073	$748	$892	$916
Adj. EBITDA														
GAAP Net Income	$9.6	$68.9	$90.0	$123.3	$152.1	$167.4	$231.7	$266.8	$356.6	$368.6	$435.0	$94.4	$129.4	$136.9
Plus: Income Tax Provision	5.85	44.0	53.5	68.3	91.0	93.3	79.1	95.9	125.9	130.3	151.3	30.2	45.6	48.3
Plus: Net Interest (Income) / Expense	0.5	0.8	0.4	(0.4)	(0.2)	(0.2)	(0.2)	5.1	0.8	2.6	19.1	7.7	7.8	7.2
Plus: Depreciation and Amortization	18.4	33.4	36.4	39.6	44.5	50.9	66.8	79.3	86.6	91.3	99.8	27.3	27.7	27.7
EBITDA	**$34.3**	**$147.2**	**$180.4**	**$230.8**	**$287.5**	**$311.4**	**$377.3**	**$447.1**	**$569.9**	**$592.9**	**$705.1**	**$159.7**	**$210.5**	**$220.0**
Plus: Accelerated Stock Vesting Expense	-	-	-	-	-	-	-	6.7	-	-	-	-	-	-
Minus: Property Disposition Gains	-	-	-	-	-	-	-	-	(31.5)	-	-	-	-	-
Plus: SEC Matter	-	-	-	-	-	-	-	-	8.0	-	-	-	-	-
Plus: Acquisition-Related Expenses	-	-	-	-	-	-	-	-	-	-	3.1	1.0	-	-
Plus: Restructuring Costs	-	-	-	-	-	-	-	-	-	-	5.2	-	-	-
Minus: Gain on Sale of Assets	-	-	-	-	-	-	-	-	-	-	(6.6)	0.1	(0.4)	(0.6)
Minus: Gain on Sale of Business	-	-	-	-	-	-	-	-	-	-	(15.5)	-	-	-
Adj. EBITDA[1]	**$34.3**	**$147.2**	**$180.4**	**$230.8**	**$287.5**	**$311.4**	**$377.3**	**$453.8**	**$546.4**	**$592.9**	**$691.3**	**$160.8**	**$210.1**	**$219.5**
Adj. EBITDA Margin		*14.4%*	*15.9%*	*17.3%*	*19.4%*	*19.8%*	*20.7%*	*21.0%*	*22.5%*	*22.0%*	*22.5%*	*21.5%*	*23.6%*	*24.0%*
Free Cash Flow														
Net Cash Provided by Operating Activities	$11.4	$90.7	$124.1	$162.7	$196.4	$226.5	$299.4	$435.8	$401.8	$465.9	$528.4	$127.4	$145.1	$146.9
Less: Capital Expenditures	(14.4)	(14.8)	(13.0)	(18.6)	(39.5)	(33.1)	(27.2)	(23.2)	(27.2)	(30.6)	(32.5)	(7.2)	(8.7)	(7.5)
Free Cash Flow[2]	**($3.0)**	**$75.9**	**$111.0**	**$144.0**	**$156.9**	**$193.4**	**$272.2**	**$412.6**	**$374.6**	**$435.3**	**$495.9**	**$120.2**	**$136.4**	**$139.4**
Free Cash Flow Conversion	*NM*	*110%*	*123%*	*117%*	*103%*	*116%*	*118%*	*155%*	*105%*	*118%*	*114%*	*127%*	*105%*	*102%*

1. Management uses EBITDA, Adjusted EBITDA and Adjusted EBITDA margin as measures of operating performance, as these allow the Company to compare performance consistently over various periods
2. Management uses Free Cash Flow, calculated as net cash provided by operating activities less capital expenditures, to demonstrate the Company's ability to maintain its asset base and generate future cash flows from operations. Management uses Free Cash Flow Conversion, calculated as Free Cash Flow divided by net income, to demonstrate conversion of net income to cash. 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.

Note: Amounts may not foot due to rounding.

Non-GAAP Reconciliation

$MM	2019	2021	2022	Q1 2023	2023	Q1 2024	Q2 2024	Q3 2024
Adj. SG&A								
SG&A	**$629.4**	**$727.5**	**$802.7**	**$196.4**	**$915.2**	**$223.1**	**$271.5**	**$274.9**
Minus: Clark Pest Control acquisition-related expenses	(2.7)	-	-	-	-	-	-	-
Minus: SEC Matter	-	(8.0)	-	-	-	-	-	-
Minus: Fox Acquisition-related expenses	-	-	-	-	(3.1)	(1.1)	-	-
Adj. SG&A[1]	**$626.7**	**$719.5**	**$802.7**	**$196.4**	**$912.1**	**$222.0**	**$271.5**	**$274.9**
Adj. SG&A as % of Revenue	*29.7%*	*29.8%*	*29.8%*	*29.9%*	*29.7%*	*29.7%*	*30.4%*	*30.0%*

$MM	2021	2022	2023
Net Debt and Net Leverage Ratio			
Long-term Debt	$155.0	$54.9	$490.8
Minus: Cash	105.3	95.3	103.8
Net Debt [2]	**$49.7**	**($40.4)**	**$387.0**
Trailing Twelve-month EBITDA	569.9	592.9	705.1
Net Leverage Ratio [2]	**0.1x**	**(0.1x)**	**0.5x**

	Q1 2024	Q2 2024	Q3 2024
Adj. EPS			
EPS	**$0.19**	**$0.27**	**$0.28**
Fox Acquisition-related expenses	0.01	0.01	0.01
Gain on sale of assets	-	-	-
Tax impact of adjustments	-	-	-
Adj. EPS[1]	**$0.20**	**$0.27**	**$0.29**

1. Management uses Adjusted SG&A and Adjusted EPS as measures of operating performance, as these allow the Company to compare performance consistently over various periods
2. Management uses net debt as an assessment of overall liquidity, financial flexibility, and leverage. Net leverage ratio is useful to investors because it is an indicator of our ability to meet our future financial obligations

Note: Amounts may not foot due to rounding..

Non-GAAP Reconciliation

$MM	Q3 2024	Q3 2023	Variance	
Organic Revenues			$	%
Revenues	**$916.3**	**$840.4**	**75.8**	**9.0**
Revenues from Acquisitions	(17.3)	-	(17.3)	2.1
Revenues of Divestitures	-	(5.8)	5.8	(0.8)
Organic Revenues[1]	**$898.9**	**$834.6**	**64.3**	**7.7**

$MM	Q3 2024	Q3 2023
Adj. Operating Income & Adj. Operating Income Margin		
Operating Income	**$191.8**	**$177.1**
Fox Acquisition-related expenses	4.2	5.3
Restructuring costs	-	5.2
Adj. Operating Income	**$196.0**	**$187.6**
Revenues	**$916.3**	**$840.4**
Operating Income Margin	**20.9%**	**21.1%**
Adj. Operating Income Margin [2]	**21.4%**	**22.3%**

1. Management uses Organic Revenues to compare revenues over various periods excluding the impact of acquisitions and divestitures.
2. Management uses Adjusted Operating Income Margin as a measure of operating performance, as it allows the Company to compare performance consistently over various periods