

# Rentokil Initial Limited

Directors' report and  
financial statements

**Year ended 31 December 2024**

***Registered number: 8996***

# Rentokil Initial Limited

## Directors' report and financial statements

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# Rentokil Initial Limited

## Directors and other information

<b>Directors</b>	R. Greany P. Wood (United Kingdom) G. Harris (United Kingdom)
<b>Secretary</b>	P. McSherry
<b>Registered office</b>	Hazel House Millennium Park Naas Co. Kildare
<b>Auditor</b>	PricewaterhouseCoopers Chartered Accountants & Statutory Audit Firm One Spencer Dock North Wall Quay Dublin
<b>Bankers</b>	Barclays Bank Ireland PLC 1 Molesworth Street Dublin 2
<b>Solicitors</b>	Dundon Callanan Solicitors 17 The Crescent O'Connell Street Limerick
<b>Registered number</b>	8996

# Rentokil Initial Limited

## Directors' report

The directors present their directors' report and audited financial statements of the company for the year ended 31 December 2024.

### Principal activity

The company is primarily engaged in the provision of pest control services. All types of pest infestation are controlled or prevented by methods that are environmentally safe. In addition to pest control services, the company also provides feminine care services, which specialises in the supply and disposal of sanitary dressings and washroom services through its hygiene division. The Ambius division installs and maintains tropical plants in business premises.

The company also has a subsidiary that is involved in services for the collection and removal of medical waste. There have been no changes in the businesses and they have continued to trade in line with expectations.

### Results for the year and state of affairs as at 31 December 2024

The income for the year ended 31 December 2024 and statement of financial position at that date are set out on pages 9 and 11. The financial statements have been prepared, in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS101").

Profit after tax for the year amounted to €3,262,335 (2023: €4,662,916).

### Dividends

During the year the directors paid a dividend of €14,000.000 (2023: €Nil).

### Principal risks and uncertainties

The directors consider that the following are the principal risk factors that could materially and adversely affect the company's future operating profits or financial position. The company has controls embedded within its systems to limit each of these potential exposures and managers and the board regularly review, reassess and proactively limit the associated risks.

The directors consider that the principal risks and uncertainties faced by the company are in the following categories:

#### *Economic risk*

The risk of interest rates and or inflation having an adverse impact on served markets.

The risk of unrealistic increases in wages or infrastructural cost impacting adversely on competitiveness of the company and its customers.

These risks are managed by strict controls over costs.

#### *Competition risk*

The directors of the company manage competition risk through close attention to customer service levels and building quality relationships with customers.

#### *Financial risk*

The company has budgetary and financial reporting procedures, supported by appropriate key performance indicators, to manage credit, liquidity and other financial risks.

# Rentokil Initial Limited

## Directors' report *(continued)*

### **Principal risks and uncertainties *(continued)***

The directors have carried out a comprehensive review of the development and performance of the company and its subsidiary undertakings, business risk during the financial year under Section 327 of the Companies Act 2014. The directors are of the opinion that there are no unusual risks or uncertainties that the company will face and that there are no material changes to its trading expectations.

### **Directors' and secretary and their interests**

The names of the persons who were directors during the year are Ronan Greany, Philip Wood and Grace Harris. They served as directors for the entire year.

In accordance with the company's Articles of Association the directors are not required to retire by rotation.

The directors and secretary who held office at 31 December 2024 had no interests in the company or group companies greater than 1% of total shareholding.

### **Post balance sheet events**

There are no events since the end of the year impacting the company to note.

### **Political and charitable donations**

The company made no disclosable political or charitable donations during the year (2023: €Nil).

### **Accounting records**

The directors believe that they have complied with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to maintaining adequate accounting records by employing personnel with appropriate expertise and by providing adequate resources to the finance function. The accounting records are maintained at Hazel House, Millennium Park, Naas, Co Kildare.

### **Relevant audit information**

The directors believe that they have taken all steps necessary to make themselves aware of any relevant audit information and have established that the company's statutory auditors are aware of that information. In so far as they are aware, there is no relevant audit information of which the company's statutory auditors are unaware.

### **Directors' compliance statement**

The directors, in accordance with Section 225(2) of the Companies Act 2014, acknowledge that they are responsible for securing the Company's compliance with certain obligations specified in that section arising from the Companies Act 2014 and Tax laws ('relevant obligations'). The directors confirm that:

- a compliance policy statement is in progress setting out the company's policies with regard to such compliance;
- appropriate arrangements and structures that, in their opinion, are designed to secure material compliance with the company's relevant obligations, will be put in place; and
- a review is being undertaken, of the arrangements and structures in place to secure the company's compliance with its relevant obligations.


# Rentokil Initial Limited

## Directors' report *(continued)*

### **Auditor**

The auditor, PricewaterhouseCoopers, have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

On behalf of the board

  
Grace Harris (Dec 18, 2025 17:12:23 GMT)

Grace Harris  
*Director*

  
Phillip Wood (Dec 18, 2025 17:14:39 GMT)

Phillip Wood  
*Director*

*18 December 2025*

# Rentokil Initial Limited

## Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.


Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with *FRS 101 Reduced Disclosure Framework*.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company and of its profit or loss for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the assets, liabilities, financial position and profit or loss of the company and enable them to ensure that the financial statements comply with the Companies Act 2014. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

On behalf of the board

  
Grace Harris (Dec 18, 2025 17:12:23 GMT)

Grace Harris  
*Director*

  
Phillip Wood (Dec 18, 2025 17:14:39 GMT)

Phillip Wood  
*Director*

18 December 2025

# ***Independent auditors' report to the members of Rentokil Initial Limited***

## **Report on the audit of the financial statements**

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### **Opinion**

In our opinion, Rentokil Initial Limited's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 31 December 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 101 "Reduced Disclosure Framework" and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Annual Report, which comprise:

- the Statement of financial position as at 31 December 2024;
  - the Income statement and Statement of comprehensive income for the year then ended;
  - the Statement of changes in equity for the year then ended; and
  - the notes to the financial statements, which include a description of the significant accounting policies.
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### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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### **Conclusions relating to going concern**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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### **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the

financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' Report.

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## **Responsibilities for the financial statements and the audit**

### *Responsibilities of the directors for the financial statements*

As explained more fully in the Statement of directors' responsibilities set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

### *Auditors' responsibilities for the audit of the financial statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

[https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf)

This description forms part of our auditors' report.

### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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## Other required reporting

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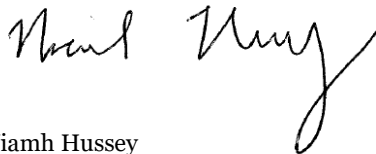
### Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
  - In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
  - The financial statements are in agreement with the accounting records.
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### Other exception reporting

#### *Directors' remuneration and transactions*

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.



Niamh Hussey  
for and on behalf of PricewaterhouseCoopers  
Chartered Accountants and Statutory Audit Firm  
Dublin  
18 December 2025

# Rentokil Initial Limited

## Income statement

for the year ended 31 December 2024

	Note	2024 €	2023 €
<b>Revenue</b> – continuing activities	2	<b>37,714,856</b>	34,336,136
Cost of sales		<b>(23,267,932)</b>	(20,417,721)
		<hr/>	<hr/>
<b>Gross profit</b>		<b>14,446,924</b>	13,918,415
Administration costs	3	<b>(10,625,491)</b>	(8,574,828)
		<hr/>	<hr/>
<b>Operating profit</b> – continuing activities	3	<b>3,821,433</b>	5,343,587
Dividend income	10	-	-
Interest receivable and investment income	5	<b>996,651</b>	964,431
Interest payable and similar charges	6	<b>(777,281)</b>	(621,944)
		<hr/>	<hr/>
<b>Profit before tax</b>		<b>4,040,803</b>	5,686,074
Income tax expense	7	<b>(778,468)</b>	(1,023,158)
		<hr/>	<hr/>
<b>Profit for the financial year</b>		<b>3,262,335</b>	4,662,916
		<hr/> <hr/>	<hr/> <hr/>

# Rentokil Initial Limited

## Statement of comprehensive income for the year ended 31 December 2024


	Note	2024 €	2023 €
<b>Profit for the year</b>		<b>3,262,335</b>	4,662,916
<b>Other comprehensive (expense)</b>			
Actuarial (loss) on defined benefit retirement plan	17	(274,000)	(220,000)
Deferred tax on item taken directly to reserves	7	34,250	27,500
Other comprehensive expense		-	(46,164)
Other comprehensive (expense) for the year		<b>(239,750)</b>	(238,664)
<b>Total comprehensive income for the year</b>		<b>3,022,585</b>	4,424,252
<b>Attributable to:</b>			
Equity shareholders		<b>3,022,585</b>	4,424,252

# Rentokil Initial Limited


## Statement of financial position as at 31 December 2024

	Note	2024 €	2023 €
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8	8,056,298	4,071,442
Intangible assets	9	3,770,379	3,681,458
Investments	10	-	2,199,093
		<b>11,826,677</b>	<b>9,951,993</b>
<b>Current assets</b>			
Inventories	11	734,035	472,579
Trade and other receivables	12	5,981,950	6,470,830
Cash and cash equivalents	13	6,430,620	13,122,408
Retirement benefits	17	2,770,572	2,420,572
		<b>15,917,177</b>	<b>22,486,389</b>
<b>Total assets</b>		<b>27,743,854</b>	<b>32,438,382</b>
<b>Equity</b>			
<b>Capital and reserves attributable to the company's equity shareholders</b>			
Share capital	18	63,487	63,487
Other reserves		17,473	17,473
Retained earnings		7,552,282	18,529,697
<b>Total equity</b>		<b>7,633,242</b>	<b>18,610,657</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	14	15,473,935	13,194,184
<b>Non-current liabilities</b>			
Retirement benefits	17	-	-
Lease liabilities	22	4,636,677	633,541
<b>Total non-current liabilities</b>		<b>4,636,677</b>	<b>633,541</b>
<b>Total liabilities</b>		<b>20,110,612</b>	<b>13,827,725</b>
<b>Total equity and liabilities</b>		<b>27,743,854</b>	<b>32,438,382</b>

On behalf of the board

  
Grace Harris  
Director

Grace Harris (Dec 18, 2025 17:12:23 GMT)

  
Phillip Wood  
Director

Phillip Wood (Dec 18, 2025 17:14:39 GMT)

18 December 2025

# Rentokil Initial Limited

## Statement of changes in equity for the year ended 31 December 2024

	Called up share capital €	Other reserves €	Retained earnings €	Total attributable to equity holders of the company €
At 1 January 2023	63,487	17,473	14,105,445	14,186,405
<i>Total comprehensive income for the year</i>				
Profit for the year	-	-	4,662,916	4,662,916
Other comprehensive expense	-	-	(238,664)	(238,664)
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	-	4,424,252	4,424,252
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2023</b>	<b>63,487</b>	<b>17,473</b>	<b>18,529,697</b>	<b>18,610,657</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 1 January 2024	63,487	17,473	18,529,697	18,610,657
<i>Total comprehensive income for the year</i>				
Profit for the year	-	-	3,262,335	3,262,335
Other comprehensive expense	-	-	(239,750)	(239,750)
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	-	3,022,585	3,022,585
	<hr/>	<hr/>	<hr/>	<hr/>
Dividend Paid	-	-	(14,000,000)	(14,000,000)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2024</b>	<b>63,487</b>	<b>17,473</b>	<b>7,552,282</b>	<b>7,633,242</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# Rentokil Initial Limited

## Notes

*forming part of the financial statements*

### 1 Accounting policies

Rentokil Initial Limited (the “company”) is a private company incorporated, domiciled and registered in Ireland. The registered address is Hazel House, Millennium Park, Naas, Co. Kildare and the registered number is 8996.

#### **Basis of preparation**

The company is exempt by virtue of section 300 of the Companies Act 2014 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (“FRS 101”). There have been no material departures from the Standards. The presentation currency of these financial statements is Euro. All amounts in the financial statements have been rounded to the nearest euro.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU (“Adopted IFRSs”) but makes amendments where necessary in order to comply with the Companies Act 2014 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

In these financial statements, the company has adopted certain disclosure exemptions available under FRS 101. These include:

- a cash flow statement and related notes;
- disclosures in respect of the compensation of key management personnel;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- certain disclosures regarding revenue;
- certain disclosures regarding leases;
- certain comparative information; and
- the effects of new but not yet effective IFRSs.

The Company’s ultimate holding undertaking, Rentokil Initial 1927 plc includes the Company in its consolidated financial statements. The consolidated financial statements of Rentokil Initial 1927 plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from [www.rentokil-initial.com](http://www.rentokil-initial.com).

# Rentokil Initial Limited

## Notes *(continued)*

### 1 **Accounting policies** *(continued)*

#### **Change in significant accounting policies**

The accounting policies adopted are consistent with those of the previous year.

#### **Going concern**

The company meets its day-to-day working capital requirements and is in a strong net asset position. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should have adequate resources to continue in operational existence for the foreseeable future. Therefore, these financial statements have been prepared on a going concern basis.

#### **Critical accounting estimates and assumptions**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will by definition, seldom equal the related actual results.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

##### **(a) Retirement benefits**

Defined benefit scheme is reappraised annually by an independent actuary based upon actuarial assumptions. Significant judgement is required in determining these actuarial assumptions. Refer to Note 17 for the principal assumptions used.

#### **Business combinations**

All business combinations are accounted for using the purchase method (acquisition accounting) in accordance with IFRS 3 Business Combinations. The cost of a business combination is the aggregate of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed and equity instruments issued by the acquirer. The cost of a business combination is allocated at the acquisition date by recognising the acquiree's identifiable assets, liabilities and contingent liabilities that satisfy the recognition criteria at their fair values. The acquisition date is the date on which the acquirer effectively obtains control of the acquiree.

An intangible asset is recognised if it meets the definition of an intangible asset under IAS 38 Intangible Assets. The intangible assets arising on acquisition are goodwill, customer lists and relationships. Goodwill represents the synergies, workforce and other benefits expected as a result of combining the respective businesses. Customer lists and relationships and brands are recognised at their fair value at the date of acquisition using an income-based approach, which involves the use of assumptions including customer termination, profit margins and discount rates. The use of these assumptions requires estimation in the valuation approach.

Costs directly attributable to business combinations are charged to the income statement as incurred and presented as one-off items.

# Rentokil Initial Limited

## Notes *(continued)*

### 1 **Accounting policies** *(continued)*

#### **Revenue recognition**

Revenue comprises the fair value for the rendering of services, net of value-added-tax and other similar sales based taxes, rebates and discounts.

##### **(a) Service revenue**

For non-contract based business, revenue represents the value of goods delivered or services performed. For contract based business, revenue represents the sales value of work carried out for customers during the period. Contract income is recognised in accounting periods on a straight-line basis over the life of the contract.

##### **(b) Rental income**

Rental assets such as tropical plants, washroom equipment, garments and linen, which are owned by the company are capitalised as fixed assets and depreciated over their estimated useful lives.

All rental income received or receivable in respect of rental assets is accounted for on an operating lease basis, income from the rental of these assets is credited to revenue on a strict time-apportioned basis.

#### **Employee benefits**

##### **(a) Defined benefit plans**

The company operates a defined benefit retirement benefit scheme. The scheme is funded through payments to a trustee administered fund, determined by periodic actuarial calculations. A defined benefit plan is a retirement benefit plan that defines an amount of retirement benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the balance sheet date less the fair value of the plan assets.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash flows using interest rates of high quality corporate bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement benefit liability.

Current and past service costs, to the extent that they have vested, and curtailments are recognised in operating costs in the Income Statement. Interest costs on plan liabilities and the expected return on plan assets are recognised in finance costs. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to the Statement of Comprehensive Income.

# Rentokil Initial Limited

## Notes *(continued)*

### 1 **Accounting policies** *(continued)*

#### **(b) Defined contribution plans**

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution retirement benefit plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that are due more than 12 months after the end of the period in which the employees render the service are discounted to their present value.

#### **(c) Termination benefits**

Termination benefits are payable when an employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The company recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy.

#### **Leases**

This policy is applied to contracts entered into on or after 1 January 2019.

##### **(i) As a lessee**

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

# Rentokil Initial Limited

## Notes *(continued)*

### **1 Accounting policies *(continued)***

#### ***Leases (continued)***

#### **As a lessee *(continued)***

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee;
- the exercise price under a purchase option that the Company is reasonably certain to exercise;
- lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option; and
- penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in 'loans and borrowings' in the statement of financial position.

#### ***Short term leases and leases of low-value assets***

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

#### ***Operating lease payments***

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

# Rentokil Initial Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

#### Property, plant and equipment

##### *i Recognition and measurement*

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

##### *ii Subsequent expenditure*

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the company.

##### *iii Depreciation*

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives of property, plant and equipment for current and comparative periods are as follows:

Furniture, fittings and computers	5 years
Equipment	2 - 7 years
Motor vehicles	4 years
Leasehold premises improvements	10 years
Tropical plants	3 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

# Rentokil Initial Limited

## Notes *(continued)*

### 1 **Accounting policies** *(continued)*

#### **Intangible assets and goodwill**

##### ***Goodwill***

Goodwill arising on the acquisition of subsidiaries or trade and assets of companies is measured at cost less accumulated impairment losses. Goodwill is not amortised.

##### ***Computer software***

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives on a straight line basis of 5 years. Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

##### ***Customer lists***

Customer lists that are acquired by the company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses, and are amortised over their estimated useful lives on a straight line basis of 5 years.

##### ***Contract costs***

Contract costs are incremental costs of obtaining contracts (primarily sales commissions).

It is anticipated that these costs are recoverable over the life of the contract to which they relate. Accordingly the company capitalises them as contract costs and amortises them over the expected life of the contracts. The expected length of contracts is 3 years.

Applying the practical expedient in paragraph 94 of IFRS 15, the company recognises the incremental costs of obtaining contracts as an expense when incurred if the amortisation period of the assets that the company otherwise would have recognised is one year or less.

For intangible assets with finite useful lives, amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

##### **Investments**

Investments are stated at cost less provision for impairment.

##### **Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition.

##### **Trade receivables**

Trade and other receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. The company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

# Rentokil Initial Limited

## Notes *(continued)*

### 1 **Accounting policies** *(continued)*

#### **Trade receivables** *(continued)*

The company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

#### **Trade payables and other creditors**

Trade and other creditors are initially recognised as fair value. Subsequent to initial recognition, these liabilities are measured at amortised cost using the effective interest method.

#### **Cash and cash equivalents**

Cash and cash equivalents include cash in hand and deposits held on call with banks. In the cash flow statement, cash and cash equivalents are shown net of bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet.

#### **Ordinary shares**

Ordinary shares are classified as equity. Incremental costs directly attributed to the issue of ordinary shares are recognised as a deduction from equity net of any tax effects.

#### **Impairment**

##### ***Non-derivative financial assets***

The company assesses on a forward-looking basis the expected credit loss associated with its financial assets. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables

##### ***Non-financial assets***

The carrying amounts of the company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

# Rentokil Initial Limited

## Notes (continued)

### 1 Accounting policies (continued)

#### **Non-financial assets (continued)**

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

#### **Provisions**

Provisions are recognised when the company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and if this amount is capable of being reliably estimated. If such an obligation is not capable of being reliably estimated it is classified as a contingent liability.

#### **Dividend distribution**

Dividend distribution to the company's shareholder is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders. Interim dividends are recognised when paid.

#### **Financing income and expenses**

Financing expenses and income comprise interest on defined benefit plan liabilities and assets.

Foreign currency gains and losses are reported on a net basis.

### 2 Turnover

The total turnover of the company for the year has been derived from its principal activities wholly undertaken in Ireland.

Analysis of ongoing revenue by type:

	2024 €	2023 €
<b>Recognised over time</b>		
Contract service revenue	<b>29,473,739</b>	26,730,079
<b>Recognised at a point in time</b>		
Non contract service revenue	<b>8,241,117</b>	7,606,057
	<b>37,714,856</b>	34,336,136

# Rentokil Initial Limited

## Notes (continued)

<b>3 Operating profit</b>	<b>2024</b>	2023
	€	€
Auditors' remuneration	72,281	75,666
Depreciation of tangible fixed assets	2,642,672	1,784,984
Amortisation of intangible fixed assets	268,368	559,256
Impairment of Investment	2,199,093	-
Loss/(Profit) on disposal of tangible fixed assets	379,966	(10,398)
	<u>                    </u>	<u>                    </u>

## 4 Employees and remuneration

The average number of persons employed by the company (including executive directors) in the financial year was 365 (2023: 347) and is analysed into the following categories:

	<b>2024</b>	2023
	<b>Number</b>	Number
Service	262	245
Selling	33	31
Administration	67	67
Overhead	3	4
	<u>                    </u>	<u>                    </u>
	<b>365</b>	347
	<u>                    </u>	<u>                    </u>

	<b>2024</b>	2023
	€	€
The staff costs are comprised of:		
Wages and salaries	12,933,997	12,133,163
Social security costs	1,383,565	1,350,471
Retirement benefit costs		
- defined contribution	370,598	397,691
Retirement benefit costs		
- defined benefit – refer to note 17	5,000	2,000
	<u>                    </u>	<u>                    </u>
	<b>14,693,160</b>	13,883,325
	<u>                    </u>	<u>                    </u>

### Key management

The cost of key management including Directors is set out in the table below:

	<b>2024</b>	2023
	<b>Number</b>	Number
Number of individuals	<b>3</b>	3
	<u>                    </u>	<u>                    </u>

# Rentokil Initial Limited

## Notes (continued)

### 4 Employees and remuneration (continued)

	2024	2023
	€	€
Charged to operating profit:		
Salary and other short term employee benefits	442,476	290,197
Post-employment benefits	30,972	22,439
	<u>473,448</u>	<u>312,636</u>

### 5 Interest receivable and investment income

	2024	2023
	€	€
Return on defined benefit plan assets	617,000	703,000
Interest receivable	379,651	261,431
	<u>996,651</u>	<u>964,431</u>

### 6 Interest payable and similar charges

	2024	2023
	€	€
Interest on defined benefit plan liabilities	523,000	607,000
Interest on leasing	254,281	14,944
	<u>777,281</u>	<u>621,944</u>

### 7 Income tax expense

	2024	2023
	€	€
(a) Taxation charge for the year:		
Corporation tax current year	744,639	780,445
Corporation tax prior year	17,550	75,598
	<u>762,189</u>	<u>856,043</u>
<i>Deferred tax charge/(credit)</i>	16,279	167,115
	<u>778,468</u>	<u>1,023,158</u>

# Rentokil Initial Limited

## Notes (continued)

### 7 Income tax expense (continued)

(b) Taxation reconciliation:

Profit before tax	<b>4,040,803</b>	5,686,074
Taxation at the standard corporation tax rate of 12.5%	505,100	710,759
Depreciation of tangible and intangible assets	334,241	270,156
Impairment of investment	274,887	-
Capital allowances	(315,081)	(135,785)
Retirement benefit adjustment	(43,452)	(44,426)
Loss on disposal of fixed assets	47,496	-
Deferred tax charge	16,279	167,115
Restricted portion of lease finance charges	19,259	3,880
Payments on IFRS16 operating leases	(125,267)	(41,139)
Income taxed at higher tax rate	47,456	32,679
Prior year charge	17,550	75,598
Other non-taxable income	-	(15,679)
<b>Total tax</b>	<b>778,468</b>	1,023,158
	<b>2024</b>	2023
	€	€

(c) Deferred tax charge/(credit)

The deferred tax charge/(credit) mainly comprises:

Intangibles	(14,916)	(88,483)
Accelerated tax depreciation	(45,447)	(144,585)
Retirement benefits	76,642	400,183
	<b>16,279</b>	167,115
<b>Tax on items charged to equity</b>		
Deferred tax (credit) in respect of actuarial (loss) on defined benefit retirement benefits	<b>(34,250)</b>	(27,500)

## Rentokil Initial Limited

Notes (continued)

### 8 Property, plant and equipment

	Furniture fittings and computer €	Equipment €	Motor vehicles €	Leasehold premises improvements €	Tropical plants €	Total €
<b>Cost</b>						
At start of year	1,734,490	13,820,448	479,132	2,595,232	109,076	18,738,378
Additions	114,956	1,165,536	5,255,849	460,096	-	6,996,437
Disposals	-	(1,052,029)	(117,051)	(163,333)	-	(1,332,413)
Cost from IMSIL	<u>66,361</u>	<u>120,053</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>186,414</u>
<b>At end of year</b>	<b>1,915,807</b>	<b>14,054,008</b>	<b>5,617,930</b>	<b>2,891,995</b>	<b>109,076</b>	<b>24,588,816</b>
<b>Accumulated depreciation</b>						
At start of year	1,483,084	10,992,062	312,996	1,769,718	109,076	14,666,936
Provided during year	113,082	1,454,817	775,546	299,227	-	2,642,672
Disposals	-	(664,458)	(114,603)	(163,333)	-	(942,394)
Accumulated depreciation from IMSIL	<u>65,146</u>	<u>100,158</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>165,304</u>
<b>At end of year</b>	<b>1,661,312</b>	<b>11,882,579</b>	<b>973,939</b>	<b>1,905,612</b>	<b>109,076</b>	<b>16,532,518</b>
<b>Net book value</b>						
<b>At end of year</b>	<b>254,495</b>	<b>2,171,429</b>	<b>4,643,991</b>	<b>986,383</b>	<b>-</b>	<b>8,056,298</b>
At start of year	251,406	2,828,386	166,136	825,514	-	4,071,442

On 1 September 2024, the business of the subsidiary Initial Medical Services (Ireland) Limited was acquired by Rentokil Initial Limited. At 31 December 2024, Property, plant and equipment include right-of-use assets. These are disclosed in note 22.

# Rentokil Initial Limited

Notes (continued)

9 Intangible assets	Computer Software €	Customer lists €	Goodwill €	Contract costs €	Total €
<b>Cost</b>					
At start of year	734,102	6,938,451	3,275,218	1,854,963	12,802,734
Additions	18,206	-	-	304,365	322,571
Cost from IMSIL	131,262	-	-	123,817	255,079
<b>At end of year</b>	<b>883,570</b>	<b>6,938,451</b>	<b>3,275,218</b>	<b>2,283,145</b>	<b>13,380,384</b>
<b>Accumulated amortisation and impairment</b>					
At start of year	662,023	6,938,451	-	1,520,802	9,121,276
Amortisation charge	31,255	-	-	237,113	268,368
Accumulated amortisation from IMSIL	110,638	-	-	109,723	220,361
<b>At end of year</b>	<b>803,916</b>	<b>6,938,451</b>	<b>-</b>	<b>1,867,638</b>	<b>9,610,005</b>
<b>Net book value</b>					
At end of year	79,654	-	3,275,218	415,507	3,770,379
At start of year	72,079	-	3,275,218	334,161	3,681,458

# Rentokil Initial Limited

## Notes (continued)

<b>10 Investments</b>	<b>Shares in group undertaking €</b>
<b>Cost</b>	
At beginning and end of year	2,199,093
	<hr/>
<b>Provision for impairment</b>	
At beginning and end of year	(2,199,093)
	<hr/>
<b>Net book value</b>	-
	<hr/>

The company owns 100% of the issued share capital of Initial Medical Services (Ireland) Limited whose registered office is at Hazel House, Millennium Park, Naas, Co. Kildare. The investment comprises of 100 ordinary shares of €1.27 each. The subsidiary is engaged in the collection and disposal of healthcare waste and hazardous waste.

On 1 September 2024 the company acquired the assets and liabilities of its subsidiary company, Initial Medical Services (Ireland) Ltd. The assets and liabilities were acquired at their book value on the date of the transaction. The consideration paid was in the form of an intercompany loan and equalled the net book value of the net assets acquired. There was no gain or loss recognised on the transaction. As part of the transaction the investment of €2,199,093 was impaired.

	<b>Capital and reserves amounted to:</b>		<b>Profit for the year amounted to:</b>	
	<b>2024</b>	2023	<b>2024</b>	2023
	€	€	€	€
Initial Medical Services (Ireland) Limited	<b>3,603,101</b>	3,155,949	<b>447,152</b>	875,769
	<hr/>	<hr/>	<hr/>	<hr/>

<b>11 Inventories</b>	<b>2024</b>	2023
	€	€
Raw materials	547,210	340,739
Equipment for sale	186,825	131,840
	<hr/>	<hr/>
	<b>734,035</b>	472,579
	<hr/>	<hr/>

The replacement cost of inventories did not differ significantly from the figures shown.

# Rentokil Initial Limited

## Notes (continued)

<b>12 Trade and other receivables</b>	<b>2024</b> €	2023 €
Trade receivables	5,723,153	6,050,212
Less: provision for impairment of trade receivables	(490,965)	(863,143)
	<hr/>	<hr/>
Trade receivables – net	<b>5,232,188</b>	5,187,069
Prepayments	580,432	892,713
Receivables from group companies - refer note 15	69,929	191,493
Corporation tax	99,401	199,555
	<hr/>	<hr/>
	<b>5,981,950</b>	6,470,830
	<hr/> <hr/>	<hr/> <hr/>

The receivables from group companies are unsecured, interest free and repayable on demand.

Book value approximates fair value because of the short-term nature of the receivables and the low interest rate environment in which they are held.

There is limited concentration of credit risk with respect to the trade receivables due to the company's customer base being large and diverse.

Analysis of the company's provision for impairment of trade receivables is as follows:

	<b>2024</b> €	2023 €
At 1 January	863,143	1,661,540
Additional provision	(12,000)	(200,000)
Receivables written off during the year as uncollectable	(360,178)	(598,397)
	<hr/>	<hr/>
<b>At 31 December</b>	<b>490,965</b>	863,143
	<hr/> <hr/>	<hr/> <hr/>

The creation and release of provision for impaired receivables have been included within administration costs in the income statement.

	<b>2024</b> €	2023 €
Not yet due	2,304,448	1,928,495
Between 1 and 3 months	1,645,624	1,312,205
Between 3 and 6 months	683,465	1,088,712
Between 6 and 12 months	373,342	583,530
Over 12 months	716,274	1,137,270
Provision for impairment on trade receivables	(490,965)	(863,143)
	<hr/>	<hr/>
	<b>5,232,188</b>	5,187,069
	<hr/> <hr/>	<hr/> <hr/>

# Rentokil Initial Limited

## Notes (continued)

### 12 Trade and other receivables (continued)

The maximum amount of credit risk with respect to customers is represented by the carrying amount on the statement of financial position. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The other classes within trade and other receivables do not contain impaired assets.

<b>13 Cash and cash equivalents</b>	<b>2024</b>	2023
	€	€
Cash at bank and on hand	6,086,717	13,122,408
Bank overdraft – refer to note 14	343,903	-
	<hr/>	<hr/>
	<b>6,430,620</b>	13,122,408
	<hr/> <hr/>	<hr/> <hr/>

<b>14 Trade and other payables</b>	<b>2024</b>	2023
	€	€
Trade payables	1,712,721	2,715,703
Accruals	1,632,922	3,714,848
Amounts due to group companies (a) - refer note 15	6,229,523	2,303,631
Deferred income	3,148,391	2,815,477
PAYE/PRSI	344,011	319,210
VAT	754,138	755,423
Deferred tax liability – refer note 16	236,713	254,024
Bank overdraft – refer to note 13	343,903	-
Lease liability – refer to note 22	1,071,613	315,868
	<hr/>	<hr/>
	<b>15,473,935</b>	13,194,184
	<hr/> <hr/>	<hr/> <hr/>

(a) Amounts due to group companies are non-interest bearing, unsecured and repayable on demand.

# Rentokil Initial Limited

Notes *(continued)*

<b>15 Group companies</b>	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
<b>Loans due from group companies</b>		
<b>Amounts due from subsidiary company:</b>		
Initial Medical Services (Ireland) Limited	-	57,667
<b>Amounts due from fellow subsidiaries:</b>		
Rentokil Initial UK Limited	5,624	51,764
Rentokil Initial 1927 plc	61,216	10,237
Ronaldon Limited	3,089	71,825
	<hr/>	<hr/>
<b>Amounts due from group companies</b>	<b>69,929</b>	<b>191,493</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Amounts due to group companies:</b>		
<b>Amounts due to fellow subsidiaries:</b>		
Rentokil Initial UK Limited	301,425	121,512
Initial Medical Services (Ireland) Limited	3,603,101	-
Rentokil Initial 1927 plc	63,117	72,786
Medentex GmbH	803	-
Cannon Hygiene International Limited	2,261,077	2,109,333
	<hr/>	<hr/>
	<b>6,229,523</b>	<b>2,303,631</b>
	<hr/> <hr/>	<hr/> <hr/>

# Rentokil Initial Limited

## Notes (continued)

<b>16 Deferred taxation</b>	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
The movement on the deferred tax account is as follows:		
Balance at 1 January	(254,024)	(114,409)
(Charged)/credited to the income statement	(16,279)	(167,115)
Credited/(charged) directly to equity	34,250	27,500
Customer list related to acquired trade	(660)	-
	<hr/>	<hr/>
<b>Balance at 31 December</b>	<b>(236,713)</b>	<b>(254,024)</b>
	<hr/> <hr/>	<hr/> <hr/>
Deferred taxation has been presented on the balance sheet as follows:		
Deferred tax liability within trade and other payables	236,713	254,024
Deferred tax asset within trade and other receivables	<hr/>	<hr/>
The major components of deferred tax assets and liabilities at the year-end are as follows:		
Intangibles	(116,402)	(131,318)
Retirement benefits	(346,250)	(302,500)
Accelerated tax depreciation	225,939	179,794
	<hr/>	<hr/>
	<b>(236,713)</b>	<b>(254,024)</b>
	<hr/> <hr/>	<hr/> <hr/>

## 17 Retirement benefit information

### IAS 19 Retirement benefits

The company operates a defined contribution retirement benefit scheme on behalf of its staff. The schemes' funds are administered separately from those of the company.

The company's defined benefit retirement scheme was closed to future accrual post 31 December 2014. Deferred retirement benefits for the active members at 31 December 2014 will be based on their retirement benefit salaries at 31 December 2014. The assets of the scheme are held in external funds administered by independent trustees.

The company's total retirement benefit costs in respect of its defined benefit plan for the year ended 31 December 2024 were 5k (2023: €2k).

# Rentokil Initial Limited

## Notes (continued)

### 17 Retirement benefit information (continued)

#### IAS 19 Retirement benefits (continued)

The defined benefit scheme is independently funded and the assets are vested in independent trustees for the benefits of members and their dependents. The contributions are based on the advice of an independent qualified professional obtained at three yearly intervals. The retirement benefit entitlements of certain employees arise under a defined benefit retirement benefit scheme. Annual contributions are based on the advice of a professional qualified actuary. An actuarial valuation of the scheme was last performed at 1 January 2019. The measurement date used to calculate the disclosures in the financial statements is the statement of financial position date.

The company expects to contribute approximately 530k (2023: €530k) to its defined benefit plan in the next financial year. The valuation of the funded defined benefit scheme used for the purposes of IAS 19 disclosures has been based on the most recent actuarial valuation as identified above. Scheme assets are stated at their market value at the statement of financial position date.

#### The market value of the assets in the retirement benefit schemes and the expected rate of return were:

	Value at 31 December 2024 €	Value at 31 December 2023 €
Equities	961,000	928,000
Debt instruments	16,566,000	16,754,000
Cash	(12,000)	104,000
	<hr/>	<hr/>
Total market value of retirement benefit scheme assets	17,515,000	17,786,000
Present value of funded retirement benefit liabilities	(14,744,428)	(15,365,428)
	<hr/>	<hr/>
Surplus/(Deficit) in the scheme	<b>2,770,572</b>	2,420,572
	<hr/> <hr/>	<hr/> <hr/>

The expected return has been calculated as the weighted average of the expected long term returns on each of the main asset classes held by the scheme – the weights adopted are the proportions held by the scheme in each of the main asset classes.

The assumptions used to calculate the retirement liabilities were as follows:

	2024	2023
Weighted average discount rate	3.5%	3.5%
Expected return on plan assets	3.5%	3.5%
Future salary increase	n/a	n/a
Future retirement benefit increases	2.1%	2.3%

# Rentokil Initial Limited

## Notes (continued)

### 17 Retirement benefit information (continued)

#### IAS 19 Retirement benefits (continued)

Assumptions regarding future mortality are based on published statistics and mortality tables. The current longevities underlying the values of the liabilities in the defined benefit plans are as follows:

	2024	2023
Male member age 65 (current life expectancy)	22.6	22.6
Female member age 65 (current life expectancy)	24.4	23.8
Male member age 45 (life expectancy at age 65)	23.9	24.3
Female member age 45 (life expectancy age 65)	25.8	25.7

	2024 €	2023 €
<b>Analysis of the amount charged to operating profit</b>		
Current service costs	-	-
Past service credit	-	-
Administrative expenses charged to plan asset	(99,000)	(98,000)
	<u>(99,000)</u>	<u>(98,000)</u>
<b>Analysis of amount included in finance income</b>		
Expected return on retirement benefit scheme assets	617,000	703,000
Interest on retirement benefit scheme liabilities	(523,000)	(607,000)
	<u>94,000</u>	<u>96,000</u>
<b>Total amount charged to income statement</b>	<u>(5,000)</u>	<u>(2,000)</u>

#### Analysis of movement recognised in the statement of comprehensive income

	2024 €	2023 €
Actual return on retirement benefit scheme assets less expected return on retirement benefit scheme assets	(558,000)	537,000
Experience gains and losses arising on retirement benefit scheme liabilities	284,000	(757,000)
	<u>(274,000)</u>	<u>(220,000)</u>
<b>Actuarial (loss)/gain recognised in the statement of comprehensive income</b>	<u>(274,000)</u>	<u>(220,000)</u>

# Rentokil Initial Limited

Notes (continued)

## 17 Retirement benefit information (continued)

### IAS 19 Retirement benefits (continued)

#### Analysis of movement recognised in the statement of comprehensive income (continued)

	2024 €	2023 €	
<b>Movement in present value of defined benefit obligation</b>			
At beginning of the year	15,365,428	14,919,000	
Interest cost	523,000	607,000	
Actuarial (gain)/loss	(284,000)	757,000	
Benefits/plans/premiums paid	(860,000)	(917,572)	
	<hr/>	<hr/>	
<b>At end of year</b>	<b>14,744,428</b>	<b>15,365,428</b>	
	<hr/> <hr/>	<hr/> <hr/>	
	<b>2024 €</b>	<b>2023 €</b>	
<b>Movement in fair value of plan assets</b>			
At beginning of the year	17,786,000	16,934,000	
Expected return on assets	617,000	703,000	
Actuarial (loss)/gain	(558,000)	537,000	
Cash contributions	629,000	628,000	
Benefits/plans/premiums paid	(860,000)	(918,000)	
Administrative expenses	(99,000)	(98,000)	
	<hr/>	<hr/>	
<b>At end of year</b>	<b>17,515,000</b>	<b>17,786,000</b>	
	<hr/> <hr/>	<hr/> <hr/>	
<b>History of retirement benefit scheme experience gains and losses</b>			
	<b>2024 €'000</b>	2023 €'000	2022 €'000
<b>Difference between expected and actual return scheme assets</b>			
Amount	<b>(558)</b>	537	(3,527)
Percentage of scheme assets	<b>(3.2%)</b>	3.0%	(20.8%)
<b>Experience gains and losses arising on scheme liabilities</b>			
Amount	<b>284</b>	(757)	6,126
Percentage of present value of the scheme liabilities	<b>1.9%</b>	(4.9%)	41.1%

# Rentokil Initial Limited

Notes (continued)

## 17 Retirement benefit information (continued)

### IAS 19 Retirement benefits (continued)

#### History of plans

The history of the plans for the current and prior periods is as follows:

<b>Statement of financial position:</b>	<b>2024</b>	2023	2022	2021
	<b>€'000</b>	€'000	€'000	€'000
Present value of scheme liabilities	(14,745)	(15,365)	(14,918)	(21,110)
Fair value of scheme assets	17,515	17,786	16,934	20,536
	<hr/>	<hr/>	<hr/>	<hr/>
Surplus/(Deficit)	<b>2,770</b>	2,421	2,016	(574)
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## 18 Share capital

**2024**  
€

**2023**  
€

### Authorised

50,000 ordinary shares of €1.269738 each

**63,487**

63,487

### Allotted, called up and fully paid

50,000 ordinary shares of €1.269738 each

**63,487**

63,487

## 19 Ultimate holding undertaking

The ultimate holding company at 31 December 2024 was Rentokil Initial 1927 plc a company incorporated and registered in the United Kingdom. The smallest and largest groups in which these financial statements are consolidated is Rentokil Initial 1927 plc.

Copies of the consolidated financial statements may be obtained from [www.rentokil-initial.com](http://www.rentokil-initial.com) or from the company.

## 20 Related party transactions

**2024**  
€

**2023**  
€

The compensation of the board of directors is shown below:

Salaries and other short-term employee benefits	124,547	79,395
Post-employment benefits	20,224	11,690
	<hr/>	<hr/>
	<b>144,771</b>	91,085
	<hr/> <hr/>	<hr/> <hr/>

# Rentokil Initial Limited

## Notes (continued)

### 20 Related party transactions (continued)

The following table provides the total amount of transactions which have been entered into with the related parties.

	2024 €	2023 €
<b>Sales/services from related parties</b>		
Initial Medical Services (Ireland) Limited	7,306	8,949
Rentokil Initial UK Limited	2,766,086	2,167,579
Rentokil Initial plc	3,549,605	3,335,743
Medentex GmbH	803	-
	<hr/> <b>6,323,800</b> <hr/>	<hr/> <b>5,512,271</b> <hr/>
<b>Sales/services to related parties</b>		
Rentokil Initial UK Limited	287,800	147,420
Initial Medical Services (Ireland) Limited	359,350	495,937
	<hr/> <b>647,150</b> <hr/>	<hr/> <b>643,357</b> <hr/>

#### *Key Management Personnel*

The term key management personnel for 2024 comprise of the board of Rentokil Initial Limited and the company secretary/company financial controller and operations director. The cost of key management personnel is analysed in note 4.

### 21 Financial instruments and risk management

#### *Liquidity risk*

The company manages working capital efficiently in order to finance existing operations, capital expenditure and other developments. Deposits are demand based and available to the company as and when required.

#### *Credit risk*

Exposure to credit risk is monitored on an ongoing basis. At the balance sheet date, the maximum exposure to credit risk is represented by the carrying amount of each financial asset.

#### *Financial assets and liabilities - fair values*

The company's financial instruments comprise cash and cash equivalents, trade and other receivables and trade and other payables.

# Rentokil Initial Limited

Notes (continued)

## 21 Financial instruments and risk management (continued)

*The company's financial assets and liabilities at 31 December 2024 are as follows:*

	Loans and receivables €	Liabilities at amortised cost €	Total carrying amount €
Cash and cash equivalents	6,430,620	-	6,430,620
Intragroup receivables	69,929	-	69,929
Trade receivables	5,232,188	-	5,232,188
Trade and other payables	-	(5,024,407)	(5,024,407)
Due to group companies	-	(6,229,523)	(6,229,523)
Lease liabilities	-	(5,708,290)	(5,708,290)
	<u>11,732,737</u>	<u>(16,962,220)</u>	<u>(5,229,483)</u>

*The company's financial assets and liabilities at 31 December 2023 were as follows:*

	Loans and receivables €	Liabilities at amortised cost €	Total carrying amount €
Cash and cash equivalents	13,122,408	-	13,122,408
Intragroup receivables	191,493	-	191,493
Trade and other receivables	5,187,069	-	5,187,069
Trade and other payables	-	(7,759,208)	(7,759,208)
Due to group companies	-	(2,303,631)	(2,303,631)
Lease liabilities	-	(949,409)	(949,409)
	<u>18,500,970</u>	<u>(11,012,248)</u>	<u>7,488,722</u>

In each case, there is no difference between the carrying value of these assets and liabilities and their fair values.

Set out below are the methods and assumptions used in estimating the fair values of financial assets and liabilities:

### *Cash and cash equivalents*

For cash and cash equivalents, all of which have a remaining maturity of less than three months, the nominal amount is deemed to reflect fair value.

### *Intragroup deposits*

Deposits are demand based having a remaining maturity of less than one month, and accordingly, the nominal amount is deemed to reflect fair value.

### *Trade and other receivables/payables*

All receivables and payables have a remaining life of less than six months or are demand balances, and therefore the carrying value is deemed to reflect fair value.

# Rentokil Initial Limited

## Notes (continued)

### 21 Financial instruments and risk management (continued)

#### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure.

The ageing of trade receivables at the reporting date together with the movement in the allowance for impairment is shown in note 12. The company's objective is to ensure that there are no significant risks to the company from failure by customers to pay. To reduce this exposure, customers are placed on direct debit. In addition, all customers must undergo a credit check before commencement of supply.

### 22 Leases

#### (a) Leases as a lessee (IFRS 16)

##### Finance lease liabilities

Finance lease liabilities were payable as at 31 December 2024 as follows:

	2024 €	2023 €
Less than one year – refer to note 14	1,071,613	315,868
Between one and five years	4,636,677	633,541
More than five years		
	<u>5,708,290</u>	<u>949,409</u>

##### Right-of-use assets

Right-of-use assets related to lease properties that do not meet the definition of investment properties are presented as property, plant and equipment (see note 8):

	Land and buildings €000	Plant and equipment €000	Motor vehicles €000	Total €000
Balance at 1 January 2023	551	3	201	755
Additions to right-of-use assets	439	6	64	509
Disposals of right-of-use assets	-	-	-	-
Depreciation charge for the year	(190)	(3)	(123)	(316)
	<u>800</u>	<u>6</u>	<u>142</u>	<u>948</u>
Balance at 1 January 2024	800	6	142	948
Additions to right-of-use assets	435	-	5,256	5,691
Disposals of right-of-use assets	-	-	-	-
Depreciation charge for the year	(291)	(2)	(754)	(1,047)
	<u>944</u>	<u>4</u>	<u>4,644</u>	<u>5,592</u>
Balance at 31 December 2024	<u>944</u>	<u>4</u>	<u>4,644</u>	<u>5,592</u>

# Rentokil Initial Limited

## Notes (continued)

### 22 Leases (continued)

Amounts recognised in profit or loss

The following amounts have been recognised in profit or loss for which the Company is a lessee:

	2024	2023
	€'000	€'000
<b>Leases under IFRS 16</b>		
Interest expense on lease liabilities	254	12
Expenses relating to short-term leases	399	478
	<hr/>	<hr/>
<b>Operating leases under IFRS 16</b>		
Less than one year	1,556	326
Between one and two years	1,541	282
Between two and three years	1,490	260
Between three and four years	1,387	208
More than four years	405	106
	<hr/>	<hr/>
	<b>6,379</b>	<b>1,182</b>
	<hr/> <hr/>	<hr/> <hr/>

### 23 Transaction under common control

On 1 September 2024 the company acquired the assets and liabilities of its subsidiary company, Initial Medical Services (Ireland) Ltd. The assets and liabilities were acquired at their book value on the date of the transaction. The consideration paid was in the form of an intercompany loan and equalled the net book value of the net assets acquired. There was no gain or loss recognised on the transaction.

	€
Intangible assets	34,718
Tangible assets	21,111
Inventory	41,228
Trade & Other Receivables	403,532
Cash	3,525,918
Creditors – amounts falling due within one year	<u>(423,406)</u>
Net assets acquired	<u>3,603,101</u>
Intercompany loan	<u>(3,603,101)</u>

As part of the transaction the investment in Initial Medical Services (Ireland) Ltd €2,199,093 was impaired.

### 24 Subsequent events

There are no events since the end of the year impacting the company to note.

# Rentokil Initial Limited

Notes *(continued)*

## **25 Approval of financial statements**

The financial statements were approved by the board on 18 December 2025.