

April 5, 2023



## Rollins, Inc. completes acquisition of Fox Pest Control, a leading pest management company

- *Acquired through the HomeTeam Pest Defense brand*
- *Highly complementary end market exposure that provides strategic growth opportunities*
- *Expected to be accretive to earnings and cash flow in the first full year of ownership*
- *Transaction financed through a combination of cash on hand and existing credit facilities*

ATLANTA, April 5, 2023 /PRNewswire/ -- **Rollins, Inc.** (NYSE:ROL) ("Rollins"), a premier global consumer and commercial services company, today announced that it has acquired FPC Holdings, LLC ("Fox Pest Control" or the "Company"). Fox Pest Control employs more than 1,300 associates and is headquartered in Logan, Utah. The Company ranks as the 13<sup>th</sup> largest pest management company according to PCT 100 rankings.

Founded in 2012, Fox Pest Control has consistently grown and now provides services for residential customers across 13 states. In addition to door-to-door marketing services, the Company has rapidly expanded through digital channels and is a leader in many of the communities it serves. The Company was recently recognized on the Inc. 5000 list as one of the fastest growing private companies in America.

The acquisition of Fox Pest Control will accelerate our long-term growth strategy in new geographies across the United States," said Jerry Gahlhoff, Jr., Rollins, Inc.'s President and CEO. "In addition to providing HomeTeam with an efficient entry point to new markets, we provide the team at Fox Pest Control with new services to offer to their existing customers," he said. The highly complementary nature of the acquisition will provide both brands with new avenues of growth across several regions," said Mr. Gahlhoff, Jr.

Rollins, Inc.'s Executive Vice President and CFO, Kenneth Krause, added that the acquisition reflects Rollins, Inc.'s balanced approach to capital deployment. "Profitable growth continues to be the top priority in our capital allocation strategy. The strength of our balance sheet has positioned us well to continue to pursue organic and inorganic growth across our highly fragmented industry while returning cash to shareholders through our growing dividend," he said.

Mike Romney and Bryant White, the co-founders of Fox Pest Control, both commented on the reasons that they chose to partner with Rollins. "Culturally, HomeTeam was an obvious

fit for Fox. Our long-standing relationship with the good people of the Rollins organization has been a blessing to our company, and we were mindful of that when pursuing this opportunity. We are excited to gain the benefits of HomeTeam's expertise in the industry as well as its track record of excellence," said Mike Romney. Bryant White added, "Fox and HomeTeam are aligned in the way we value people, leadership and vision. We look forward to seeing all of our team members continue to accomplish great things in their professional and personal lives."

The transaction is valued at \$350 million, including \$32 million of contingent payments based upon the attainment of future growth and profitability levels. The Company had annual revenues in excess of \$120 million in 2022. Rollins intends to provide more information on this transaction during its first quarter earnings conference call later this month.

Dan Gordon and the team at PCO M&A Specialists, a division of PCO Bookkeepers, acted as exclusive financial advisors to Fox on the transaction.

### **About Rollins, Inc.:**

Rollins, Inc. (ROL) is a premier global consumer and commercial services company. Through its family of leading brands, the Company and its franchises provide essential pest control services and protection against termite damage, rodents, and insects to more than 2.8 million customers in North America, South America, Europe, Asia, Africa, and Australia, with more than 17,500 employees from more than 800 locations. Rollins is parent to Orkin, HomeTeam Pest Defense, Clark Pest Control, Northwest Exterminating, McCall Service, Trutech, Critter Control, Western Pest Services, Waltham Services, OPC Pest Services, The Industrial Fumigant Company, PermaTreat, Crane Pest Control, Missquito, Orkin Canada, Orkin Australia, Safeguard (UK), Aardwolf Pestkare (Singapore), and more. You can learn more about Rollins and its subsidiaries by visiting [www.rollins.com/news-events](http://www.rollins.com/news-events).

### **CAUTION REGARDING FORWARD-LOOKING STATEMENTS**

*Certain statements made in this press release may contain forward-looking statements that involve risks and uncertainties concerning the business and financial results of Rollins, Inc. We have based these forward-looking statements largely on our current opinions, expectations, beliefs, plans, objectives, assumptions and projections about future events and financial trends affecting the operating results and financial condition of our business. Such forward looking statements include, but are not limited to, statements regarding Rollins' expectations that the acquisition of Fox Pest Control will (i) provide significant growth opportunities, (ii) be accretive to earnings and cash flow in the first full year of ownership, (iii) accelerate Rollins' long-term growth strategy in new geographies across the United States, and (iv) provide both brands with new avenues of growth across several regions; beliefs that the strength of Rollins' balance sheet has positioned Rollins well to continue to pursue organic and inorganic growth across its highly fragmented industry while funding an increasing dividend and that profitable growth continues to be a top priority in Rollins' capital allocation strategy.*

*Our actual results could differ materially from those indicated by the forward-looking statements because of various risks, timing and uncertainties including, without limitation, the failure to maintain and enhance our brands and develop a positive client reputation; our ability to protect our intellectual property and other proprietary rights that are material to our*

*business and our brand recognition; actions taken by our franchisees, subcontractors or vendors that may harm our business; general economic conditions; the effects of a pandemic, such as the COVID- 19 pandemic, or other major public health concern on the Company's business, results of operations, accounting assumptions and estimates and financial condition; adverse economic conditions, including, without limitation, market downturns, inflation and restrictions in customer discretionary expenditures, increases in interest rates or other disruptions in credit or financial markets, increases in fuel prices, raw material costs or other operating costs; potential increases in labor costs; labor shortages and/or our inability to attract and retain skilled workers; competitive factors and pricing practices; changes in industry practices or technologies; the degree of success of our termite process reforms and pest control selling and treatment methods; our ability to identify, complete and successfully integrate potential acquisitions; unsuccessful expansion into international markets; climate change and unfavorable weather conditions; a breach of data security resulting in the unauthorized access of personal, financial, proprietary, confidential or other personal data or information about our customers, employees, third parties, or of our proprietary confidential information; damage to our brands or reputation; new or proposed regulations regarding climate change; any noncompliance with, changes to, or increased enforcement of various government laws and regulations, including environmental regulations; possibility of an adverse ruling against us in pending litigation, regulatory action or investigation; the adequacy of our insurance coverage to cover all significant risk exposures; the effectiveness of our risk management and safety program; general market risk; management's substantial ownership interest and its impact on public stockholders and the availability of the Company's common stock to the investing public; and the existence of certain anti-takeover provisions in our governance documents, which could make a tender offer, change in control or takeover attempt that is opposed by the Company's Board of Directors more difficult or expensive. All of the foregoing risks and uncertainties are beyond our ability to control, and in many cases, we cannot predict the risks and uncertainties that could cause our actual results to differ materially from those indicated by the forward-looking statements. The Company does not undertake to update its forward-looking statements.*

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