29 September 2025

RECKITT Q3 2025 PRE-CLOSE AIDE MEMOIRE

This aide memoire brings together Reckitt's previously provided publicly available financial and operating disclosures, all of which are available in full on the Reckitt website, which may be helpful as a reminder for the market's consideration ahead of Reckitt's Q3 2025 results on 22nd October. All statements have had their source attributed and should only be taken as speaking as at the date they were made.

No new information or disclosure is given in this document, which is now available on the Reckitt website.

Portfolio sharpening and organisation simplification

Divestment of Essential Home

- Agreement with Advent International, L.P. values Essential Home at up to c.US$4.8 billion (Source: H1 2025 Results, 24 July 2025)
- Reckitt will retain an interest through a 30% equity stake in Essential Home (Source: H1 2025 Results, 24 July 2025)
- Transaction expected to complete by 31 December 2025, anticipated return of c.US$2.2 billion of excess capital to shareholders through special dividend with share consolidation following completion (Source: H1 2025 Results, 24 July 2025)

Fuel for growth fixed cost optimisation programme

- Programme remains on track with fixed costs declining by 190bps to 20.0% of net revenue, versus 21.9% in H1 2024, driven by very strong progress over the last twelve months, including the simplification of our operating model and reduction of management layers, our unified go-to-market approach, the right sizing of historic investments and early stage benefits of AI utilisation across functions. (Source: H1 2025 Results, 24 July 2025)
- "We're super pleased with the progress we've made to date. As you said, savings are coming in quite quickly from overheads. I think that as far as resetting any targets, not really looking to do that, I think 19 [% is] the right target for us. We're committed to getting there as we exit 2027" (Barclays Global Consumer Conference: fireside chat transcript, 2 September 2025)
- "What's important to remember is while we've had strong delivery early on in the program, if you think about 2026 and 2027, first of all in 2026 we'll be needing to mitigate stranded costs from Essential Home. So, if you think of that trajectory of savings delivery, I think that could moderate a bit in 2026." (Barclays Global Consumer Conference: fireside chat transcript, 2 September 2025)

H2 and FY 2025 outlook (Source: H1 2025 Results, 24 July 2025)

- Upgrading our outlook and targeting LFL net revenue growth to above 4% in Core Reckitt for FY25 (from +3% to +4% previously).
    - In H2 we expect to benefit from the Mucinex sinus reformulation shelf reset in North America, the weaker cold and flu season seen in Q4 2024, a more balanced sell in environment in Europe and continued outsized growth in Emerging Markets, albeit normalising as we cycle stronger prior periods.
- Upgrading our guidance for Mead Johnson Nutrition and now expect low-to-mid single digit LFL net revenue growth in 2025 (from low single digit previously), with Q3 seeing a commensurate reversal of the impact from the Mount Vernon tornado in July 2024.
- We expect to deliver continued quarterly sequential improvement in Essential Home, now with low single digit decline in LFL net revenue for the full year (from low single digit growth previously).
- Overall for 2025, we now expect Group LFL net revenue growth of +3% to +4%.

- We expect to deliver another year of adjusted diluted EPS growth.

- Other technical guidance:
  - Adjusted net finance expense is expected to be in the range of £350m to £370m.
  - The adjusted effective tax rate is now expected to be around 25% (previously 25% to 26%).
  - Capital expenditure as a percentage of net revenue is expected to be 3% to 4%.

Medium-term guidance

- We are reiterating our medium-term guidance for Core Reckitt to consistently deliver +4% to +5% LFL net revenue growth (Source: H1 2025 Results, 24 July 2025)

Core Reckitt performance – Areas

Emerging Markets (41% of Core Reckitt H1 2025 net revenue)

- Emerging Markets net revenue grew +12.8% on a LFL basis in the half to £2,079m, with +7.1% volume growth and +5.7% price / mix improvement. (Source: H1 2025 Results, 24 July 2025)
- Growth was broad-based across all regions and categories, with particularly strong performance in China (double-digit growth) and India (high-single-digit growth). In China, recent launches online drove increased penetration and market share, whereas in India, enhanced sales force automation has driven distribution reach across the country – with a double digit increase in towns covered, and better instore execution. (Source: H1 2025 Results, 24 July 2025)
- All categories contributed to growth, underpinned by sustained market leadership of Durex across the Area and continued strong online momentum of Intima, our feminine hygiene brand, in China. Dettol delivered strong growth in Germ Protection, driven by innovations across home cleaning segments and extensions to antiseptic liquid, such as Activ Botany. The VMS portfolio also performed well, led by the ongoing success of Move Free in China. (Source: H1 2025 Results, 24 July 2025)
- “We shouldn't get used to growing at double digit just because it's unlikely to sustain itself quarter in, quarter out, year in, year out. But high single digit, I feel very comfortable we can do consistently.” (Barclays Global Consumer Conference: fireside chat transcript, 2 September 2025)

Europe (34% of Core Reckitt H1 2025 net revenue)

- Europe net revenue declined -0.9% on a LFL basis in the half to £1,689m, with -3.4% volume decline and +2.5% price / mix improvement. (Source: H1 2025 Results, 24 July 2025)
- Self Care declined low-single-digit, with seasonal brands declining mid-single-digit. Nurofen saw continued share gains across a number of markets, with Gaviscon performing strongly in Q2 particularly in the UK. (Source: H1 2025 Results, 24 July 2025)
- Intimate Wellness grew low-single-digits driven by strong Veet and Durex performance, the launch of Durex Intensity drove share gains (both volume and value) and elevated shelf presence. (Source: H1 2025 Results, 24 July 2025)
- “As we look to the back half, we see sell in and sell out should be converging in Europe and even with very low to flat category growth rates, we're confident that we'll be delivering growth in the back half.” (Barclays Global Consumer Conference: fireside chat transcript, 2 September 2025)

North America (25% of Core Reckitt H1 2025 net revenue)

- North America net revenue declined -1.7% on a LFL basis in the half to £1,238m, with -1.4% volume decline and 0.3% price / mix decline. (Source: H1 2025 Results, 24 July 2025)
- Self Care declined mid-single digit driven by the impacts of inventory levels and the timing of the cold and flu season in Q1 with our planned Mucinex sinus reformulation shelf reset impacting in Q2. Excluding seasonal brands, Self Care showed mid-single-digit growth in the half, led by VMS through the strong performance of the club channel. (Source: H1 2025 Results, 24 July 2025)
- “We were reformulating the sinus range [of] Mucinex. The reformulated product went back into the market at the beginning of Q3. So, it's a bad guy in Q2, a good guy in Q3.” (Barclays Global Consumer Conference: fireside chat transcript, 2 September 2025)

Non-Core Reckitt performance

Essential Home (13% of Group H1 2025 net revenue)

- Net revenue declined -6.5% on a LFL basis to £911m in the half, with volume decline of –5.1% and price / mix of - 1.4%. (Source: H1 2025 Results, 24 July 2025)

- H1 performance reflects the challenging pest season comparative in Latin America despite strong market share performance, and the continued competitive nature of the Air Care category in US, UK and Germany. (Source: H1 2025 Results, 24 July 2025)

- In Air Care, North America market stabilising with new product activations and promotions planned for H2. (Source: H1 2025 Results, 24 July 2025)

Mead Johnson Nutrition (15% of Group H1 2025 net revenue)

- Net revenue declined -3.3% on a LFL basis to £1,064m in the half, with volume decline of -7.3% and price / mix of +4.0%. (Source: H1 2025 Results, 24 July 2025)
- Our North America business continues to recover following the supply chain disruptions caused by the Mount Vernon tornado in the second half of 2024, which impacted product availability. Market share continues to recover as we rebuild adoption of new families following outages in samples post-tornado. (Source: H1 2025 Results, 24 July 2025)
- Solid momentum seen in Emerging Markets, particularly in Asia with good growth in speciality formulas. (Source: H1 2025 Results, 24 July 2025)
- Q3 2024 net revenue declined -17.4% on a LFL basis in Q3 to £454m. Price / mix was -3.5% and volume declined -13.9%, primarily due to around £100m negative impact on the supply of products to customers in the quarter from the Mount Vernon tornado. This was ahead of our expectations as some finished goods and raw materials inventory were recovered from the warehouse, and also reflected the actions taken to quickly source product from our Singapore plant. Developing Markets delivered low-single-digit LFL growth in the quarter (Source: Q3 2024 Trading Update, 23 October 2024)

Other financial disclosure

Share buyback programme

- In H1 a total of £0.5 billion worth of shares bought back and the latest £1 billion share buyback programme announced in 2024 was completed in June 2025. (Source: H1 2025 Results, 24 July 2025)
- The latest 2025 share buyback programme of £1 billion over the next 12 months commenced on 28 July 2025. (Source: RNS 2025 Share Buyback Programme – 28 July 2025)
- At 30 June 2025, issued ordinary shares were 736,535,179, of which 57,321,371 shares were held as Treasury shares. (Source: H1 2025 Results, 24 July 2025)
- Following the latest share purchase and intended cancellation the Company will hold 57,271,148 of its ordinary shares in treasury and have 676,041,297 ordinary shares in issue (excluding treasury shares). (Source: RNS Transaction in own shares – 26 September 2025)

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No statement in this document is or is intended to be a profit forecast or profit estimate.