

Auto Service Industry Overview Q2 2025

Mufson Howe Hunter

INVESTMENT BANKERS FOR GROWTH

Quarterly Commentary & Market Update

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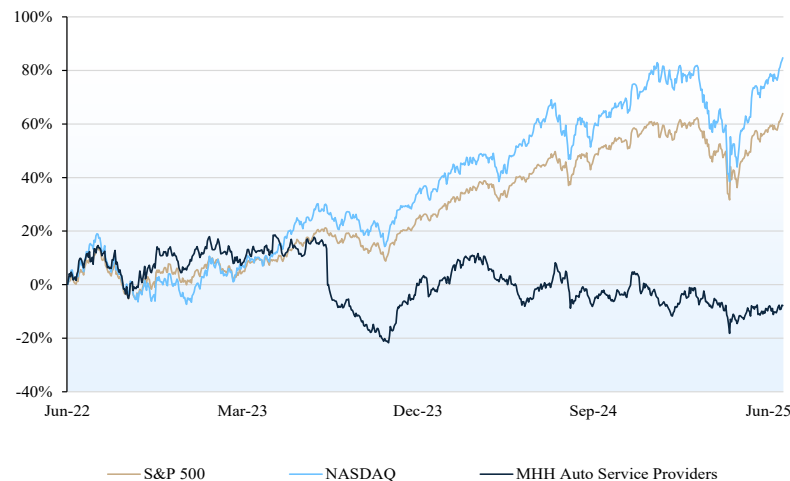
The Mufson Howe Hunter Auto Aftermarket Service Sector Spotlight is designed to provide industry professionals and private equity sponsors with current market trends and important developments within the auto aftermarket segments. This quarterly report contains recent news, analysis, and M&A activity on selected companies and in-depth coverage of the primary sectors.

Last 3 Year Performance

Daily from June 2022 to June 2025

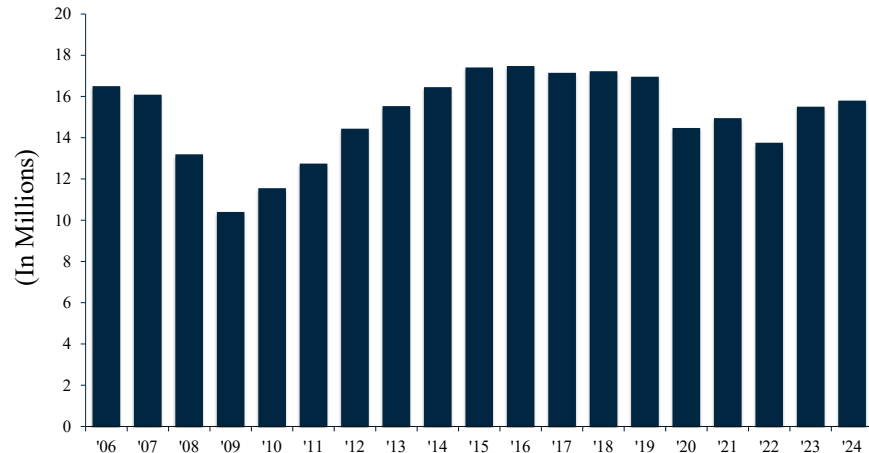
Price as Percent of Base (June 30, 2022 = 0%)

MHH Auto Aftermarket Services Index

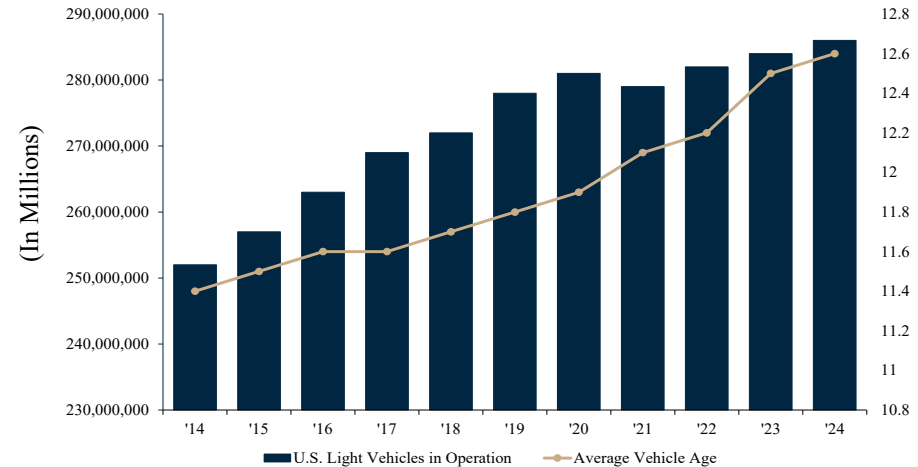


STRONG INDUSTRY FUNDAMENTALS

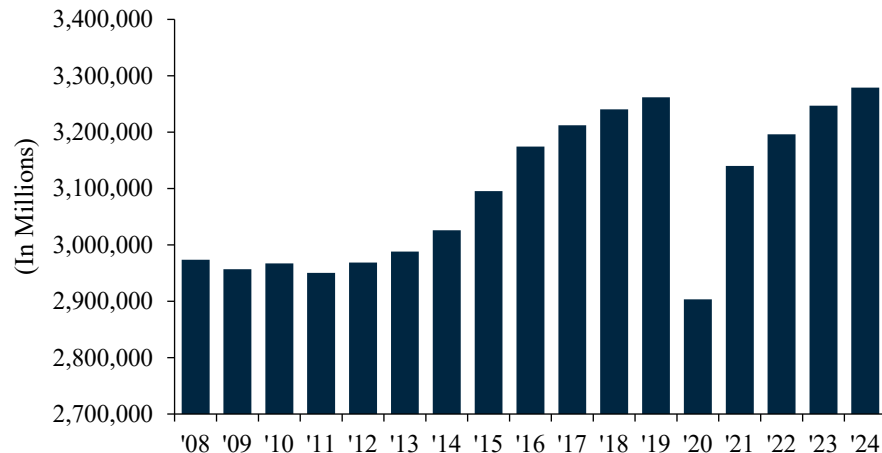
U.S. Annual Light Vehicle Sales⁽¹⁾



U.S. Light Vehicles in Operation / Average Vehicle Age⁽²⁾



Annual Vehicles Miles Traveled⁽³⁾



Key Highlights

- Light vehicle sales in 2024 modestly increased vs. 2023 but are still below pre-COVID levels because of higher interest rates
- An overall growing trend in total vehicle population, with more than 280+ million vehicles on the road with an average vehicle age of 12 years old
- Vehicle miles traveled recovered from COVID period lows and rebounded to 2019 levels in 2024

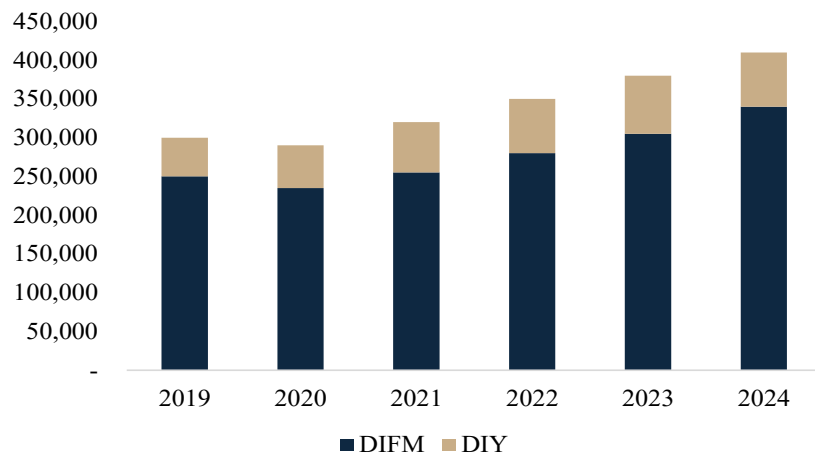
(1) FRED Economic Data, Light weight Vehicle Sales: Autos and Light Trucks (annual data)

(2) Auto Care Association Factbook, S&P Global Mobility

(3) Office of Highway Policy Information Traffic Volume Trends Data, Moving 12-Month Total Vehicle Miles Traveled

STRONG INDUSTRY FUNDAMENTALS (CONT'D)

Automotive Aftermarket “Do It For Me” (DIFM) vs. “Do It Yourself” (DIY) Sales⁽¹⁾



Key Highlights

- DIFM continues to account for a significant percentage of the automotive aftermarket
- Vehicle complexity continues to drive the shift to DIFM from DIY
- Future technology advances expected to accelerate shift to DIFM

	2019	% (outlets)	2023	% (outlets)	CAGR
Motor Vehicle Dealers	16,741	14.3%	16,835	13.8%	0.1%
General Repair Garages	81,537	69.8%	86,614	71.1%	1.5%
Specialty Repair	11,304	9.7%	10,570	8.7%	(1.7%)
Oil Change/Lube	7,284	6.2%	7,865	6.5%	1.9%
Total	116,866	100.0%	121,884	100.0%	

Source: Auto Care Association Factbook

Note: The table above is not intended to be a complete list of competitors within the automotive aftermarket, which also includes (but is not limited to) online retailers and mass merchandisers.

Key Highlights

- The auto aftermarket service industry is still highly fragmented, with significant opportunities for consolidation for dealers, general repair garages, specialty repair stores and quick lube stores

(1) Auto Care Association Factbook – Estimates for 2019-2023; 2024 forecast

* Includes Replacement Tire Segment

AUTOMOTIVE SERVICE PROVIDERS

QUICK-LUBE, COLLISION REPAIR, TIRE, AND GENERAL MAINTENANCE COMPANIES

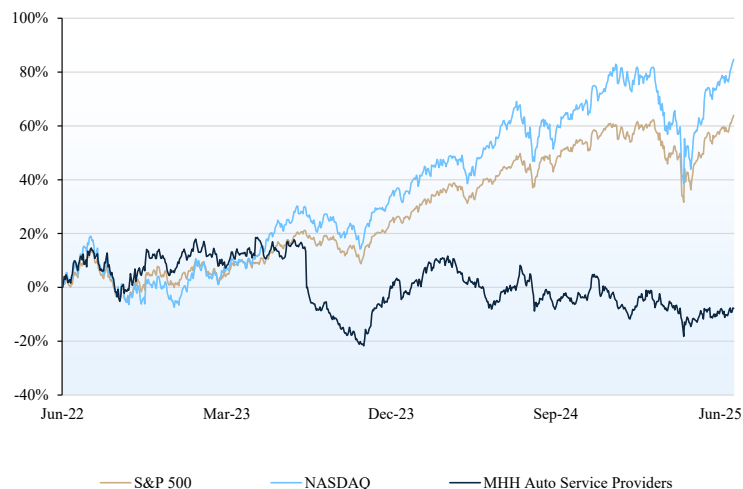
Comparative Index Performance

The MHH Auto Service Providers Index increased by 2.5% in June 2025.

Last Three Years

Daily from June 30, 2022 to June 30, 2025

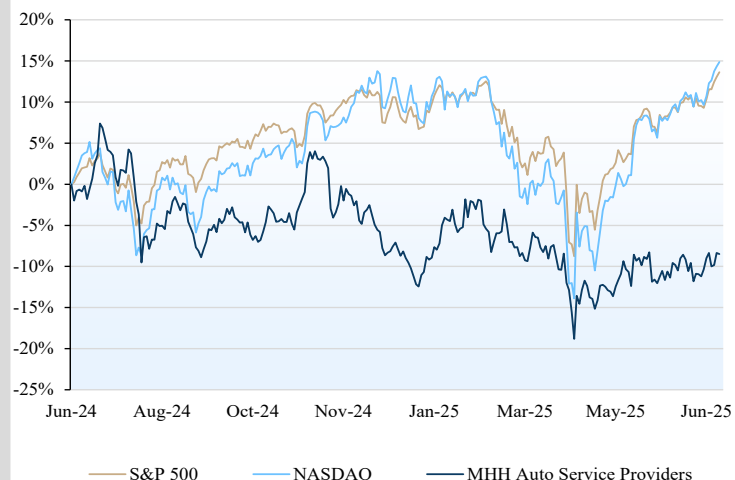
Price as Percent of Base (June 30, 2022 = 0%)



Last Twelve Months

Daily from June 30, 2024 to June 30, 2025

Price as Percent of Base (June 30, 2024 = 0%)



Price Appreciation

	3-Year	LTM	1-Month
MHH Auto Service Providers Index	-7.8%	-8.5%	2.5%
NASDAQ	84.7%	14.9%	-4.0%
S&P 500	63.9%	13.6%	4.4%

SELECTED VALUATION METRICS

MHH AUTOMOTIVE SERVICES INDEX

Automotive Aftermarket

Comparable Company Analysis

(\$ in millions, except per share data)

Company	Market & Capitalization			LTM Performance ⁽³⁾			Valuation		Margins		
	Price ⁽¹⁾	Equity Value	Enterprise Value ⁽²⁾	Revenue	EBITDA ⁽⁴⁾	EPS	Enterprise Value/ Revenue	Price/ EPS	Gross Profit	EBITDA	
Auto Service Providers											
Valvoline, Inc. (VVV)	\$37.87	\$4,813.7	\$6,122.3	\$1,674.4	\$425.9	\$2.06	3.7 x	14.4 x	18.4 x	38.3%	25.4%
Driven Brands Holdings, Inc. (DRVN)	17.56	2,884.7	5,831.6	2,283.5	423.6	(1.81)	2.6 x	13.8 x	NM	35.5%	18.5%
Boyd Group Services Inc (BYD-TSE)	156.76	3,365.3	4,617.4	3,064.3	333.6	0.62	1.5 x	13.8 x	NM	38.3%	10.9%
Mister Car Wash, Inc. (MCW)	6.01	1,952.2	3,715.6	1,017.2	287.0	0.24	3.7 x	12.9 x	24.6 x	63.0%	28.2%
Monro, Inc. (MNRO)	14.91	446.9	955.5	1,195.3	109.7	(0.22)	0.8 x	8.7 x	NM	34.9%	9.2%
Mean		\$ 2,692.56	\$ 4,248.48	\$ 1,846.96	\$ 315.95	\$ 0.18	2.4 x	12.7 x	21.5 x	42.0%	18.5%
Median		2,884.67	4,617.36	1,674.40	333.64	0.24	2.6 x	13.8 x	21.5 x	38.3%	18.5%

NA = Not Available; NM = Not Meaningful; LTM = Latest Twelve Months

‡ = excluded from Mean and Median calculations

Source: Public Filings, Press Releases and Published Research Reports.

(1) As of close on June 30, 2025.

(2) Enterprise value is defined as equity value plus net debt, preferred stock and minority interests. Net Debt includes long term debt, short term debt, postretirement benefits and unfunded pensions, if applicable, less cash and cash equivalents.

(3) As of March 31, 2025 except Driven Brand Holdings, Inc. and Monro, Inc. (March 29, 2025)

(4) Excludes non-recurring and discontinued operations.

SELECTED INDUSTRY METRICS

MHH AUTOMOTIVE SERVICES INDEX

Valvoline	CY-24	Mar-25	Jun-25
Same-Store Sales Growth (%)	8.0%	5.8%	4.9%
Franchise	7.8%	6.6%	5.4%
Corporate Owned	8.2%	4.8%	4.2%
Store Count	2,045	2,078	2,124
Franchise	1,113	1,128	1,141
Corporate Owned	2,045	950	983

Driven Brands

Take 5 Same-Store Sales Growth (%)	6.8%	8.0%	6.6%
Take 5 Store Count	1,181	1,203	1,244
Franchise	463	468	485
Corporate Owned	718	735	759
Franchise Brands Same-Store Sales Growth (%)	0.9%	-2.9%	-1.5%
Franchise Brands Store Count	2,679	2,660	2,673

Boyd Group

Same-Store Sales Growth (%)	-1.8%	-2.8%	-2.1%
Store Count	984	987	-

Mr. Car Wash

Same-Store Sales Growth (%)	3.0%	6.0%	1.2%
Store Count	514	518	522

Monro

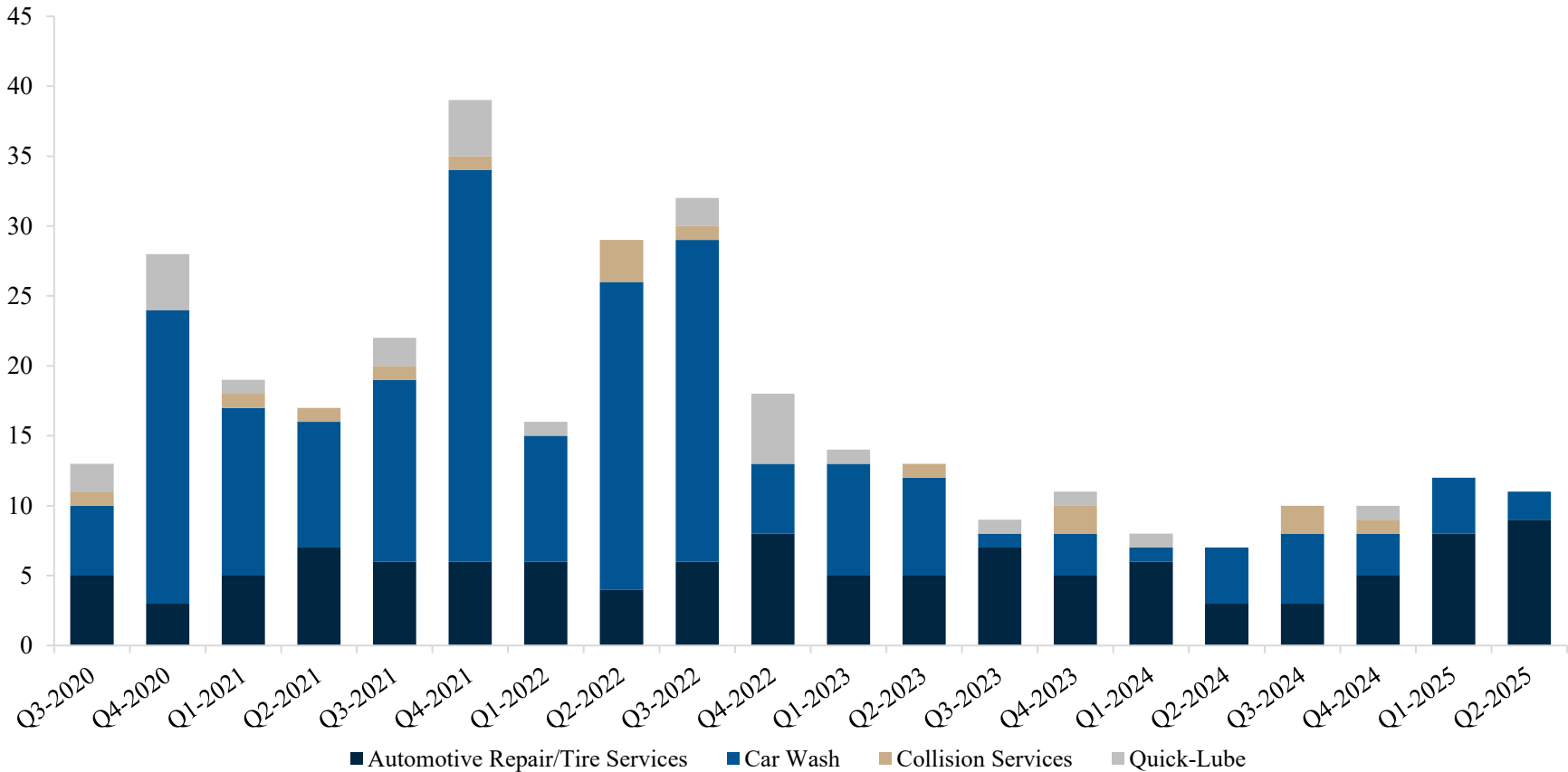
Same-Store Sales Growth (%)	-6.1%	-7.2%	5.7%
Store Count	1,236	1,260	1,115

Key Highlights

- Valvoline delivered another quarter of 4.9% comp store sales growth and an increase in store count of 46 QoQ, primarily driven by additional corporate-owned units
- Take 5 reported another strong quarter of 6.6% comp store sales growth and an increase in store count of 41 QoQ, primarily driven by additional corporate-owned units
- Driven Brands Franchise brands generated a negative 1.5% comp store sales growth, a slight improvement from the prior quarter
- Boyd Group announced -2.1% in comp store sales decline, primarily driven by continuing declines in claims volume and overall economic uncertainty
- Mr. Car Wash reported 1.2% comp store sales growth and 4 additional units QoQ
- Monro generated 5.7% comp store sales growth, a significant improvement from their past quarters, and shut down 145 under-performing units, which account for ~12% total store footprint

M&A TRENDS IN THE INDUSTRY

DEAL COUNT FROM Q2 2020 – Q2 2025

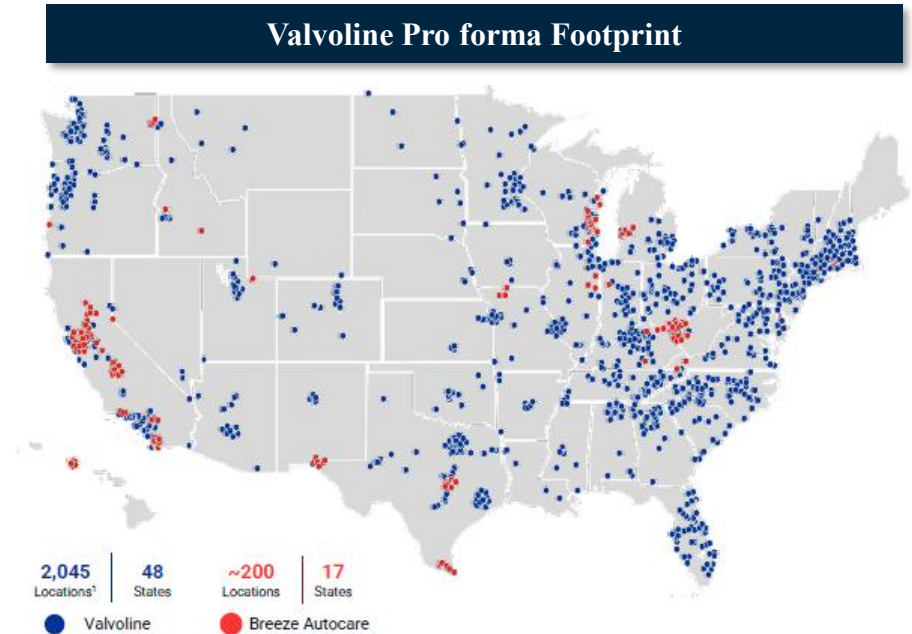


Key Highlights

- The consolidation trend in the car wash market has decelerated since the 2021-2022 high
- Auto aftermarket consolidation has seen consistent volume in the general auto repair/tire segment

SELECT M&A DEAL COMMENTARY

- In Q1 2025, Valvoline announced the acquisition of Breeze Autocare from Greenbrier Equity for \$625 million, representing a multiple of 10.7x in an effort to expand its network
 - Breeze Autocare operates ~200 company owned stores in the 17 states, enabling Valvoline to expand its footprint in Texas, California and Midwest
- This transaction solidifies Valvoline's role as a prime consolidator in the quick lube market and brings it closer to the 3,500+ store network objective that management team set



Source: Valvoline acquisition of Breeze Auto Transaction Announcement Presentation

SELECTED M&A TRANSACTIONS & NEWS

SELECT Q2 2025 AUTOMOTIVE SERVICE PROVIDERS

Announced	Target	Target Description	Acquirer	Value
June 11	Autopro Auto Service, Inc.	Minnesota-based automotive maintenance and tire repair services.	 VICTORY	ND
June 2	Cleanland Car Wash LLC	Midwestern based express car washes with 45 locations.	 EXPRESS WASH CONCEPTS	ND
June 2	Johnny Clean Car Wash	Central Florida-based 3-Minute car washes with 3 locations.		ND
May 29	Future Express Car Wash	Bay Area California-based car wash chain.		ND
May 29	Glenn Ivey, Inc.	Texas-based automotive maintenance and tire repair services.		ND
May 29	Integrity Car Care LLC	Michigan-based auto wash and quick lube business.		ND
May 29	Blythe Discount Tires, Inc.	California-based automotive maintenance and tire repair services.		ND
May 29	Elite Tire & Suspension, Inc.	Idaho-based new and used tires, suspension, and alignment services.		ND

SELECTED M&A TRANSACTIONS & NEWS (CONT'D)

SELECT Q2 2025 AUTOMOTIVE SERVICE PROVIDERS

Announced	Target	Target Description	Acquirer	Value
May 29	Karnes Pro Tire & Auto Center	Oklahoma-based tire and automotive repair services.		ND
May 13	Reliable Auto Care	Maryland-based tire and automotive repair services.		ND
April 3	Sterling Automotive (US)	California-based automotive repair services.		ND
April 3	Future Express Car Wash	Bay Area California-based car wash chain.		ND

MHH AUTO AFTERMARKET TRANSACTIONS

SELECT MHH RECENT TRANSACTION AND ADVISORY PROJECTS

Interstate Auto Care, LLC d.b.a



has been acquired by



The undersigned served as exclusive financial advisor to the seller in this transaction

Mufson Howe Hunter
INVESTMENT BANKERS FOR GROWTH

PROJECT WAGON

Student Transportation Company

has been acquired by



The undersigned served as exclusive financial advisor to the seller in this transaction

Mufson Howe Hunter
INVESTMENT BANKERS FOR GROWTH

*Large Franchisee
of Leading Auto
Aftermarket
Service Platform*

*The undersigned provided
financial advisory*

Mufson Howe Hunter
INVESTMENT BANKERS FOR GROWTH

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Mergers & Acquisitions

- Advise buyers and sellers
- Sale of businesses, strategic acquisitions, management buy-outs and industry build-ups

Capital Raises

- Equity (control and non-control)
- Mezzanine financing
- Senior and junior debt
- Typically raise capital from banks, finance companies, private investment funds and private equity groups

Financial Advisory Services

- Analysis of business strategies and options
- Fairness opinions
- Valuations

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