

Auto Service Industry Overview Q3 2025

Mufson Howe Hunter

INVESTMENT BANKERS FOR GROWTH

Quarterly Commentary & Market Update

Primary Sector Coverage Contacts:

Michael J. Mufson

Managing Director
215.399.5410

mmufson@mhcco.com

Anthony Lopez-Ona

Managing Director
215.399.5405

alopezona@mhcco.com

Joe Golden

Managing Director
703.785.5525

jgolden@mhcco.com

Jimmy Yu

Vice President
215.399.5408

jyu@mhcco.com

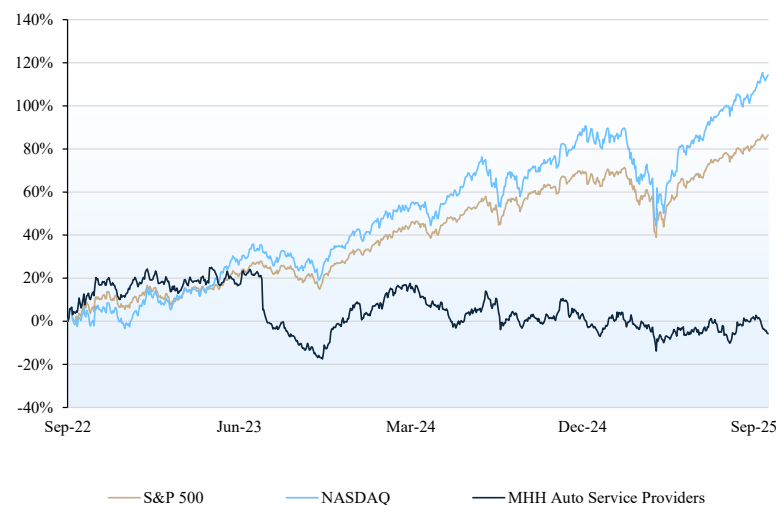


The Mufson Howe Hunter Auto Aftermarket Service Sector Spotlight is designed to provide industry professionals and private equity sponsors with current market trends and important developments within the auto aftermarket segments. This quarterly report contains recent news, analysis, and M&A activity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

Last 3 Year Performance

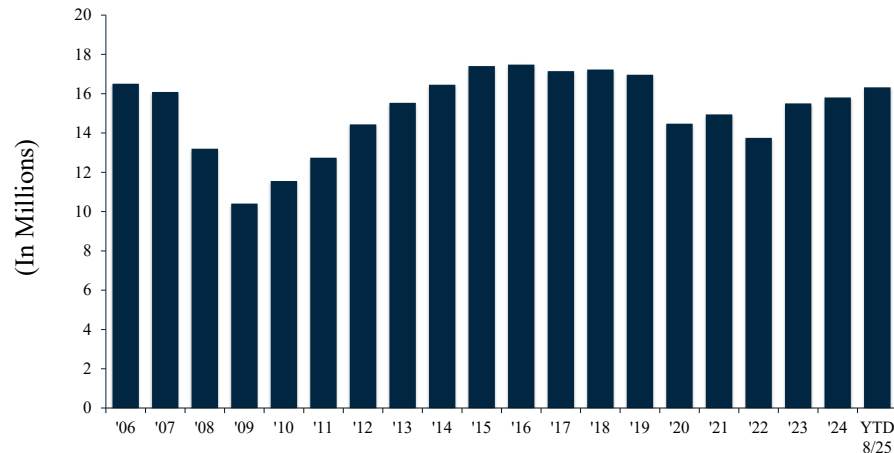
*Daily from September 2022 to September 2025
Price as Percent of Base (September 30, 2022 = 0%)*

MHH Auto Aftermarket Services Index

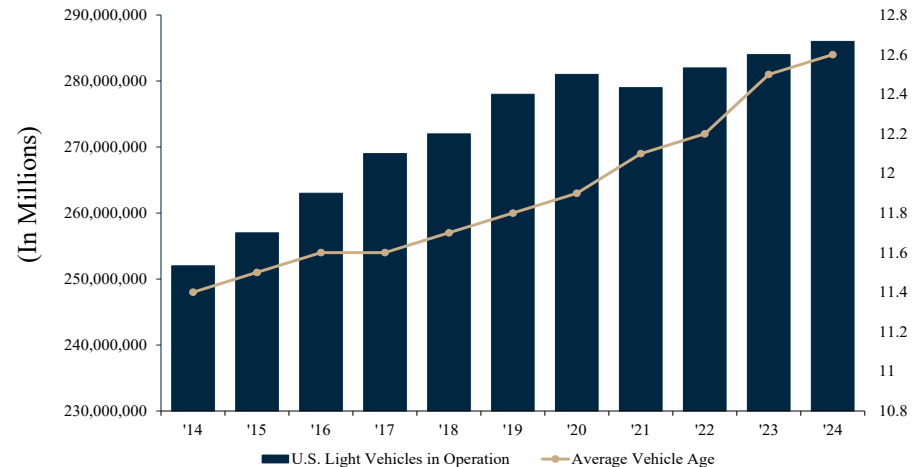


STRONG INDUSTRY FUNDAMENTALS

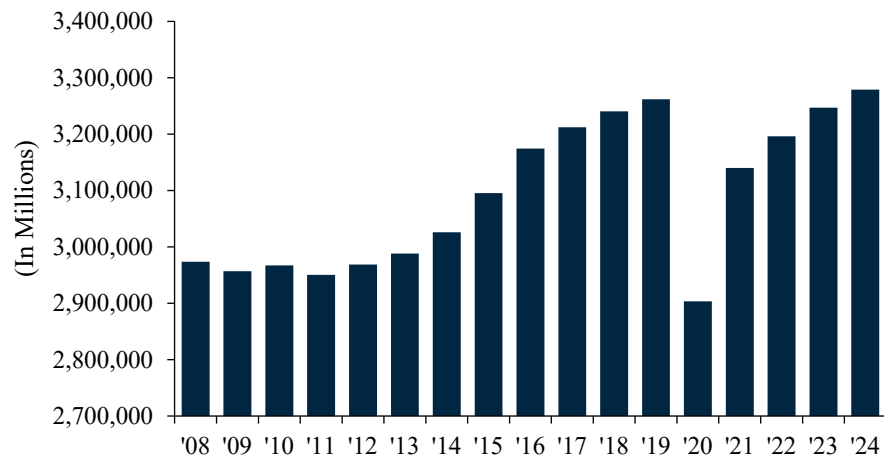
U.S. Annual Light Vehicle Sales⁽¹⁾



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



Annual Vehicles Miles Traveled⁽³⁾



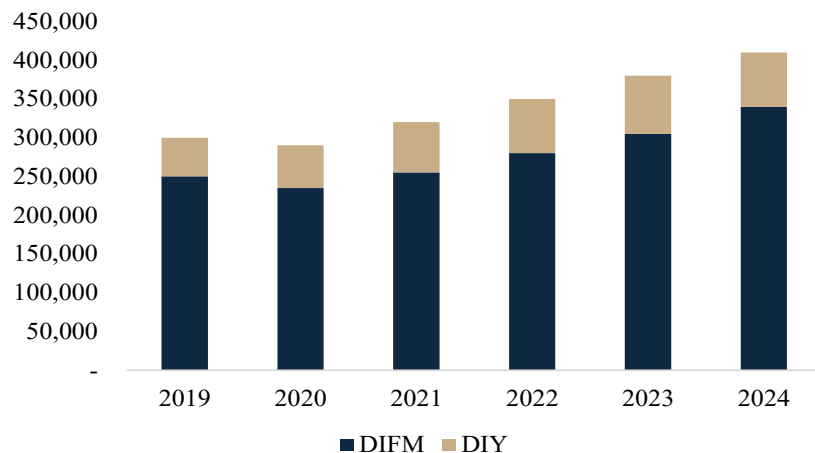
Key Highlights

- 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

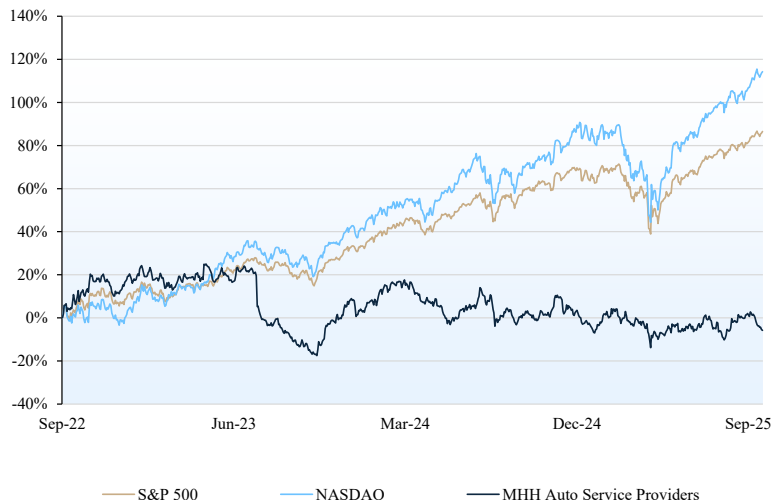
Comparative Index Performance

The MHH Auto Service Providers Index decreased by 5.7% in September 2025.

Last Three Years

Daily from September 30, 2022 to September 30, 2025

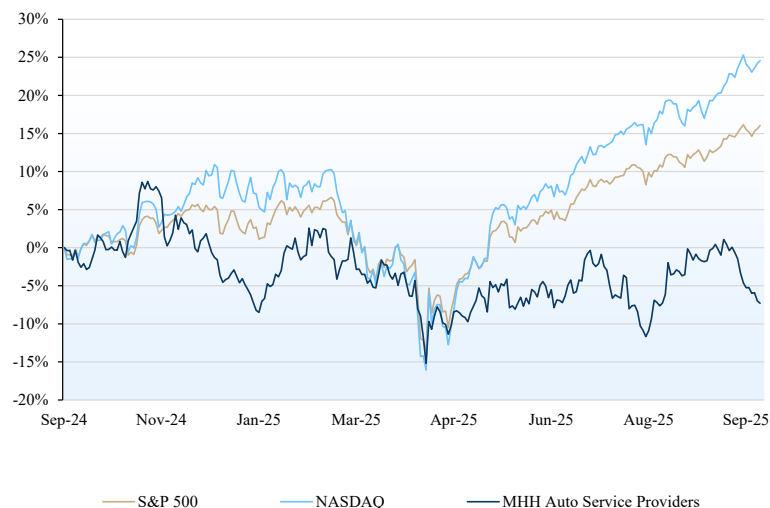
Price as Percent of Base (September 30, 2022 = 0%)



Last Twelve Months

Daily from September 30, 2024 to September 30, 2025

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



Price Appreciation

	3-Year	LTM	1-Month
MHH Auto Service Providers Index	-5.8%	-7.3%	-5.7%
NASDAQ	114.3%	24.6%	5.6%
S&P 500	86.5%	16.1%	3.5%

SELECTED VALUATION METRICS

MHH AUTOMOTIVE SERVICES INDEX

(\$ 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	EBITDA	Price/ EPS	Gross Profit	EBITDA
Auto Service Providers											
Valvoline, Inc. (VVV)	\$35.91	\$4,564.7	\$5,888.3	\$1,692.0	\$431.0	\$2.15	3.5 x	13.7 x	16.7 x	38.5%	25.5%
Driven Brands Holdings, Inc. (DRVN)	16.11	2,649.4	5,178.9	2,167.0	345.6	(1.24)	2.4 x	15.0 x	NM	37.4%	16.0%
Boyd Group Services Inc (BYD-TSE)	168.69	4,694.7	5,930.8	3,065.2	338.1	0.57	1.9 x	17.5 x	NM	38.4%	11.0%
Mister Car Wash, Inc. (MCW)	5.33	1,745.9	3,474.5	1,041.7	294.5	0.28	3.3 x	11.8 x	19.2 x	63.0%	28.3%
Monro, Inc. (MNRO)	17.97	539.5	1,030.1	1,190.7	93.4	(0.67)	0.9 x	11.0 x	NM	34.6%	7.8%
Mean		\$ 2,838.83	\$ 4,300.50	\$ 1,831.30	\$ 300.53	\$ 0.22	2.4 x	13.8 x	18.0 x	42.4%	17.7%
Median		2,649.35	5,178.86	1,692.00	338.12	0.28	2.4 x	13.7 x	18.0 x	38.4%	16.0%

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 September 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 June 30, 2025 except DRVN & MNRO (September 27, 2025) and MCW (September 30, 2025)

(4) Excludes non-recurring and discontinued operations.

SELECTED INDUSTRY METRICS

MHH AUTOMOTIVE SERVICES INDEX

Valvoline	CY-24	Jun-25	Sep-25
Same-Store Sales Growth (%)	8.0%	4.9%	6.0%
Franchise	7.8%	5.4%	6.5%
Corporate Owned	8.2%	4.2%	5.4%
Store Count	2,045	2,124	2,180
Franchise	1,113	1,141	1,164
Corporate Owned	2,045	983	1,016

Driven Brands

Take 5 Same-Store Sales Growth (%)	6.8%	6.6%	6.8%
Take 5 Store Count	1,181	1,244	1,282
Franchise	463	485	502
Corporate Owned	718	759	780
Franchise Brands Same-Store Sales Growth (%)	0.9%	-1.5%	0.7%
Franchise Brands Store Count	2,679	2,673	2,676

Boyd Group

Same-Store Sales Growth (%)	-1.8%	-2.1%	2.4%
Store Count	984	1003	1022

Mr. Car Wash

Same-Store Sales Growth (%)	3.0%	1.2%	3.1%
Store Count	514	522	527

Monro

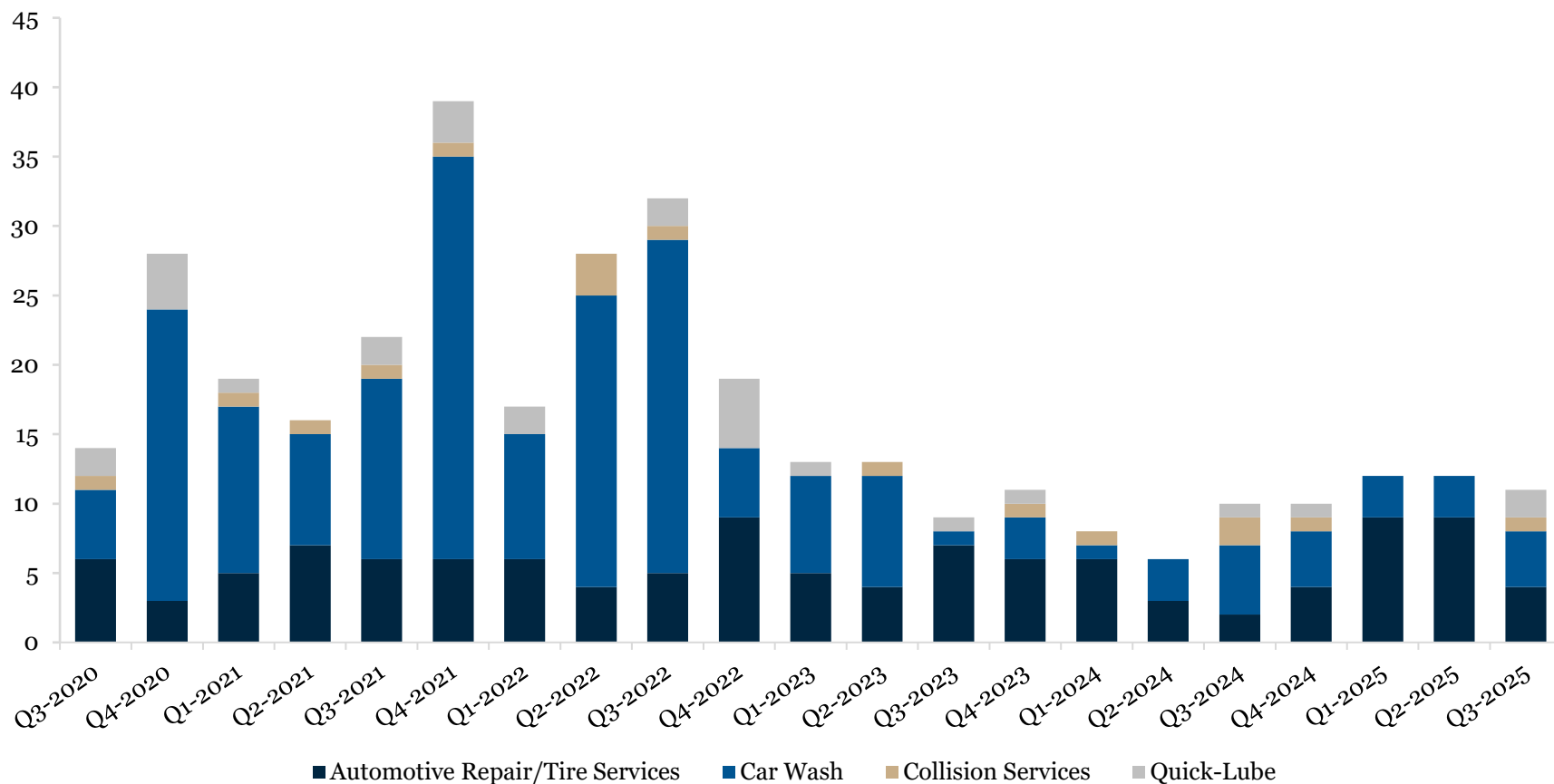
Same-Store Sales Growth (%)	-6.1%	5.7%	1.1%
Store Count	1,236	1,115	1,116

Key Highlights

- Valvoline delivered another quarter of 6% comp store sales growth and an increase in store count of 56 QoQ, primarily driven by additional corporate-owned units and franchise locations
 - Valvoline announced an update regarding the acquisition of Breeze Auto which is discussed later in the report
- Take 5 reported another strong quarter of 6.8% comp store sales growth and an increase in store count of 38 QoQ, primarily driven by additional corporate-owned units and franchise locations
- Driven Brands Franchise brands generated a positive 0.7% comp store sales growth, building on the slight improvement from the prior quarter
- Boyd Group announced 2.4% in comp store sales growth, primarily driven by insurance premiums, used car prices, and claim volumes improvements
 - Gerber announced an acquisition of Joe Hudson Collision which is discussed later in the report
- Mr. Car Wash reported 3.1% comp store sales growth and 5 additional units QoQ
- Monro generated 1.1% comp store sales growth, continuing the pattern of improvement from their past quarters as the Company focus on restructuring efforts

M&A TRENDS IN THE INDUSTRY

DEAL COUNT FROM Q3 2020 – Q3 2025



Key Highlights

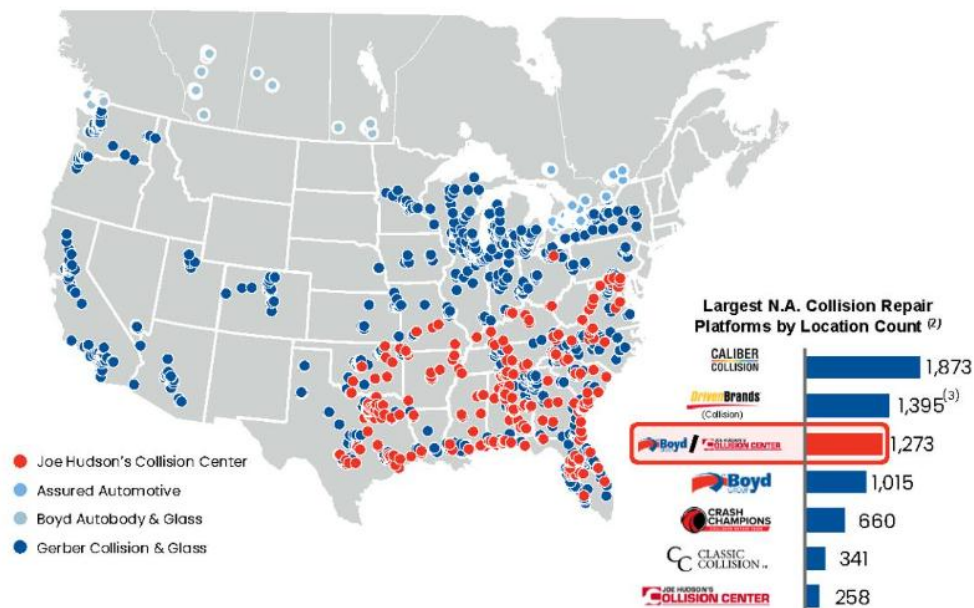
- The consolidation trend in the car wash market has decelerated since the 2021-2022 high
- Auto aftermarket consolidation has seen consistent volume in the general auto repair/tire segment

SELECT M&A DEAL COMMENTARY

- In October 30th, 2025, Gerber Collision announced the acquisition of Joe Hudson's Collision Center ("JHCC") from TSG Consumer partners for \$1.3 billion, representing a multiple of 13.3x in LTM Q2'2025 JHCC Adj. EBITDA assuming run-rate adjustments
 - Joe Hudson operates ~258 stores in the the southeast states in U.S., which have the highest amount of population growth
 - Since 2020, JHCC has more than doubled its footprint through a combination of acquisition and new starts, adding 123 locations through acquisitions and 17 through start-ups
 - JHCC reports a LTM Q2 2025 revenues of \$722 million in sales and EBITDA margin of 8.7%
- This transaction solidifies Gerber's role as one of the leading consolidator in the collision market and brings it closer to \$5 billion revenue goal that management set
 - Complementary location footprint with the acquisition increase Gerber's location count by 25% but only entering into two new states
- Boyd issued both new debt and new equity to finance the transaction

Gerber Acquisition of Joe Hudson's Collision

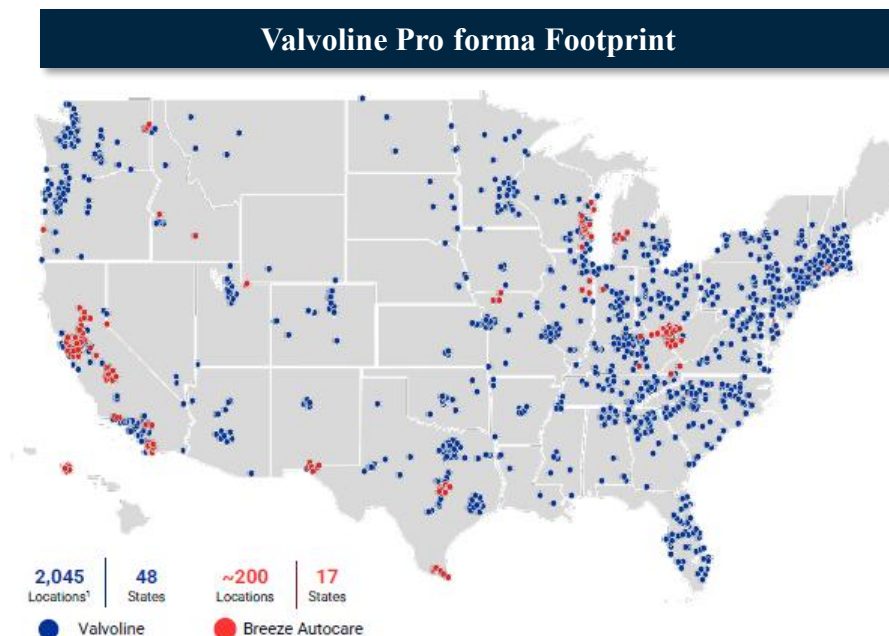
BOYD & JHCC LOCATION FOOTPRINT



Source: Boyd Group Acquisition Presentation

SELECT M&A DEAL COMMENTARY (CONT'D)







- 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
- As of November 14, 2025, FTC require Oil Change to divest 45 locations to resolve antitrust concerns, with a target to close the transaction on December 1st, 2025



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
September 28	Innovative RV Solutions	Innovative RV Solutions Inc provides RV repair and customization services	Prsyse, Inc.	ND
September 22	Vogue Tyre & Rubber	Manufactures and distributes tires	STU SAILUN TIRE USA	ND
September 17	Royalton Car Wash	Provides car wash services	 WASH EXPRESS WASH CONCEPTS	ND
September 12	Rapid Shine Car Wash	Provides car wash services	 Club CARWASH	ND
September 10	Car Body Lab	Provides auto body repair and maintenance services	 CALIBER COLLISION • AUTO GLASS • AUTO CARE	ND
September 10	Clean Getaway Express Tunnel Wash (Iowa)	Provides car wash services	 Club CARWASH	ND
September 8	Jackson Auto Worx	Provides car repair services	 SunAuto Tire & Service	ND
September 8	Hindsman & Son	Provides tire auto repair services	 SunAuto Tire & Service	ND

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

SELECT Q2 2025 AUTOMOTIVE SERVICE PROVIDERS

Announced	Target	Target Description	Acquirer	Value
September 8	Alliance Inspection Management	Provides vehicle inspection services	COX AUTOMOTIVE	ND
September 3	Mira Mesa Auto Spa	Provides auto detailing services		ND
August 26	Jack's Auto Service	Operates as an automotive repair facility	AUTO SERVICE & GLASS VICTORY	ND
July 16	LOF Xpress	Provides quick and efficient oil change services	Strickland Brothers 10 Minute Oil Change 	ND
July 15	Sage Lube Systems	Provides automotive oil change services	Strickland Brothers 10 Minute Oil Change 	ND
July 9	Pods Complete Car Care & Accessories	Operates as an automotive repair facility	AUTO SERVICE & GLASS VICTORY	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

Mufson Howe Hunter & Co. is an independent investment bank for middle-market companies. We focus on mergers and acquisitions, recapitalizations and capital raises.

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

Broker dealer services provided by our wholly-owned subsidiary

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C o n t a c t U s

Mufson Howe Hunter

www.mhhco.com

Michael J. Mufson

Managing Director
215.399.5410

mmufson@mhhco.com

Joe Golden

Managing Director
703.785.5525

jgolden@mhhco.com

Anthony Lopez Ona

Managing Director
215.399.5405

alopezona@mhhco.com

Jimmy Yu

Vice President
215.399.5408

jyu@mhhco.com