ADVANCE AUTO PARTS™

Q4 & FY 2024 PERFORMANCE

CORPORATE PROFILE

Advance Auto Parts, Inc. is a leading automotive aftermarket parts provider that serves both professional installer and do-it-yourself customers.

As of
DECEMBER 28, 2024

4,788
ADVANCE AND CARQUEST STORES

934
INDEPENDENTS

> **We are committed to delivering an improved operating performance in 2025 and making progress toward our FY27 goal of achieving an adjusted operating margin of approximately 7%.**
>
> **– Shane O'Kelly, President and CEO**

Q4 FINANCIAL HIGHLIGHTS[1]

-1.0%
COMPARABLE STORE SALES[2]

DIY[3] ↓

PRO ↓

39.0%
ADJ. GROSS MARGIN[4]

-5.0%
ADJ. OPERATING MARGIN[4]

-$1.18
ADJ. DILUTED LOSS PER SHARE[4]

(1) On August 22, 2024, the company entered into a definitive purchase agreement to sell its Worldpac Inc. business ("Worldpac"), which reflected a strategic shift in its business. The sale was completed on November 1, 2024. As a result, the company has classified the results of operations and cash flows of the Worldpac business as discontinued operations in its consolidated statements of operations and consolidated statements of cash flows for all periods presented. The related assets and liabilities associated with the discontinued operations are classified as held for sale in the consolidated balance sheets. Unless otherwise noted, the discussion presented herein relates to the company's continuing operations.

(2) The company calculates comparable store sales based on the change in store or branch sales starting once a location has been open for approximately one year and by including e-commerce sales and excluding sales fulfilled by distribution centers to independently owned Carquest locations. Acquired stores are included in the company's comparable store sales one year after acquisition. The company includes sales from relocated stores in comparable store sales from the original date of opening.

(3) DIY includes stores and ecommerce

(4) Adjusted Gross Margin, Adjusted Operating Income Margin and Adjusted Diluted Loss Per Share are non-GAAP measures. For a better understanding of the company's non-GAAP adjustments, refer to the reconciliation of non-GAAP financial measures in the accompanying financial tables.

Q4 CATEGORY STRENGTH

BATTERIES — FILTERS — FLUIDS & CHEMICALS

FY FINANCIAL HIGHLIGHTS[1]

-0.7%
COMPARABLE STORE SALES[2]

DIY[3] ↓

PRO ↑

42.2%
ADJ. GROSS MARGIN[4]

0.4%
ADJ. OPERATING MARGIN[4]

-$0.29
ADJ. DILUTED LOSS PER SHARE[4]

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(2) The company calculates comparable store sales based on the change in store or branch sales starting once a location has been open for approximately one year and by including e-commerce sales and excluding sales fulfilled by distribution centers to independently owned Carquest locations. Acquired stores are included in the company's comparable store sales one year after acquisition. The company includes sales from relocated stores in comparable store sales from the original date of opening.

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FY CATEGORY STRENGTH

BATTERIES — FILTERS — ENGINE MANAGEMENT

ACCELERATE 2025

- **Merchandising:** New store based assortment framework expected to be rolled out in Top 50 DMAs over the next 12-18 months.
- **Supply Chain:** Distribution center consolidation and market hub expansion to continue. Testing new route optimization during 2025.
- **Stores:** New store operating model expected to be rolled out to all stores by end of 2025.