Q2 2025 RESULTS

AUGUST 14 | 2025

Forward Looking Statements and Non-GAAP

Certain statements herein are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are usually identifiable by words such as “anticipate,” “believe,” “could,” “estimate,” “expect,” “forecast, “guidance,” “intend,” “likely,” “may,” “plan,” “position,” “possible,” “potential,” “probable,” “project,” “should,” “strategy,” “target,” “will,” or similar language. All statements other than statements of historical fact are forward-looking statements, including, but not limited to, statements about the Company’s strategic initiatives, restructuring and asset optimization plans, financial objectives, including with respect to the Company's reorganized debt capital structure, operational plans and objectives, statements about the benefits of the Company's Worldpac sale and use of proceeds therefrom, statements regarding expectations for economic conditions, future business and financial performance, including with respect to tariffs, as well as statements regarding underlying assumptions related thereto. Forward-looking statements reflect the Company’s views based on historical results, current information and assumptions related to future developments. Except as may be required by law, the Company undertakes no obligation to update any forward-looking statements made herein. Forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ materially from those projected or implied by the forward-looking statements. They include, among others, the Company’s ability to hire, train and retain qualified employees, the timing and implementation of strategic initiatives, risks associated with the Company’s restructuring and asset optimization plans, risks relating to incurrence of indebtedness and increased leverage, risks relating to the Company's credit ratings or perceived creditworthiness, deterioration of general macroeconomic conditions, geopolitical factors including increased tariffs and trade restrictions, the highly competitive nature of the industry, demand for the Company’s products and services, risks relating to the impairment of assets, including intangible assets such as goodwill, access to financing on favorable terms, complexities in the Company’s inventory and supply chain and challenges with transforming and growing its business. Please refer to “Item 1A. Risk Factors” of the Company’s most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission (“SEC”), as updated by the Company’s subsequent filings with the SEC, for a description of these and other risks and uncertainties that could cause actual results to differ materially from those projected or implied by the forward-looking statements.

Non-GAAP Financial Measures.

The Company's financial results include certain financial measures not derived in accordance with accounting principles generally accepted in the United States of America (“GAAP”). Non-GAAP financial measures, including Adjusted Net (loss) Income, Adjusted Diluted (loss) Earnings Per Share, Adjusted Gross Profit, Adjusted Gross Profit Margin, Adjusted Selling, General and Administrative Expense, Adjusted SG&A Margin, Adjusted Operating (loss) Income, Adjusted Operating (loss) Income Margin, Free Cash Flow and Adjusted Net Debt to Adjusted EBITDAR should not be used as a substitute for GAAP financial measures, or considered in isolation, for the purpose of analyzing our operating performance, financial position or cash flows. For additional information about these measures and a reconciliation to their most comparable GAAP measures, please refer to the Appendix in these materials.

AGENDA

Business Update
Shane O'Kelly
President and Chief Executive Officer

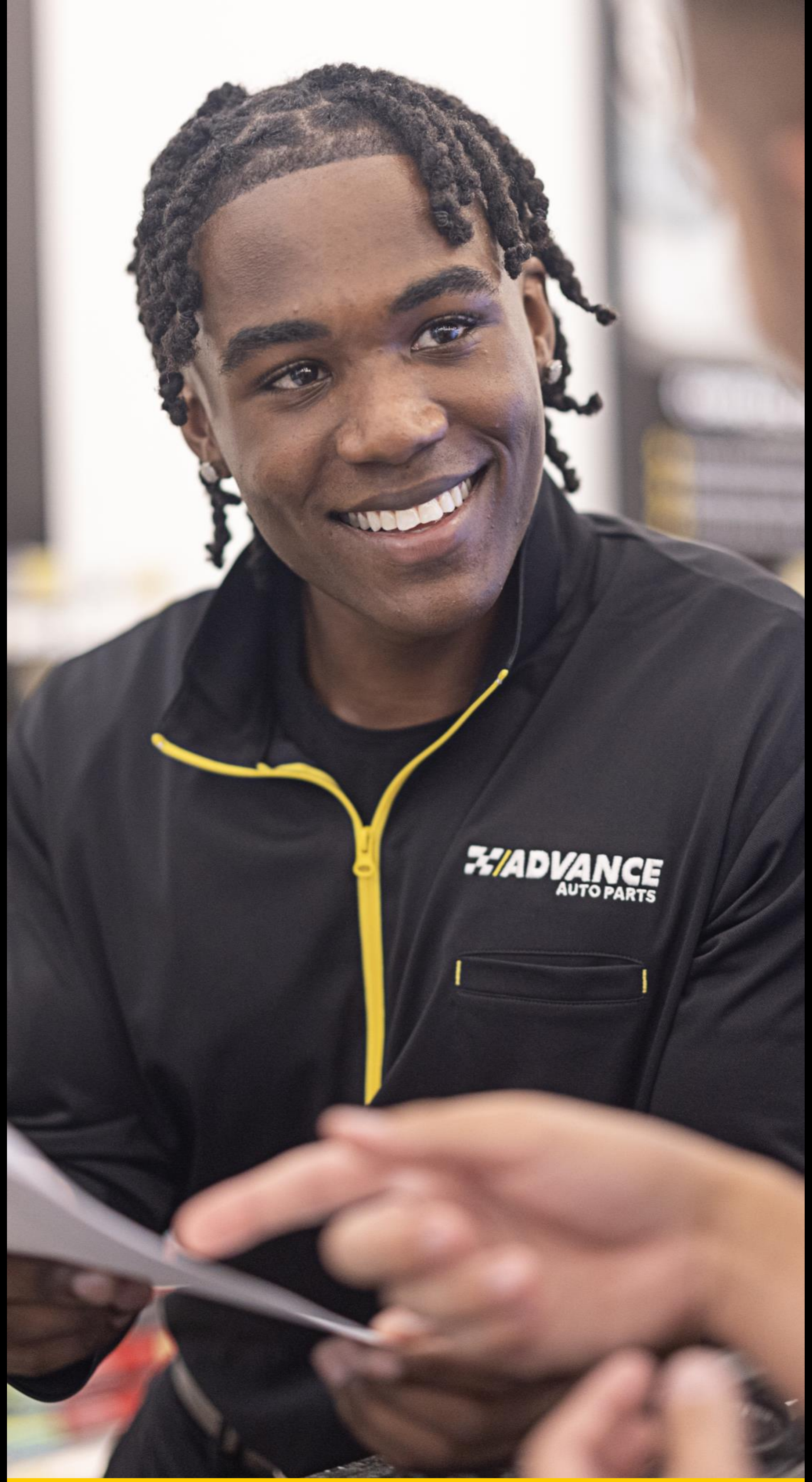
Financial Update
Ryan Grimsland
Executive Vice President and Chief Financial Officer

Q&A

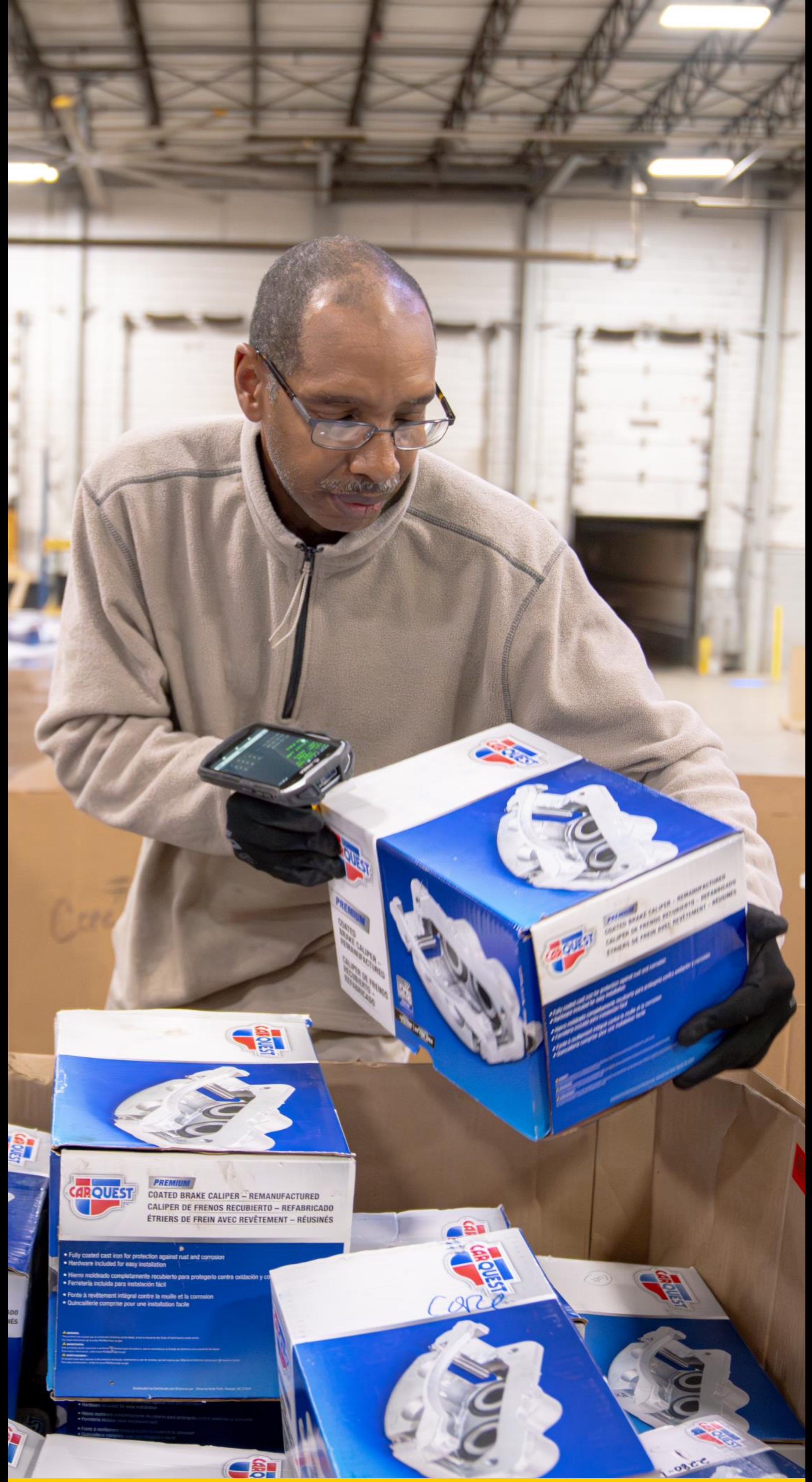
BUSINESS UPDATE

Shane O'Kelly

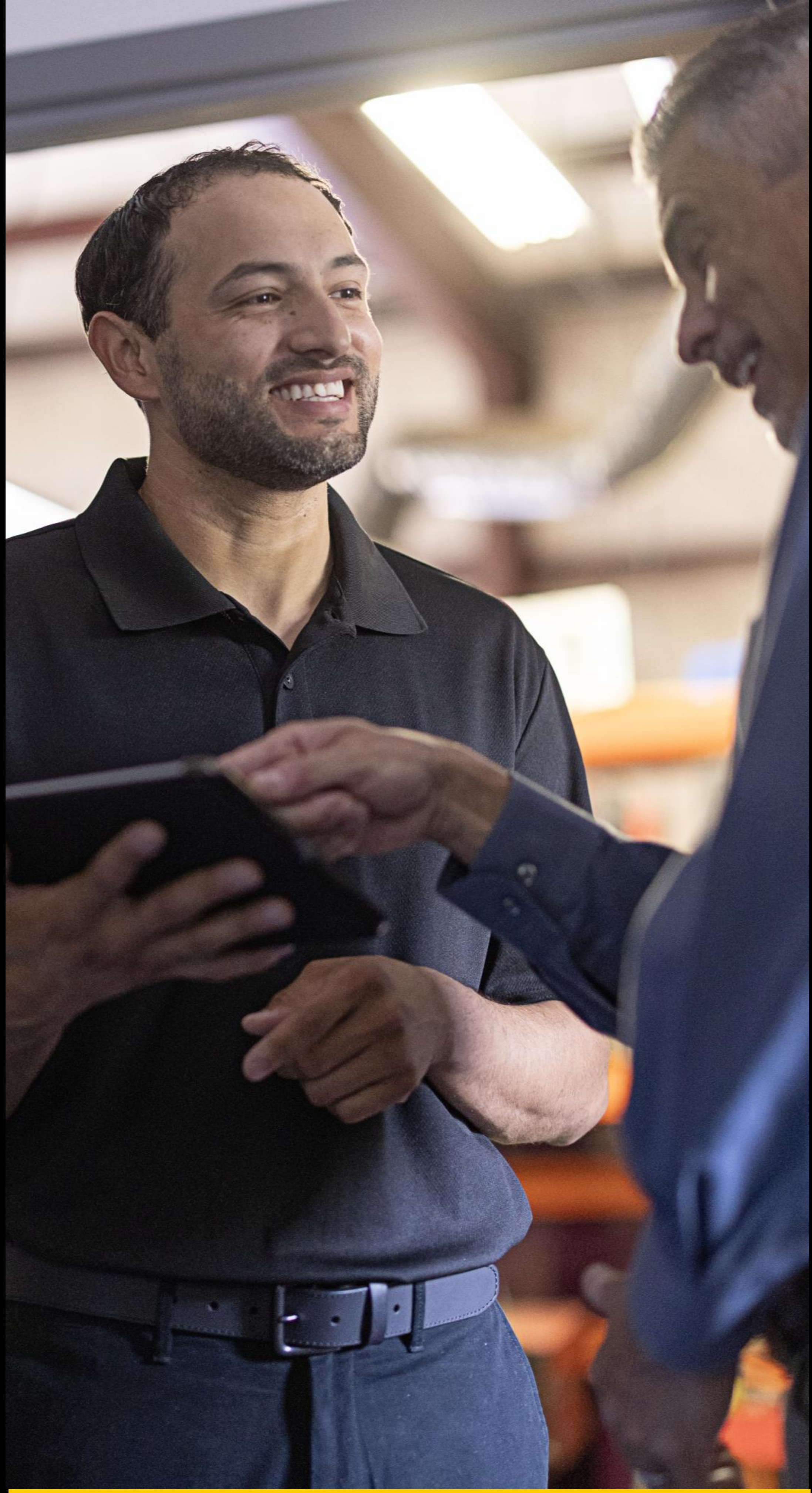
SUMMARY



Solid Q2 2025 Results and Return to Profitability



FY25 Sales, Operating Margin & Free Cash Flow Guidance Reaffirmed



Completed Proactive Reorganization of Debt Structure

STRATEGIC PILLARS AND KEY INITIATIVES

Right Parts.

Merchandising Excellence

- Strategic sourcing
- Assortment management
- Promotions & margin management

Right Place.

Supply Chain

- Distribution center productivity
- Hub network expansion
- Transportation optimization

Right Service.

Store Operations

- Store operating model
- Service-level improvements
- New store growth

ADVANCE AUTO PARTS

MERCHANDISING

- Notable progress under new merchandising leaders
- Product cost reductions progressing
- Managing pricing and improving promotion effectiveness
- Accelerating SKU growth
- New assortment framework in Top 50 DMAs expected to be complete in Q3
  - Top 30 DMAs completed as of Q2 2025
  - Maintaining average 50bps comp sales uplift

Metric – Store Availability

- Target - High 90%s range
- Q2 2025 - Mid-90%s

(vs. Low-90%s FY 2024 | +100bps QoQ)

SUPPLY CHAIN

- Consolidating US distribution centers
  - Expect 16 DCs by end-2025 vs. 28 at end-2024 and 38 at end-2023
- Driving productivity in DCs
  - Shipment accuracy
  - DC to store order fill rates
  - Warehouse system optimization
- Expanding market hub locations
  - Expect 29 by end-2025 vs. 19 at end-2024
  - Average 100bps comp sales uplift

Metric – DC Labor Productivity

- Target – Continuous improvement in product lines per hour
- YTD Q2 2025 – Low-single-digit % improvement vs. FY 24

STORE OPERATIONS

- Professional/ DIFM
  - Positive low-single digit comp sales growth during Q2; mid-single-digit 2-yr comp
  - Enhanced customer visibility for frontline team
  - Pro customers gaining confidence
- Retail/ DIY incl e-commerce
  - Stabilization in comp sales growth during Q2; improvement in 2-yr comp
  - Reinforcing service capabilities to build customer relationships
  - Investing in stores to improve experience for customers and store team

Metric – Time to Serve

- Target – 30 to 40 min
- Q2 2025 – Within target range

(vs. Over 50 min avg FY 2024)

FINANCIAL UPDATE

Ryan Grimsland

Q2 2025 RESULTS

Advance Auto Parts Continuing Operations

Net Sales

$2.0B

(-7.7% YoY)

Comparable Store Sales Growth

+0.1% YoY

Adjusted Diluted Earnings Per Share

$0.69

Net Leverage Ratio

2.7x

TTM Adj. Net Debt/
Adj. EBITDAR

Adjusted Gross Margin

43.8%

(+16 bps YoY)

Adjusted SG&A Margin

40.7%

(-3 bps YoY)

Adjusted Operating Income Margin

3.0%

(+19 bps YoY)

Further discussion regarding our use of Non-GAAP financial measures and reconciliations between GAAP and non-GAAP results, including YoY changes, are included in this presentation.

REORGANIZED DEBT CAPITAL STRUCTURE

Net Proceeds from New Senior Notes Offering

+

Current Balance Sheet

Cash + Inventory + Receivables

Supports

→ 1:1

Asset Backed Revolving Credit Facility (ABL)

+

Supply Chain Financing Program (SCF)

+

Operational Liquidity

- Additional cash raise supports asset backed revolving credit facility and commitments under supply chain financing program
- Maintains supplier access to supply chain financing program
- Additional liquidity provides flexibility to optimize long-term usage of supply chain financing program

Bridge to Re-Attain Investment Grade Credit Rating

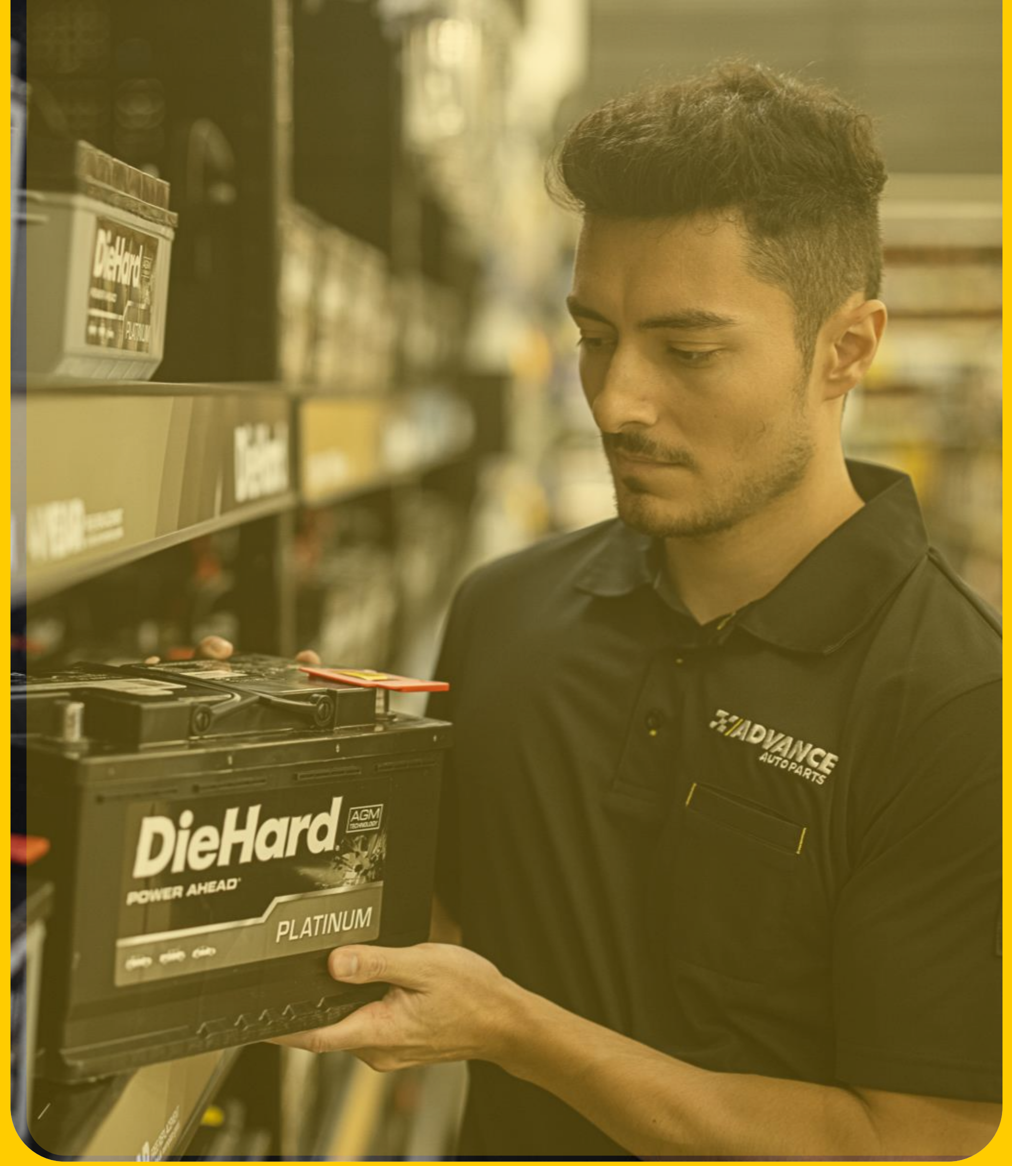
FY 2025 GUIDANCE (53 WEEKS)

($ in million, except margins and per share data)	**Current -** As of August 14, 2025	**Prior**
Net sales (1)	$8,400 - $8,600	
Comparable store sales (52 weeks)	0.50% - 1.50%	
Adjusted operating income margin	2.00% - 3.00%	
Adjusted diluted EPS (2)	$1.20 - $2.20	$1.50 - $2.50
Capital expenditures	Approx. $300	
Free cash flow (incl. one-time strategic cash costs)	($85) – ($25)	
New store growth		
Store openings	30 new stores	
Market Hub openings	10 new market hubs	

(1) Includes approximately $100 to $120 million of net sales in the 53rd week
(2) Reduction in guidance driven by approximately $0.30 of incremental net interest expense related to recent debt offering.

The company is not able to provide a reconciliation of these forward-looking non-GAAP measures because it is unable to predict with reasonable accuracy the value of certain adjustments and as a result, the comparable GAAP measures are unavailable without unreasonable efforts.

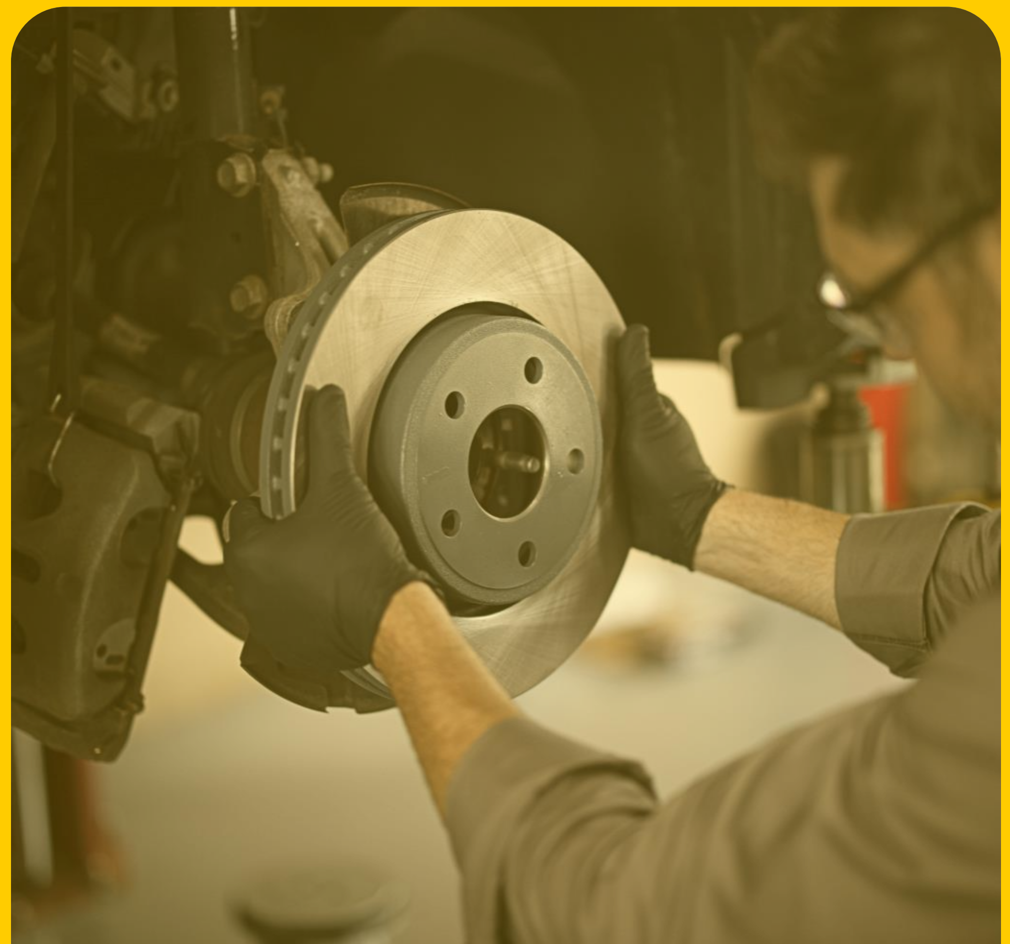
FY27 OBJECTIVES

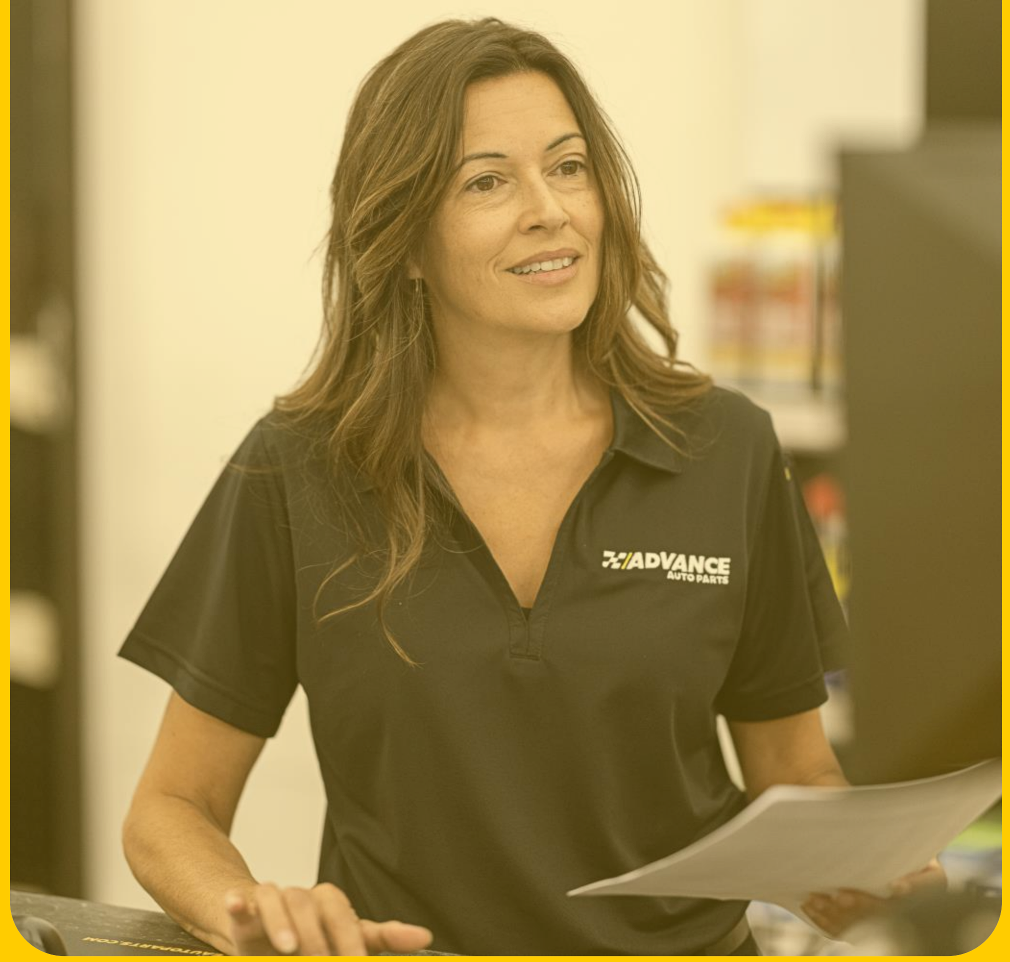


~$9B
Net sales

Low Single Digit %
Comparable sales growth

~7%
Adjusted Operating income margin

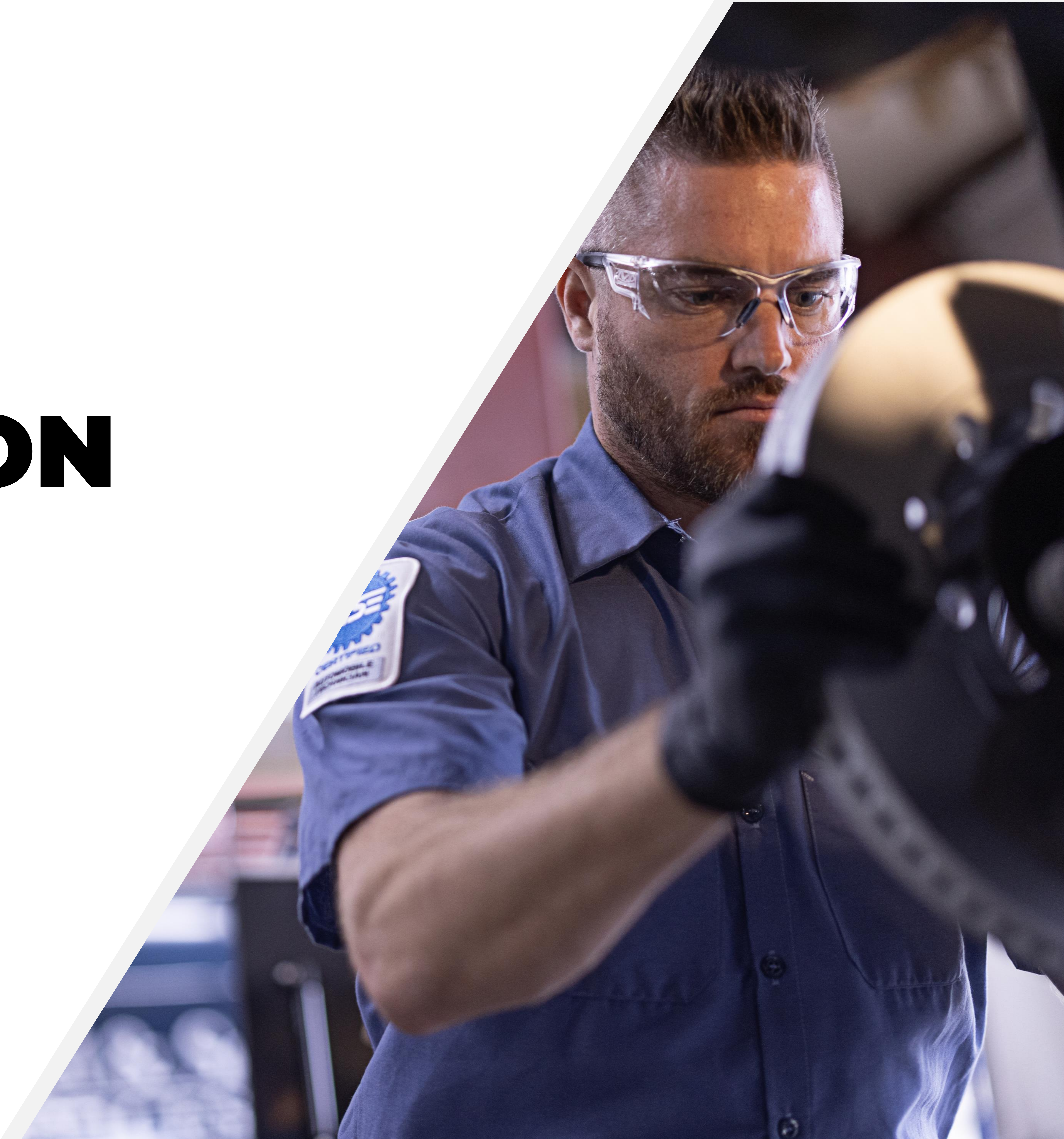




~2.0 to 2.5x
Net Leverage Ratio (Adjusted Net Debt/ Adjusted EBITDAR)

Q&A

APPENDIX – Q2 2025 RECONCILIATION OF NON-GAAP FINANCIAL MEASURES



RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

The Company uses certain non-GAAP financial measures described below to supplement the Company's unaudited condensed consolidated financial statements prepared and presented in accordance with GAAP and to understand and evaluate the Company's core operating performance. These non-GAAP financial measures, which may be different than similarly titled measures used by other companies, are presented as the Company believes that such non-GAAP financial measures provide useful information about our financial performance, enhance the overall understanding of our past performance and future prospects, and allow for greater transparency with respect to important metrics used by management for financial and operational decision-making. The Company is presenting these non-GAAP metrics to provide investors insight to the information used by our management to evaluate our business and financial performance. The Company believes that these measures provide investors increased comparability of our core financial performance over multiple periods with other companies in our industry. The Company's Non-GAAP financial measures reflect results from continuing operations, including Adjusted Net (loss) Income, Adjusted Diluted (loss) Earnings Per Share ("Adjusted Diluted EPS"), Adjusted Gross Profit, Adjusted Gross Profit Margin, Adjusted Sales, General and Administrative expense ("Adjusted SG&A"), Adjusted SG&A Margin, Adjusted Operating (loss) Income and Adjusted Operating (loss) Income Margin, Free Cash Flow and Adjusted Net Debt to Adjusted EBITDAR should not be used as a substitute for GAAP financial measures, or considered in isolation, for the purpose of analyzing operating performance, financial position or cash flows.

The Company has presented these non-GAAP financial measures as the Company believes that the presentation of the financial results that exclude (1) transformation expenses under the Company's turnaround plan, inclusive of the Worldpac divestiture and (2) other significant expenses, are useful and indicative of the Company's base operations because the expenses vary from period to period in terms of size, nature and significance. The income tax impact of these non-GAAP adjustments is also adjusted for using the estimated tax rate in effect for the respective non-GAAP adjustments. These measures assist in comparing the Company's current operating results with past periods and with the operational performance of other companies in the industry. The disclosure of these measures allows investors to evaluate the Company's performance using the same measures management uses in developing internal budgets and forecasts and in evaluating management's compensation. Included below is a description of the expenses the Company has determined are not normal, recurring cash operating expenses necessary to operate the Company's business and the rationale for why providing these measures is useful to investors as a supplement to the GAAP measures.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

Transformation Expenses

Expenses incurred in connection with the Company's turnaround plan and specific transformative activities related to asset optimization that the Company does not view to be normal cash operating expenses. These expenses primarily include:

- **Restructuring and other related expenses:** Expenses relating to strategic initiatives, including severance expense, retention bonuses offered to store-level employees to help facilitate the closing of stores, incremental reserves related to the collectibility of receivables resulting from contract terminations with certain independents associated with the 2024 Restructuring Plan and third-party professionals assisting in the development and execution of the strategic initiatives.

- **Impairment and write-down of long-lived assets:** Expenses relating to the impairment of operating lease ROU assets and property and equipment, incremental depreciation as a result of accelerating long-lived assets over a shorter useful life, depreciation of long-lived assets and ROU asset amortization after store closure, and incremental lease abandonment expenses as a result of accelerating ROU asset amortization for leases the Company expects to exit before the end of the contractual term, net of gains on lease terminations, in connection with the 2024 Restructuring Plan and Other Restructuring Plan.

- **Distribution network optimization:** Expenses primarily relating to the conversion of the stores and distribution centers to market hubs, including, realized losses on liquidated inventory, temporary labor, nonrecurring professional service fees and team member severance.

Other Expenses

Expenses incurred by the Company that are not viewed as normal cash operating expenses and vary from period to period in terms of size, nature, and significance. These expenses primarily include:

- **Other professional service fees:** Expenses relating to nonrecurring services rendered by third-party vendors engaged to perform a strategic business review, including the Company's transformation initiatives.

- **Worldpac post transaction-related expenses:** Expenses primarily relating to non-recurring separation activities provided by third-party professionals subsequent to the sale of Worldpac.

- **Executive turnover:** Expenses associated with executive level reorganization, including expenses for executive severance, the hiring search for leadership positions and certain compensation benefits.

- **Material weakness remediation:** Incremental expenses associated with the remediation of the Company's previously disclosed material weaknesses in internal control over financial reporting.

- **Cybersecurity incident:** Expenses related to the response and remediation of a cybersecurity incident.

- **Other tax adjustments:** Certain tax items that are unrelated to the fiscal year in which they are recorded are excluded in order to provide a clearer understanding of the Company's ongoing Non-GAAP tax rate and after-tax earnings.

RECONCILIATION OF DILUTED EARNINGS PER SHARE (GAAP) AND ADJUSTED DILUTED EARNINGS PER SHARE (NON-GAAP)

		Twelve Weeks Ended	
(in millions, except per share data)	**Classification**	**July 12, 2025**	**July 13, 2024**
Net income from continuing operations (GAAP)		$ 15	$ 31
Cost of sales adjustments:			
Transformation expenses:			
Distribution network optimization	Restructuring	6	—
Selling, general and administrative adjustments:			
Transformation expenses:			
Restructuring and other related expenses (1)	Restructuring	7	2
Impairment and write-down of long-lived assets (2)	Restructuring	13	—
Distribution network optimization	Restructuring	6	5
Other expenses:			
Other professional service fees	Non-restructuring (5)	4	—
Worldpac post transaction-related expenses	Restructuring	3	—
Cybersecurity incident	Non-restructuring	—	1
Other income adjustments:			
TSA services		(3)	—
Provision for income taxes on adjustments (3)		(9)	(2)
Other tax (benefit) expense adjustments (4)		—	—
Adjusted net income (Non-GAAP)		$ 42	$ 37
Diluted earnings per share from continuing operations (GAAP)		$ 0.25	$ 0.51
Adjustments, net of tax		0.44	0.11
Adjusted diluted earnings per share (Non-GAAP)		$ 0.69	$ 0.62

(1) Restructuring and other related expenses for the twelve weeks ended July 12, 2025 includes $5 million of nonrecurring services rendered by third-party vendors assisting with the 2024 Restructuring Plan and $2 million of other related expenses associated with location closures, including the transfer of assets.

(2) The Company recorded incremental accelerated depreciation and amortization for property and equipment and ROU assets of $13 million for the twelve weeks ended July 12, 2025.

(3) The income tax impact of non-GAAP adjustments is calculated using the estimated tax rate in effect for the respective non-GAAP adjustments.

(4) Income tax (benefit) expenses included a discrete non-recurring tax benefit associated with capital loss deductions effectuated in the first quarter of fiscal 2025. The benefit has been excluded from Non-GAAP results in order to provide a clearer understanding of ongoing Non-GAAP tax rate and after-tax earnings.

(5) Other professional service fees in fiscal 2024 were classified as restructuring and related expenses based on the underlying activity to which they related.

ADVANCE AUTO PARTS

RECONCILIATION OF ADJUSTED GROSS MARGIN

(in millions)	Twelve Weeks Ended July 12, 2025	Twelve Weeks Ended July 13, 2024	Change Basis Points
Gross Profit (GAAP)	$ 874	$ 950	N/A
Gross Profit adjustments	6	—	N/A
Adjusted Gross Profit (Non-GAAP)	$ 880	$ 950	N/A
Gross Profit Margin (GAAP) [1]	43.5 %	43.6 %	(14)
Adjusted Gross Profit Margin (GAAP) [1]	43.8 %	43.6 %	16

[1] *These GAAP and Non-GAAP measures are calculated as a percentage of Net sales.*

RECONCILIATION OF ADJUSTED SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

(in millions)	Twelve Weeks Ended July 12, 2025	Twelve Weeks Ended July 13, 2024	Change Basis Points
Selling, general and administrative ("SG&A") expenses (GAAP)	$ 852	$ 896	N/A
SG&A adjustments	(33)	(8)	N/A
Adjusted SG&A (Non-GAAP)	$ 819	$ 888	N/A
SG&A Margin (GAAP) [1]	42.4 %	41.1 %	125
Adjusted SG&A Margin (Non-GAAP) [1]	40.7 %	40.8 %	(3)

[1] *These GAAP and Non-GAAP measures are calculated as a percentage of Net sales.*

RECONCILIATION OF ADJUSTED OPERATING INCOME

(in millions)	Twelve Weeks Ended July 12, 2025	Twelve Weeks Ended July 13, 2024	Change Basis Points
Operating income (GAAP)	$ 22	$ 54	N/A
Gross Profit adjustments	6	—	N/A
SG&A adjustments	33	8	N/A
Adjusted Operating Income (Non-GAAP)	$ 61	$ 62	N/A
Operating Income Margin (GAAP) [1]	1.1 %	2.5 %	(138)
Adjusted Operating Income Margin (Non-GAAP) [1]	3.0 %	2.8 %	19

[1] These GAAP and Non-GAAP measures are calculated as a percentage of Net sales.

RECONCILIATION OF FREE CASH FLOW

(in millions)	Twelve Weeks Ended July 12, 2025	Twelve Weeks Ended July 13, 2024
Cash flows (used in) provided by operating activities of continuing operations	$ (106)	$ 39
Purchases of property and equipment	(95)	(87)
Free cash flow	$ (201)	$ (48)

RECONCILIATION OF ADJUSTED NET DEBT TO ADJUSTED EBITDAR[1]

(In millions, except adjusted debt to adjusted EBITDAR ratio)		Four Quarters Ended July 12, 2025
Total Debt (GAAP)	$	1,792
Add: Operating lease liabilities		2,252
Less: Cash & cash equivalents		(1,657)
Adjusted Net Debt (Non-GAAP)	$	2,387
Net loss from continuing operations (GAAP)	$	(596)
Depreciation and amortization		288
Interest expense		85
Other income, net		(61)
Income tax benefit		(355)
Rent expense		607
Share-based compensation		35
Other charges [2]		25
Transformation related charges		846
Adjusted EBITDAR (Non-GAAP)	$	874
Debt to Net Loss from continuing operations (GAAP)		(3.0)
Adjusted Net Debt to Adjusted EBITDAR (Non-GAAP)		2.7

(1) Management believes its Adjusted Net Debt to Adjusted EBITDAR ratio ("leverage ratio") is a key financial metric for debt securities, as reviewed by rating agencies, and believes its debt levels are best analyzed using this measure. The Company's goal is to maintain an investment grade rating. The Company's credit rating could impact the Company's ability to obtain additional funding. A negative change in the Company's investment rating, could negatively impact future performance and limit growth opportunities. The leverage ratio calculated by the Company is a Non-GAAP measure and should not be considered a substitute for debt to net income, as determined in accordance with GAAP. The Company adjusts the calculation to remove rent expense, deduct available cash & cash equivalents and to add back the Company's existing operating lease liabilities related to their right-of-use assets to provide a more meaningful comparison with the Company's peers and to account for differences in debt structures and leasing arrangements. The Company's calculation of its leverage ratio may not be calculated in the same manner as other companies, and thus may not be comparable to similarly titled measures used by other companies.

(2) The adjustments to the four quarters ended July 12, 2025, include expenses associated with the Company's material weakness remediation efforts and executive turnover.

ADVANCE AUTO PARTS