Valvoline

Fourth Quarter Fiscal 2025 Earnings

Lori Flees, CEO & President
Kevin Willis, CFO
Elizabeth Clevinger, Investor Relations

11.19.2025

SAFE HARBOR

Forward-Looking Statements

Certain statements herein, other than statements of historical fact, are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may include, without limitation, statements about the proposed transaction to acquire Breeze Autocare, including its Oil Changers stores, the expected timetable for completing the proposed transaction, the integration of the Breeze Autocare business, and the anticipated benefits and synergies of the proposed transaction; executing on the growth strategy to create shareholder value by driving the full potential in Valvoline's core business, delivering sustainable network growth and innovating to meet the changing needs of customers and the car parc; realizing the benefits from acquisitions and refranchising transactions; and future opportunities for the stand-alone retail business; and any other statements regarding Valvoline's future operations, financial or operating results, capital allocation, debt leverage ratio, anticipated business levels, dividend policy, anticipated growth, market opportunities, strategies, competition, and other expectations and targets for future periods. Valvoline has identified some of these forward-looking statements with words such as "anticipates," "believes," "expects," "estimates," "is likely," "predicts," "projects," "forecasts," "may," "will," "should," and "intends," and the negative of these words or other comparable terminology. These forward-looking statements are based on Valvoline's current expectations, estimates, projections, and assumptions as of the date such statements are made and are subject to risks and uncertainties that may cause results to differ materially from those expressed or implied in the forward-looking statements. Additional information regarding these risks and uncertainties are described in Valvoline's filings with the Securities and Exchange Commission (the "SEC"), including in the "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and "Quantitative and Qualitative Disclosures about Market Risk" sections of Valvoline's most recently filed periodic reports on Forms 10-K and 10-Q, which are available on Valvoline's website at http://investors.valvoline.com/sec-filings or on the SEC's website at http://www.sec.gov. Valvoline assumes no obligation to update or revise these forward-looking statements for any reason, even if new information becomes available in the future, unless required by law.

Regulation G: Adjusted Results

Information regarding Valvoline's definitions, calculations and reconciliation of non-GAAP measures can be found in the Appendix.

FY2025 KEY HIGHLIGHTS[1]

$3.5B
System-wide Store Sales[2]
↑ 11%

$1.7B
Net Sales
↑ 12%[3]

$467M
Adjusted EBITDA[4]
↑ 11%[3]

$1.59
Adjusted EPS [4]
↑ 8%[3]

19 Years
System-wide Same Store Sales[2] Growth

6.1%
System-wide Same Store Sales[2] Growth

170
Net Store Additions

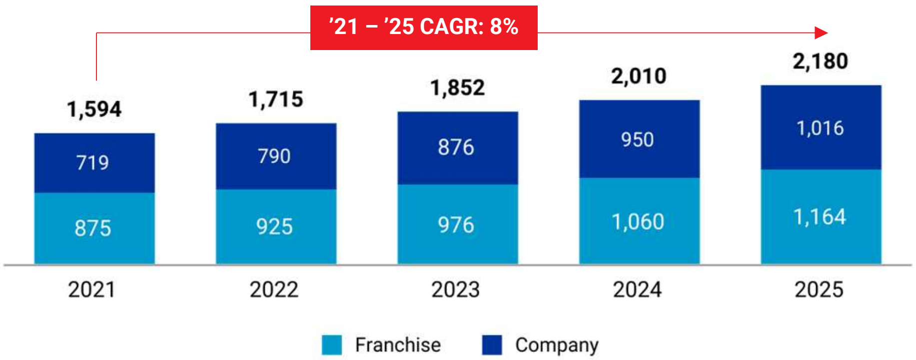
2,180
System locations[2]
↑ 8%

1. All comparisons are year over year unless otherwise noted.
2. Refer to the Appendix for further information regarding management's use of key business measures.
3. Comparison to prior year is to recast amounts which represent as reported results adjusted to present as-if the refranchising transactions completed in fiscal 2024 and early fiscal 2025 had occurred immediately prior to October 1, 2023. Recast Adjusted EPS was determined utilizing the adjusted effective tax rate in the period and did not assume any changes in interest expense from reported results that may have occurred if the refranchising transactions had occurred earlier as the recast results assume.
4. For a reconciliation of adjusted amounts to amounts reported under GAAP, please refer to the Appendix.

CONSISTENT TRACK RECORD OF FINANCIAL PERFORMANCE

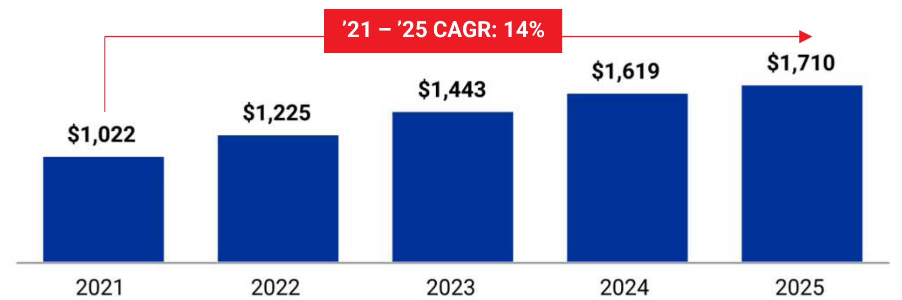
Valvoline.

System-wide Store Count[1]



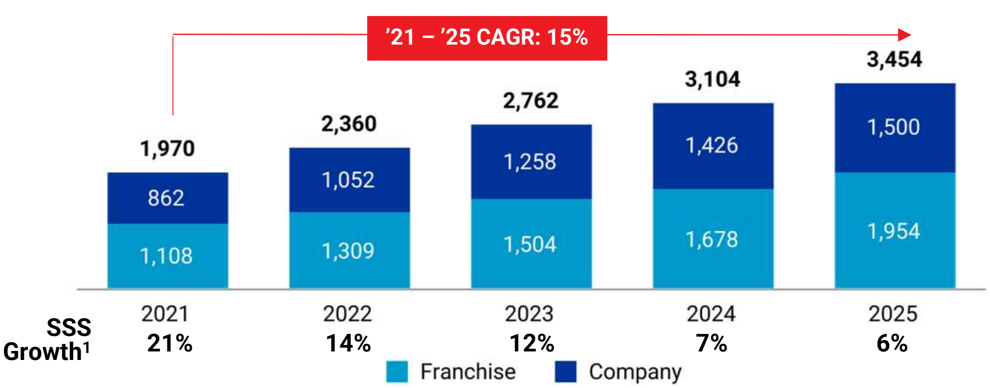
($ millions)

Adjusted Net Sales[2]



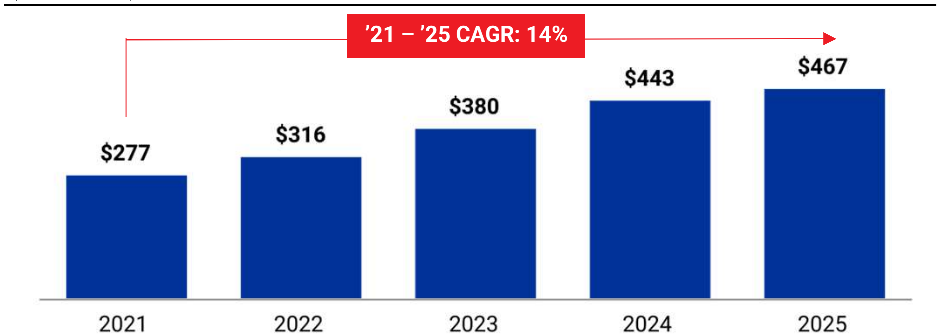
($ millions)

System-Wide Store Sales[1]



($ millions)

Adjusted EBITDA[2]



1. Refer to the Appendix for further information regarding management's use of key business measures.
2. For a reconciliation of adjusted amounts to amounts reported under GAAP, refer to the Appendix.

DELIVERING ON FY 2025 PRIORITIES

	FY 2025 Guidance[1]	FY 2025 Adjusted[2] Results
Net Revenues	$1.69B – $1.72B	$1.71B
Store Additions[3,4]	160 – 185	170
SSS[4]	5.8 % – 6.4%	6.1%
Adj[2] EBITDA	$460M – $470M	$467M
Adj[2] EPS	$1.59 – $1.64	$1.59
Capital Expenditures	$230M – $250M	$259M
Share Repurchases	$60M	$60M

1. Based on updated guidance provided in August 2025.
2. For a reconciliation of adjusted amounts to amounts reported under GAAP, refer to the Appendix.
3. Store additions presented on a net basis, which includes the impact of store closures.
4. Refer to the Appendix for further information regarding management's use of key business measures.

FY25 PROGRESS ON STRATEGIC PRIORITIES

Drive Full Potential of the Core

Deliver Sustainable Network Growth

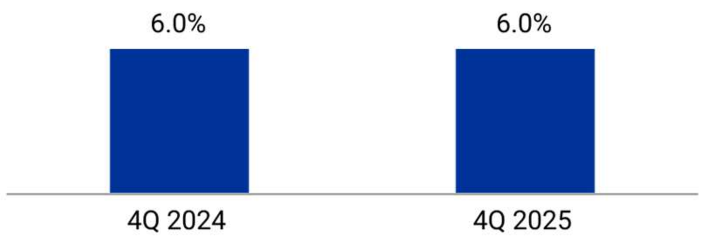
Innovate to Meet Changing Needs of the Customer and Carparc

FY 2025 FINANCIAL PERFORMANCE

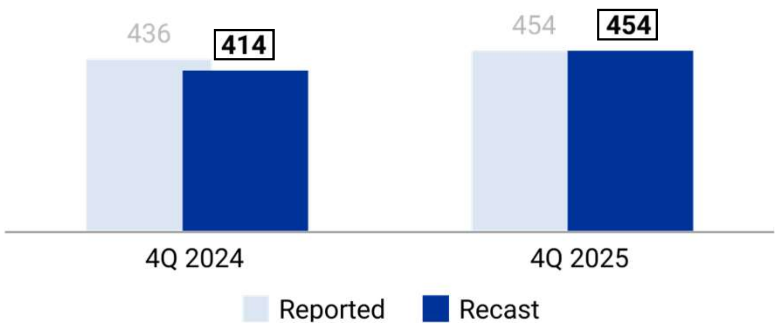
REVENUE PERFORMANCE[1,2]

4th Quarter

System-wide Same Store Sales

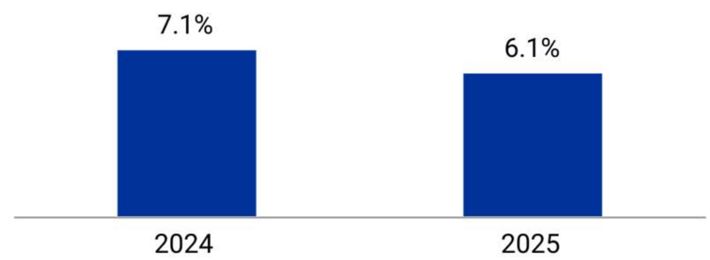


Adjusted Net Sales
($, Millions)
10% increase

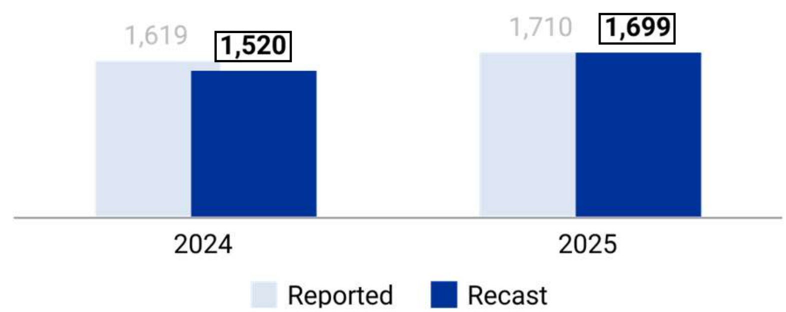


Full Year

System-wide Same Store Sales



Adjusted Net Sales
($, Millions)
12% increase

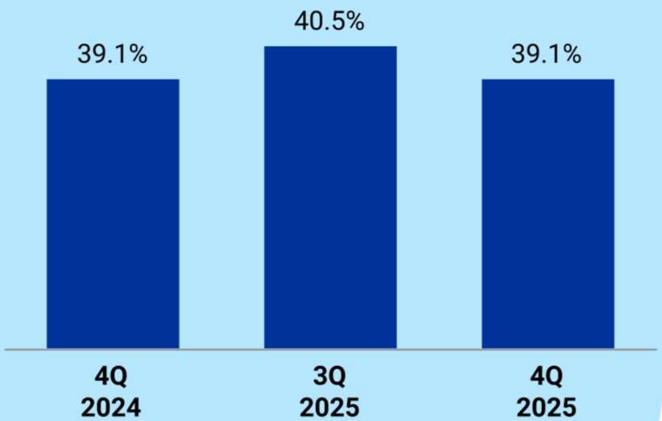


1. Refer to the Appendix for further information regarding management's use of key business measures. Management revised its approach to determining SSS beginning in fiscal 2025 to define same stores as those that have been in operation within the system for at least 12 full months.
2. Recast amounts represent as reported results adjusted to present as-if the refranchising transactions completed in fiscal 2024 and early fiscal 2025 had occurred immediately prior to October 1, 2023. Where applicable, comparisons are to the recast amount in the prior year.

4Q 2025 FINANCIAL DRIVERS[1]

Gross Margin
as a % of Net sales

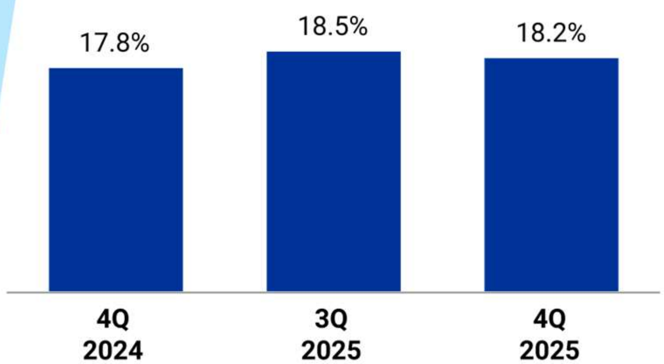
Flat YoY



Key Drivers:
- YoY benefits from labor leverage and lower operating expenses, offset by higher net product costs and new store depreciation

SG&A Expense
as a % of Net sales

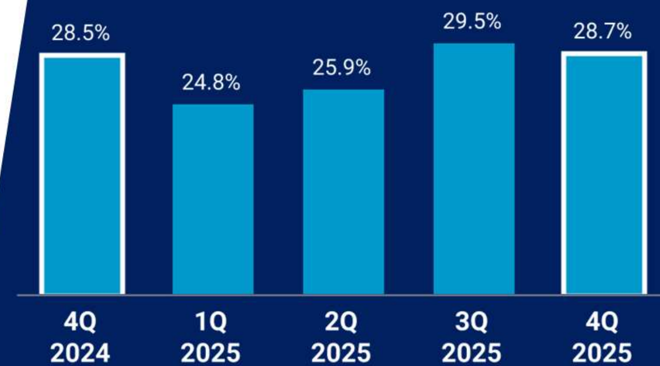
40 bps increase YoY



Key Drivers:
- SG&A growth continuing to moderate
- YoY increase as a % of sales driven by investments in technology and teams to support growth

Adjusted EBITDA
as a % of Net sales

20 bps increase YoY

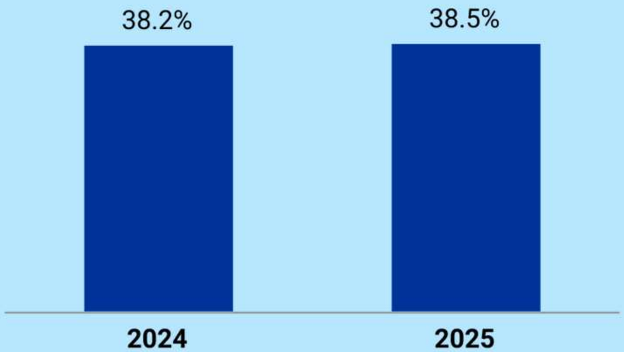


Key Drivers:
- Quarterly cadence in line with typical seasonality of the business

1. For a reconciliation of adjusted amounts to amounts reported under GAAP, please refer to the Appendix.

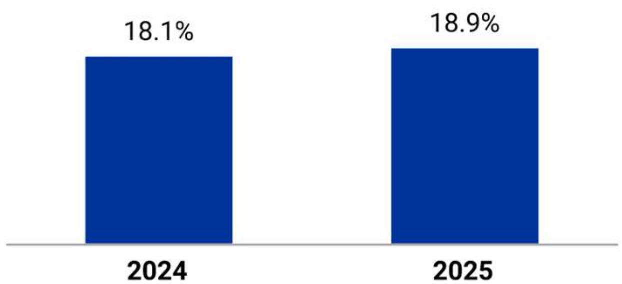
FULL YEAR 2025 FINANCIAL DRIVERS[1]

Gross Margin
as a % of Net sales
30 bps increase YoY



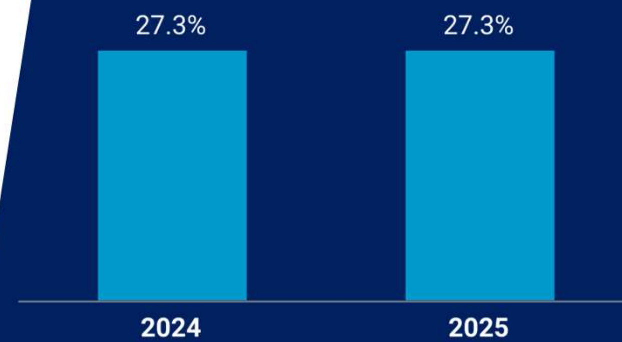
Key Drivers:
- Benefit largely driven by labor leverage, offset by new store depreciation

SG&A Expense
as a % of Net sales
80 bps increase YoY



Key Drivers:
- Increase stemming from investments in the teams to support growth and technology

Adjusted EBITDA
as a % of Net sales
Flat YoY



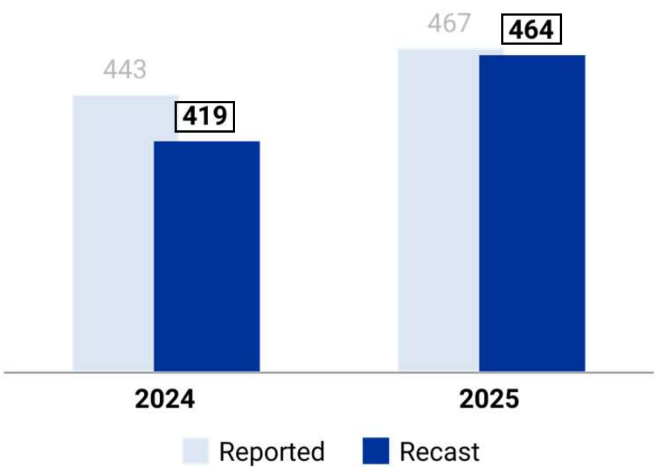
Key Drivers:
- Expansion at the gross profit line offset by SG&A investments during the year

1. For a reconciliation of adjusted amounts to amounts reported under GAAP, please refer to the Appendix.

2025 PROFITABILITY[1,2]

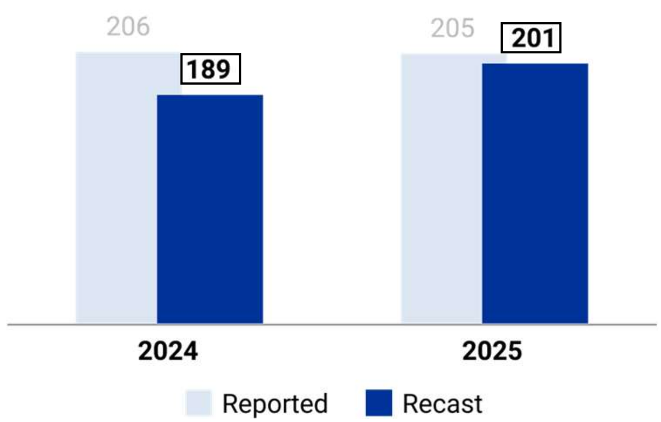
Adjusted EBITDA
($, Millions)

11% increase



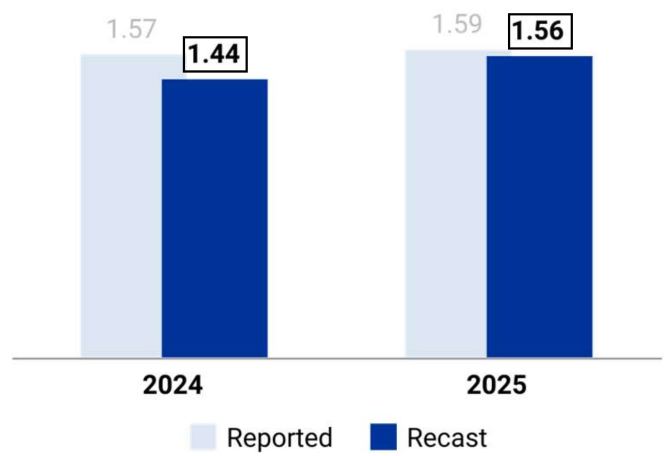
Adjusted Net Income
($, Millions)

6% increase



Adjusted EPS

8% increase



1. For a reconciliation of reported adjusted amounts to amounts reported under GAAP, please refer to the Appendix.
2. Comparison to prior year is to recast amounts which represent as reported results adjusted to present as-if the refranchising transactions completed in fiscal 2024 and early fiscal 2025 had occurred immediately prior to October 1, 2023. Fiscal 2024 recast Adjusted EPS were determined utilizing the adjusted effective tax rate in the period and did not assume any changes in interest expense or share count from reported results that may have occurred if the refranchising transactions had occurred earlier as the recast results assume.

FY 2025 REPORTING HIGHLIGHTS

Balance Sheet Highlights

(Millions)	FY 2025
Cash & Cash Equivalents	$51.6
Total Debt	$1,074.0

- Target leverage ratio of 2.5 – 3.5x on a rating agency adjusted basis; at 3.4x as of end of the fiscal year
- Expect to be at 4.2x following the Breeze acquisition

Cash Flow Highlights

(Millions)	FY 2025
Cash Flows from Operating Activities	$307.1
Capital Expenditures	$259.2

- ~70% of CapEx related to store growth in FY25
- Expect ongoing improvement in new store capital costs from redesign work

FY2026 GUIDANCE (INCLUDES BREEZE)

System-wide SSS Growth[1]	**4% - 6%**
System-Wide Store Additions[1]	**330 - 360**
Net Revenues	**$2.0B - $2.1B**
Adjusted EBITDA[2]	**$525M - $550M**
Adjusted EPS[2]	**$1.60 - $1.70**
Capital Expenditures	**$250M - $280M**

1. For a discussion of management's use of Key Business Measures, please refer to the Appendix.
2. Denotes a forward-looking non-GAAP financial measure that Valvoline is unable to reconcile without unreasonable efforts, as the Company is currently unable to predict with a reasonable degree of certainty the type and extent of certain items that would be expected to impact GAAP results but would not impact non-GAAP adjusted results.

1 **Delivered strong** revenue, profit and store growth in fiscal year 2025

2 Committed to **deliver compelling growth in fiscal year 2026** and beyond

3 **Resilient and durable business model** continues to position us for strong performance and long-term shareholder value

APPENDIX

REFRANCHISING IMPACT BY QUARTER
(Preliminary and unaudited)

Valvoline completed the sale of 67 stores from company to franchise through three transactions that occurred in the fourth quarter of fiscal 2024 and the first quarter of fiscal 2025 (the "Refranchising"). These conversions combined with executed development agreements will provide significant growth in their respective markets and deliver long-term value to shareholders.

The table below presents the impact of the recast as if the refranchising transactions occurred immediately prior to October 1, 2023:

(in millions, except per share amounts)	Prior year				Current year
	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25
Net revenues	$ 24.1	$ 25.4	$ 28.3	$ 21.5	$ 11.7
Adjusted EBITDA [a]	$ 5.0	$ 6.2	$ 7.6	$ 4.7	$ 3.3
Adjusted EPS [a][b]	$ 0.02	$ 0.03	$ 0.05	$ 0.03	$ 0.03

(a) Represents non-GAAP measure. Refer to "Use of Non-GAAP Measures" and this Appendix for additional details.

(b) Recast Adjusted EPS was determined utilizing the adjusted effective tax rate in the respective periods and did not assume any changes in interest expense or share counts from reported results that may have occurred if the refranchising transactions had occurred earlier as the recast results assume.

SIGNIFICANT EXPENSES SEGMENT DISCLOSURE
(Preliminary and unaudited)

Valvoline

(In millions)	Year ended September 30 2025 GAAP	Year ended September 30 2025 Key Items [b]	Year ended September 30 2025 Adjusted	Year ended September 30 2024 GAAP	Year ended September 30 2024 Key Items [b]	Year ended September 30 2024 Adjusted
Net revenues	$ 1,710.3	$ —	$ 1,710.3	$ 1,619.0	$ —	$ 1,619.0
Less:						
Labor cost	415.4	—	415.4	408.0	—	408.0
Materials	297.4	—	297.4	279.7	—	279.7
Other service delivery costs	339.0	—	339.0	312.5	—	312.5
Advertising	74.3	—	74.3	69.3	—	69.3
Payroll	123.6	(1.5)	122.1	107.9	(0.1)	107.8
Other general and administrative	152.0	(25.4)	126.6	127.9	(11.9)	116.0
Other segment items [a]	93.8	36.8	130.6	99.2	20.9	120.1
Income from continuing operations	$ 214.8	$ (9.9)	$ 204.9	214.5	$ (8.9)	$ 205.6

(a) Other segment items primarily include items such as net legacy and separation-related expenses, other income, net, net pension and postretirement costs, net interest and other financing expense, and income tax expense, which are included in the Company's Consolidated Statements of Comprehensive Income.

(b) Represents certain unusual, infrequent, or non-operational activity not directly attributable to the underlying business. Refer to the Appendix for additional details.

RETAIL SERVICES – Q4 SYSTEM RESULTS
(Preliminary and unaudited)

	Three months ended September 30		Twelve months ended September 30	
	2025	2024	2025	2024
Sales information				
System-wide store sales - in millions (a)	$ 918.4	$ 826.8	$ 3,453.8	$ 3,104.3
Year-over-year growth (a)	*11.1 %*	*12.0 %*	*11.3 %*	*12.4 %*
Same-store sales growth (b)				
Company-operated	5.4 %	6.7 %	5.6 %	7.2 %
Franchised (a)	6.5 %	5.3 %	6.5 %	7.0 %
System-wide (a)	6.0 %	6.0 %	6.1 %	7.1 %

	Number of stores at end of period				
	Fourth Quarter 2025	Third Quarter 2025	Second Quarter 2025	First Quarter 2025	Fourth Quarter 2024
Company-operated	1,016	983	950	932	950
Franchised [a]	1,164	1,141	1,128	1,113	1,060

	September 30	
	2025	2024
System-wide store count [a]	2,180	2,010
Year-over-year growth [a]	*8.5 %*	*8.5 %*

(a) Measures include Valvoline franchisees, which are independent legal entities. Valvoline does not consolidate the results of operations of its franchisees.

(b) Beginning in fiscal 2025, Valvoline determines SSS growth as the year-over-year change in net revenues of U.S. VIOC same stores (company-operated, franchised and the combination of these for system-wide SSS) with same stores defined as those that have been in operation within the system for at least 12 full months. Previously, SSS was determined utilizing net revenues of U.S. VIOC stores, with new stores, including franchised conversions, excluded from the metric until the completion of their first full fiscal year in operation. Prior period measures presented herein have been revised to conform with the current approach.

RETAIL SERVICES – STORE INFORMATION
(Preliminary and unaudited)

	Company-operated				
	Fourth Quarter 2025	Third Quarter 2025	Second Quarter 2025	First Quarter 2025	Fourth Quarter 2024
Beginning of period	983	950	932	950	937
Opened	26	19	12	15	26
Acquired	8	8	6	6	10
Net conversions between company-operated and franchised	—	6	—	(39)	(23)
Closed	(1)	—	—	—	—
End of period	1,016	983	950	932	950

	Franchised [a]				
	Fourth Quarter 2025	Third Quarter 2025	Second Quarter 2025	First Quarter 2025	Fourth Quarter 2024
Beginning of period	1,141	1,128	1,113	1,060	1,024
Opened	24	19	17	14	13
Acquired (b)	—	—	—	—	—
Net conversions between company-operated and franchised	—	(6)	—	39	23
Closed	(1)	—	(2)	—	—
End of period	1,164	1,141	1,128	1,113	1,060
Total system-wide stores (a)	2,180	2,124	2,078	2,045	2,010

(a) Measures include Valvoline franchisees, which are independent legal entities. Valvoline does not consolidate the results of operations of its franchisees.
(b) Represents the acquisition of franchise stores that are new to the Valvoline retail store system by Valvoline Inc.

RECONCILIATION OF NON-GAAP DATA – INCOME FROM CONTINUING OPERATIONS & DILUTED EARNINGS PER SHARE

(Preliminary and unaudited)

	Three months ended September 30		Year ended September 30	
(in millions, except per share amounts)	2025	2024	2025	2024
Reported income from continuing operations	$ 25.6	$ 89.1	$ 214.8	$ 214.5
Adjustments:				
Net pension and other postretirement plan expenses [a]	26.3	1.3	23.6	11.7
Net legacy and separation-related (income) expenses	(0.2)	(0.9)	1.4	(0.7)
Information technology transition costs	3.0	2.7	11.5	10.4
Debt extinguishment and modification costs	—	—	—	7.3
Investment and divestiture-related costs (income)	13.8	(41.1)	(50.2)	(40.2)
Total adjustments, pre-tax	42.9	(38.0)	(13.7)	(11.5)
Income tax (benefit) expense of adjustments	(10.5)	9.4	3.8	2.6
Total adjustments, after tax	32.4	(28.6)	(9.9)	(8.9)
Adjusted income from continuing operations [b] [c]	$ 58.0	$ 60.5	$ 204.9	$ 205.6
Reported diluted earnings per share from continuing operations	$ 0.20	$ 0.68	$ 1.67	$ 1.63
Adjusted diluted earnings per share from continuing operations [c] [d]	$ 0.45	$ 0.46	$ 1.59	$ 1.57
Weighted average diluted common shares outstanding	128.4	130.3	128.6	131.0

(a) Includes remeasurement adjustments recorded in the fourth quarter, which resulted in a loss of $26.6 million and a gain of $2.4 million in fiscal 2025 and 2024, respectively.
(b) Adjusted income from continuing operations is defined as income from continuing operations adjusted for the effects of key items.
(c) Represents a non-GAAP measure. Refer to “Use of Non-GAAP Measures” and the Appendix for additional details.
(d) Adjusted diluted earnings per share from continuing operations is defined as diluted earnings per share calculated using adjusted income from continuing operations.

RECONCILIATION OF NON-GAAP DATA – Q4 ADJUSTED EBITDA
(Preliminary and unaudited)

(in millions)	Three months ended September 30 2025	Three months ended September 30 2024	Twelve months ended September 30 2025	Twelve months ended September 30 2024
Reported net revenues [a]	$ 453.8	$ 435.5	$ 1,710.3	$ 1,619.0
Adjusted EBITDA - Continuing operations				
Income from continuing operations	$ 25.6	$ 89.1	$ 214.8	$ 214.5
Add:				
Income tax expense	11.6	26.2	77.5	69.1
Net interest and other financing expenses	21.0	18.0	74.0	71.9
Depreciation and amortization	32.8	28.8	119.4	105.9
EBITDA from continuing operations [b] [c]	91.0	162.1	485.7	461.4
Key items:				
Net pension and other postretirement plan expenses	26.3	1.3	23.6	11.7
Net legacy and separation-related (income) expenses	(0.2)	(0.9)	1.4	(0.7)
Information technology transition costs	3.0	2.7	11.5	10.4
Investment and divestiture-related costs (income)	10.0	(41.1)	(55.4)	(40.2)
Key items - subtotal	39.1	(38.0)	(18.9)	(18.8)
Adjusted EBITDA from continuing operations [b] [c]	$ 130.1	$ 124.1	$ 466.8	$ 442.6
Net profit margin [d]	5.6 %	20.5 %	12.6 %	13.2 %
Adjusted EBITDA margin [b] [e]	28.7 %	28.5 %	27.3 %	27.3 %

(a) Net revenues do not have any key item adjustments in the periods presented herein; therefore, GAAP net revenues and Adjusted net revenues are the same.

(b) Represents a non-GAAP measure. Refer to “Use of Non-GAAP Measures” and the Appendix for additional details.

(c) EBITDA from continuing operations is defined as Income from continuing operations, plus Income tax expense (benefit), Net interest and other financing expenses, and Depreciation and amortization attributable to continuing operations. Adjusted EBITDA from continuing operations is EBITDA adjusted for key items attributable to continuing operations.

(d) Net profit margin is defined as reported income from continuing operations divided by reported net revenues.

(e) Adjusted EBITDA margin is defined as Adjusted EBITDA from continuing operations divided by adjusted net revenues.

RECONCILIATION OF NON-GAAP DATA – ANNUAL ADJUSTED EBITDA
(Preliminary and unaudited)

(In millions)	2025	2024	2023	2022	2021
Income from continuing operations	$ 214.8	$ 214.5	$ 199.4	$ 109.4	$ 200.1
Income tax expense	77.5	69.1	37.1	34.7	59.9
Net interest and other financing expenses	74.0	71.9	38.3	69.3	108.3
Depreciation and amortization	119.4	105.9	88.8	71.4	62.1
EBITDA from continuing operations [(a)]	485.7	461.4	363.6	284.8	430.4
Net pension and other postretirement plan expenses (income) [(b)]	23.6	11.7	(27.6)	6.9	(128.2)
Net legacy and separation-related expenses (income) [(c)]	1.4	(0.7)	32.8	20.5	(23.6)
Information technology costs [(d)]	11.5	10.4	3.0	2.6	—
Investment and divestiture-related (income) costs [(e)]	(55.4)	(40.2)	1.1	—	—
Suspended operations [(f)]	—	—	7.1	0.9	(1.5)
Restructuring and related adjustments [(g)]	—	—	—	—	(0.1)
Adjusted EBITDA from continuing operations [(a)]	$ 466.8	$ 442.6	$ 380.0	$ 315.7	$ 277.0

a. EBITDA from continuing operations is defined as income from continuing operations, plus income tax expense, net interest and other financing expenses, and depreciation and amortization attributable to continuing operations. Adjusted EBITDA from continuing operations is EBITDA adjusted for key items attributable to continuing operations.

b. Includes several elements impacted by changes in plan assets and obligations that are primarily driven by the debt and equity markets, including remeasurement gains and losses, when applicable; and recurring non-service pension and other postretirement net periodic activity, which consists of interest cost, expected return on plan assets and amortization of prior service credits. Management considers these elements are more reflective of changes in current conditions in global markets (in particular, interest rates), outside the operational performance of the business, and are also legacy amounts that are not directly related to the underlying business and do not have an impact on the compensation and benefits provided to eligible employees for current service. Refer to Note 10 in the Notes to Consolidated Financial Statements in Item 8 of Part II in the Annual Report on Form 10-K for further details.

c. Activity associated with legacy businesses, including the separation from Valvoline's former parent company and its former Global Products reportable segment. This activity includes the recognition of and adjustments to indemnity obligations to its former parent company; certain legal, financial, professional advisory and consulting fees; and other expenses incurred by the continuing operations in connection with and directly related to these separation transactions and legacy matters. This incremental activity directly attributable to legacy matters and separation transactions is not considered reflective of the underlying operating performance of the Company's continuing operations. During fiscal three months ended September 30, 2024, the Company recognized $25.7 million of pre-tax expense to reflect its increased estimated indemnity obligation which also resulted in an income tax benefit of $29.0 million to reflect the release of valuations allowances in connection with the amendment of the Tax Matters Agreement with Valvoline's former parent company.

d. Consists of expenses incurred directly related to the Company's information technology transitions, primarily efforts related to implementing stand-alone enterprise resource planning and human resource information systems that generally began in fiscal 2023 following the sale of the former Global Products reportable segment. These expenses include data conversion, training, redundant expenses incurred from duplicative technology platforms, and temporary support, which includes consulting fees and professional services to support certain enhanced manual procedures and material weakness remediation efforts. These incremental costs are directly associated with technology transitions and are not considered to be reflective of the ongoing expenses of operating the Company's technology platforms.

e. Consists of activity directly associated with specific significant acquisitions, investments and divestitures, including professional and consulting fees for legal and advisory services, in addition to gains or losses recognized upon disposition, temporary financing costs directly associated with expected transactions, acquisition-related incentive compensation costs, and expense recognized to reduce the carrying values of investments determined to be impaired. This activity is not considered to be reflective of the underlying operating performance of the Company's ongoing continuing operations.

f. Represents the results of a former Global Products business where operations were suspended during fiscal 2022. This business was not included in the sale of the Global Products business in March 2023. It was classified as held for sale and impaired as of September 30, 2023, and subsequently sold during the first fiscal quarter of 2024. These results are not indicative of the operating performance of the Company's ongoing continuing operations.

g. Adjustments to employee termination benefits recognized over remaining employee service periods as a result of company-wide restructuring activities that are not considered reflective of the underlying operating performance of the Company's ongoing operations

RECONCILIATION OF NON-GAAP DATA – ADJUSTED SG&A & OPERATING INCOME

In millions - preliminary and unaudited	Three months ended September 30			
	Selling, general and administrative expenses		Operating income	
	2025	2024	2025	2024
As reported	$ 95.3	$ 81.1	$ 84.5	$ 134.6
Key items:				
Net legacy and separation-related (income) expenses	—	—	(0.2)	(0.9)
Information technology transition costs	3.0	2.7	3.0	2.7
Investment and divestiture-related costs (income)	9.6	0.7	10.0	(41.1)
As adjusted [a]	$ 82.7	$ 77.7	$ 97.3	$ 95.3
% of net revenues as reported [b]	*21.0 %*	*18.6 %*	*18.6 %*	*30.9 %*
% of net revenues as adjusted [c]	*18.2 %*	*17.8 %*	*21.4 %*	*21.9 %*

In millions - preliminary and unaudited	Twelve months ended September 30			
	Selling, general and administrative expenses		Operating income	
	2025	2024	2025	2024
As reported	$ 349.9	$ 305.1	$ 389.9	$ 367.2
Key items:				
Net legacy and separation-related (income) expenses	—	—	1.4	(0.7)
Information technology transition costs	11.1	10.4	11.5	10.4
Investment and divestiture-related costs (income)	15.8	1.6	(55.4)	(40.2)
As adjusted [a]	$ 323.0	$ 293.1	$ 347.4	$ 336.7
% of net revenues as reported [b]	*20.5 %*	*18.8 %*	*22.8 %*	*22.7 %*
% of net revenues as adjusted [c]	*18.9 %*	*18.1 %*	*20.3 %*	*20.8 %*

(a) Represents non-GAAP measure. Refer to “Use of Non-GAAP Measures” and this Appendix for additional details.

(b) Financial measures presented as the activity for the relevant period reported in accordance with US GAAP divided by net revenues for the relevant period as reported in accordance with US GAAP.

(c) Financial measures presented as the activity for the relevant period where the results reported in accordance with US GAAP are adjusted for key items divided by net revenues for the relevant period as reported in accordance with US GAAP adjusted for key items.

RECONCILIATION OF NON-GAAP DATA – FREE CASH FLOWS
(Preliminary and unaudited)

(In millions) Free cash flow [(a)]	Year ended September 30 2025	Year ended September 30 2024
Operating cash flows from continuing operations	$ 307.1	$ 282.9
Adjustments:		
Additions to property, plant and equipment from continuing operations	(259.2)	(224.4)
Free cash flow from continuing operations [(b)]	$ 47.9	$ 58.5

Free cash flow excluding growth capital expenditures [(c)]	Year ended September 30 2025	Year ended September 30 2024
Operating cash flows from continuing operations	$ 307.1	$ 282.9
Adjustments:		
Maintenance additions to property, plant and equipment	(66.1)	(35.9)
Free cash flow excluding growth capital expenditures [(b)]	$ 241.0	$ 247.0

(a) Free cash flow is defined as operating cash flows less additions to property, plant and equipment.
(b) Represents a non-GAAP measure. Refer to “Use of Non-GAAP Measures” and the Appendix for additional details.
(c) Free cash flow excluding growth capital expenditures is defined as operating cash flows less maintenance additions to property, plant and equipment.

CONSOLIDATED GAAP INCOME STATEMENT
(Preliminary and unaudited)

(In millions, except per share amounts)	Three months ended September 30 2025	Three months ended September 30 2024	Twelve months ended September 30 2025	Twelve months ended September 30 2024
Net revenues	$ 453.8	$ 435.5	$ 1,710.3	$ 1,619.0
Cost of sales	276.3	265.2	1,051.8	1,000.2
Gross profit	177.5	170.3	658.5	618.8
Selling, general and administrative expenses	95.3	81.1	349.9	305.1
Net legacy and separation-related (income) expenses	(0.2)	(0.9)	1.4	(0.7)
Other income, net	(2.1)	(44.5)	(82.7)	(52.8)
Operating income	84.5	134.6	389.9	367.2
Net pension and other postretirement plan expenses	26.3	1.3	23.6	11.7
Net interest and other financing expenses	21.0	18.0	74.0	71.9
Income before income taxes	37.2	115.3	292.3	283.6
Income tax expense	11.6	26.2	77.5	69.1
Income from continuing operations	25.6	89.1	214.8	214.5
(Loss) income from discontinued operations, net of tax	(0.6)	3.2	(4.1)	(3.0)
Net income	25.0	$ 92.3	210.7	$ 211.5
Net earnings per share				
Basic earnings (loss) per share				
Continuing operations	$ 0.20	$ 0.69	$ 1.68	$ 1.65
Discontinued operations	—	0.02	(0.03)	(0.02)
Basic earnings per share	$ 0.20	$ 0.71	$ 1.65	$ 1.63
Diluted earnings (loss) per share				
Continuing operations	$ 0.20	$ 0.68	$ 1.67	$ 1.63
Discontinued operations	—	0.03	(0.03)	(0.02)
Diluted earnings per share	$ 0.20	$ 0.71	$ 1.64	$ 1.61
Weighted average common shares outstanding				
Basic	127.6	129.3	127.9	130.1
Diluted	128.4	130.3	128.6	131.0

USE OF NON-GAAP MEASURES

This presentation includes the following non-GAAP measures: Adjusted operating income; adjusted operating margin; adjusted selling, general and administrative expenses; adjusted selling, general and administrative margin; EBITDA, adjusted EBITDA, and adjusted EBITDA margin; adjusted net income and adjusted diluted earnings per share; and free cash flow and free cash flow excluding growth capital expenditures. Refer to this Appendix for management's definition of each non-GAAP measure and reconciliation to the most comparable U.S. GAAP measure.

Non-GAAP measures include adjustments from results based on U.S. GAAP that management believes enables comparison of certain financial trends and results between periods and provides a useful supplemental presentation of Valvoline's operating performance that allows for transparency with respect to key metrics used by management in operating the business and measuring performance. These non-GAAP measures have limitations as analytical tools and should not be considered in isolation from, an alternative to, or more meaningful than, the financial results presented in accordance with U.S. GAAP. The financial results presented in accordance with U.S. GAAP and the reconciliations of non-GAAP measures should be carefully evaluated. The manner used to compute the non-GAAP information used by management may differ from the methods used by other companies and may not be comparable.

Management believes EBITDA measures provide a meaningful supplemental presentation of Valvoline’s operating performance between periods on a comparable basis due to the depreciable assets associated with the nature of the Company’s operations, as well as income tax and interest costs related to Valvoline’s tax and capital structures, respectively. Management uses free cash flow and free cash flow excluding growth capital expenditures as additional non-GAAP metrics of cash flow generation. By including capital expenditures, management is able to provide an indication of the ongoing cash being generated that is ultimately available for both debt and equity holders as well as other investment opportunities. Free cash flow includes the impact of capital expenditures, providing a supplemental view of cash generation. Free cash flow excluding growth capital expenditures includes maintenance capital expenditures, which are uses of cash that are necessary to maintain the Company's existing business operations, including its retail service center store network, service portfolio, and support functions. Free cash flow excluding growth capital expenditures provides a supplemental view of cash flow generation before investments in growth capital, which expand future business operations, including the opening or expansion of retail service center stores and service capabilities. Free cash flow and free cash flow excluding growth capital expenditures have certain limitations, including that they do not reflect adjustments for certain non-discretionary cash expenditures, such as mandatory debt repayments.

Adjusted profitability measures (i.e., adjusted net income, diluted earnings per share and EBITDA) enable the comparison of financial trends and results between periods where certain items may not be reflective of the Company’s underlying and ongoing operational performance or vary independent of business performance.The non-GAAP measures used by management exclude the impact of certain unusual, infrequent or non-operational activity not directly attributable to the underlying business, which management believes impacts the comparability of operational results between periods (“key items”). Key items are often related to legacy matters or market-driven events considered by management to not be reflective of the ongoing operating performance. Key items may consist of adjustments related to: legacy businesses, including the separation from Valvoline's former parent company, the sale of the former Global Products reportable segment, and the associated impacts of related activity and indemnities; non-service pension and other postretirement plan activity; restructuring-related matters, including organizational restructuring plans, significant acquisitions or divestitures, debt extinguishment and modification, and tax reform legislation; in addition to other matters that management considers non-operational, infrequent or unusual in nature.

USE OF NON-GAAP MEASURES, CONTINUED

Refer to the following for descriptions of the key items that comprise the adjustments which depart from the computations in accordance with U.S. GAAP:

Net pension and other postretirement plan expenses: Includes several elements impacted by changes in plan assets and obligations that are primarily driven by the debt and equity markets, including remeasurement gains and losses, when applicable; and recurring non-service pension and other postretirement net periodic activity, which consists of interest cost, expected return on plan assets and amortization of prior service credits. Management considers these elements are more reflective of changes in current conditions in global markets (in particular, interest rates), outside the operational performance of the business, and are also legacy amounts that are not directly related to the underlying business and do not have an impact on the compensation and benefits provided to eligible employees for current service.

Net legacy and separation-related (income) expenses: Activity associated with legacy businesses, including the separation from Valvoline's former parent company and its former Global Products reportable segment. This activity includes the recognition of and adjustments to indemnity obligations to its former parent company; certain legal, financial, professional advisory and consulting fees; and other expenses incurred by the continuing operations in connection with and directly related to these separation transactions and legacy matters. This incremental activity directly attributable to legacy matters and separation transactions is not considered reflective of the underlying operating performance of the Company's continuing operations.

Information technology transition costs: Consists of expenses incurred directly related to the Company's information technology transitions, primarily efforts related to implementing stand-alone enterprise resource planning and human resource information systems that generally began in fiscal 2023 following the sale of the former Global Products reportable segment. These expenses include data conversion, training, redundant expenses incurred from duplicative technology platforms, and temporary support, which includes consulting fees and professional services to support certain enhanced manual procedures and material weakness remediation efforts. These incremental costs are directly associated with technology transitions and are not considered to be reflective of the ongoing expenses of operating the Company's technology platforms.

Investment and divestiture-related costs (income): Consists of activity directly associated with specific significant acquisitions, investments and divestitures, including professional and consulting fees for legal and advisory services, in addition to gains or losses recognized upon disposition, temporary financing costs directly associated with expected transactions, acquisition-related incentive compensation costs, and expense recognized to reduce the carrying values of investments determined to be impaired. This activity is not considered to be reflective of the underlying operating performance of the Company's ongoing continuing operations.

Debt extinguishment and modification costs: Consists of accelerated amortization of previously capitalized debt issuance costs as well as third-party fees expensed in connection with the execution of the 2030 Notes redemption during the three months ended June 30, 2024. These expenses are not considered to be indicative of the future servicing costs of the Company's ongoing debt facilities.

KEY BUSINESS MEASURES

Valvoline tracks its operating performance and manages its business using certain key measures, including system-wide, company-operated and franchised store counts and system-wide SSS and store sales, along with select financial metrics such target leverage on a rating agency adjusted basis. Management believes these measures are useful to evaluating and understanding Valvoline's operating performance and should be considered as supplements to, not substitutes for, Valvoline's net revenues and operating income, as determined in accordance with U.S. GAAP.

Net revenues are influenced by the number of service center stores and the business performance of those stores. Stores are considered open upon acquisition or opening for business. Temporary store closings remain in the respective store counts with only permanent store closures reflected in the activity and end of period store counts. For the periods presented herein, SSS is defined as net revenues of U.S. Valvoline Instant Oil Change^{SM} (VIOC^{SM}) stores (company-operated, franchised and the combination of these for system-wide SSS) with same stores defined at the beginning of the month following the completion of 12 full months in operation within the system.

Net revenues are limited to sales at company-operated stores, in addition to royalties and other fees from independent franchised and Express Care stores. Although Valvoline does not recognize store-level sales from franchised stores as net revenues in its Statements of Condensed Consolidated Income, management believes system-wide and franchised SSS comparisons, store counts, and total system-wide store sales are useful to assess market position relative to competitors and overall store and operating performance.