

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
WASHINGTON, D.C. 20549

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended September 30, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____ to ____

Commission File No. 001-10308

AVIS BUDGET GROUP, INC.

(Exact name of registrant as specified in its charter)

Delaware

*(State or other jurisdiction of
incorporation or organization)*

379 Interpace Parkway

Parsippany, NJ

(Address of principal executive offices)

06-0918165

*(I.R.S. Employer
Identification Number)*

07054

(Zip Code)

(973) 496-4700

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

| TITLE OF EACH CLASS | TRADING SYMBOL(S) | NAME OF EACH EXCHANGE ON WHICH REGISTERED |
|--------------------------------|-------------------|---|
| Common Stock, Par Value \$0.01 | CAR | The Nasdaq Global Select Market |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of October 22, 2025, the number of shares outstanding of the registrant's common stock was 35,196,992.

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FORWARD-LOOKING STATEMENTS

Certain statements contained in this Quarterly Report on Form 10-Q may be considered “forward-looking statements” as that term is defined in the Private Securities Litigation Reform Act of 1995. The forward-looking statements contained herein are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from those expressed or implied by any such forward-looking statements. Forward-looking statements include information concerning our future financial performance, business strategy, projected plans and objectives. These statements may be identified by the fact that they do not relate to historical or current facts and may use words such as “believes,” “expects,” “anticipates,” “will,” “should,” “could,” “may,” “would,” “intends,” “projects,” “estimates,” “plans,” “forecasts,” “guidance,” and similar words, expressions or phrases. The following important factors and assumptions could affect our future results and could cause actual results to differ materially from those expressed in such forward-looking statements. These factors include, but are not limited to:

- the high level of competition in the mobility industry, including from new companies or technology, and the impact such competition may have on pricing and rental volume;
- a change in our fleet costs, including as a result of a change in the cost of new vehicles, resulting from inflation, trade disputes, tariffs or otherwise, manufacturer recalls, disruption in the supply of new vehicles, including due to labor actions, trade disputes, tariffs or otherwise, shortages in semiconductors and/or other parts used in new vehicle production, and/or a change in the price at which we dispose of used vehicles either in the used vehicle market or under repurchase or guaranteed depreciation programs;
- the results of operations or financial condition of the manufacturers of our vehicles, which could impact their ability to perform their payment obligations under our agreements with them, including repurchase and/or guaranteed depreciation arrangements, and/or their willingness or ability to make vehicles available to us or the mobility industry as a whole on commercially reasonable terms or at all;
- levels of and volatility in travel demand, including future volatility in airline passenger traffic;
- a deterioration or fluctuation in economic conditions, resulting in a recession, decreased levels of discretionary consumer spending for travel, or otherwise, particularly during our peak season or in key market segments;
- an occurrence or threat of terrorism, pandemics, severe weather events or natural disasters, military conflicts, including the ongoing military conflicts in the Middle East and Eastern Europe, or civil unrest in the locations in which we operate, trade disputes and tariffs, and the potential effects of sanctions on the world economy and markets and/or international trade;
- any substantial changes in the cost or supply of fuel, vehicle parts, energy, labor or other resources on which we depend to operate our business, including as a result of pandemics, inflation, tariffs, the ongoing military conflicts in the Middle East and Eastern Europe, and any embargoes on oil sales imposed on or by the Russian government;
- our ability to successfully implement or achieve our business plans and strategies, achieve and maintain cost savings and adapt our business to changes in mobility, and successfully implement digital transformation initiatives;
- political, economic, or commercial instability and/or political, regulatory, or legal changes in the countries in which we operate, and our ability to conform to multiple and conflicting laws or regulations in those countries;
- the performance of the used vehicle market from time to time, including our ability to dispose of vehicles in the used vehicle market on attractive terms;
- our dependence on third-party distribution channels, third-party suppliers of other services and co-marketing arrangements with third parties;

- risks related to completed or future acquisitions or investments that we may pursue, including the incurrence of incremental indebtedness to help fund such transactions and our ability to promptly and effectively integrate any acquired businesses or capitalize on joint ventures, partnerships and other investments;
- our ability to utilize derivative instruments, and the impact of derivative instruments we utilize, which can be affected by fluctuations in interest rates, fuel prices and exchange rates, changes in government regulations and other factors;
- our exposure to uninsured or unpaid claims in excess of historical levels or changes in the number of incidents or cost per incident, and our ability to obtain insurance at desired levels and the cost of that insurance;
- risks associated with litigation or governmental or regulatory inquiries, or any failure or inability to comply with laws, regulations or contractual obligations or any changes in laws, regulations or contractual obligations, including with respect to personally identifiable information and consumer privacy, labor and employment, and tax;
- risks related to protecting the integrity of, and preventing unauthorized access to, our information technology systems or those of our third-party vendors, licensees, dealers, independent operators and independent contractors, and protecting the confidential information of our employees and customers against security breaches, including physical or cybersecurity breaches, attacks, or other disruptions, compliance with privacy and data protection regulation, and the effects of any potential increase in cyberattacks on the world economy and markets and/or international trade;
- any impact on us from the actions of our third-party vendors, licensees, dealers, independent operators and independent contractors and/or disputes that may arise out of our agreements with such parties;
- any major disruptions in our communication networks or information systems;
- risks related to tax obligations and the effect of future changes in tax laws and accounting standards;
- risks related to our indebtedness, including our substantial outstanding debt obligations, recent and future interest rate increases, which increase our financing costs, downgrades by rating agencies and our ability to incur substantially more debt;
- our ability to obtain financing for our global operations, including the funding of our vehicle fleet through the issuance of asset-backed securities and use of the global lending markets;
- our ability to meet the financial and other covenants contained in the agreements governing our indebtedness, or to obtain a waiver or amendment of such covenants should we be unable to meet such covenants;
- significant changes in the timing of our fleet rotation, carrying value of goodwill, or long-lived assets, including when there are events or changes in circumstances that indicate the carrying value may exceed the current fair value, which have in the past resulted in and in the future could result in a significant impairment charge; and
- other business, economic, competitive, governmental, regulatory, political or technological factors affecting our operations, pricing or services.

We operate in a continuously changing business environment and new risk factors emerge from time to time. New risk factors, factors beyond our control, or changes in the impact of identified risk factors may cause actual results to differ materially from those set forth in any forward-looking statements. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results. Moreover, we do not assume responsibility if future results are materially different from those forecasted or anticipated. Other factors and assumptions not identified above, including those discussed in "Management's Discussion and Analysis of Financial Condition and Results

of Operations,” in Item 2 and “Risk Factors” in Item 1A in this quarterly report and in similarly-titled sections set forth in Item 7 and in Item 1A and in other portions of our 2024 Annual Report on Form 10-K filed with the Securities and Exchange Commission (the “SEC”) on February 14, 2025 (the “2024 Form 10-K”), may contain forward looking statements and involve uncertainties that could cause actual results to differ materially from those projected in any forward-looking statements.

Although we believe that our assumptions are reasonable, any or all of our forward-looking statements may prove to be inaccurate and we can make no guarantees about our future performance. Should unknown risks or uncertainties materialize or underlying assumptions prove inaccurate, actual results could differ materially from past results and/or those anticipated, estimated or projected. We undertake no obligation to release any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events. For any forward-looking statements contained in any document, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995.

PART I — FINANCIAL INFORMATION
Item 1. Financial Statements

Avis Budget Group, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In millions, except per share data)
(Unaudited)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|-------------------------------------|----------|------------------------------------|----------|
| | 2025 | 2024 | 2025 | 2024 |
| Revenues | \$ 3,519 | \$ 3,480 | \$ 8,988 | \$ 9,079 |
| Expenses | | | | |
| Operating | 1,513 | 1,575 | 4,392 | 4,451 |
| Vehicle depreciation and lease charges, net | 678 | 806 | 2,369 | 2,175 |
| Selling, general and administrative | 422 | 367 | 1,126 | 1,040 |
| Vehicle interest, net | 248 | 241 | 687 | 724 |
| Non-vehicle related depreciation and amortization | 58 | 58 | 174 | 177 |
| Interest expense related to corporate debt, net: | | | | |
| Interest expense | 109 | 95 | 316 | 266 |
| Early extinguishment of debt | 3 | — | 6 | 1 |
| Restructuring and other related charges | 13 | 6 | 94 | 23 |
| Transaction-related costs, net | — | — | — | 2 |
| Other (income) expense, net | 2 | 3 | 13 | 6 |
| Total expenses | 3,046 | 3,151 | 9,177 | 8,865 |
| Income (loss) before income taxes | 473 | 329 | (189) | 214 |
| Provision for (benefit from) income taxes | 113 | 91 | (50) | 74 |
| Net income (loss) | 360 | 238 | (139) | 140 |
| Less: Net income attributable to non-controlling interests | 1 | 1 | 3 | 3 |
| Net income (loss) attributable to Avis Budget Group, Inc. | \$ 359 | \$ 237 | \$ (142) | \$ 137 |
| Comprehensive income (loss) attributable to Avis Budget Group, Inc. | \$ 341 | \$ 260 | \$ (85) | \$ 121 |
| Earnings (loss) per share | | | | |
| Basic | \$ 10.22 | \$ 6.67 | \$ (4.02) | \$ 3.86 |
| Diluted | \$ 10.11 | \$ 6.65 | \$ (4.02) | \$ 3.84 |

See Notes to Condensed Consolidated Financial Statements (Unaudited).

Avis Budget Group, Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS
(In millions, except par value)
(Unaudited)

| | September 30, 2025 | December 31, 2024 |
|---|-----------------------|----------------------|
| Assets | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 564 | \$ 534 |
| Receivables, net | 859 | 838 |
| Other current assets | 812 | 662 |
| Total current assets | 2,235 | 2,034 |
| Property and equipment, net | 710 | 697 |
| Operating lease right-of-use assets | 3,222 | 3,057 |
| Deferred income taxes | 2,487 | 1,786 |
| Goodwill | 1,127 | 1,071 |
| Other intangibles, net | 594 | 601 |
| Other non-current assets | 405 | 422 |
| Total assets exclusive of assets under vehicle programs | 10,780 | 9,668 |
| Assets under vehicle programs: | | |
| Program cash | 71 | 60 |
| Vehicles, net | 19,640 | 17,619 |
| Receivables from vehicle manufacturers and other | 579 | 386 |
| Investment in Avis Budget Rental Car Funding (AESOP) LLC—related party | 1,448 | 1,308 |
| | 21,738 | 19,373 |
| Total assets | \$ 32,518 | \$ 29,041 |
| Liabilities and stockholders' equity | | |
| Current liabilities: | | |
| Accounts payable and other current liabilities | \$ 3,127 | \$ 2,700 |
| Short-term debt and current portion of long-term debt | 38 | 20 |
| Total current liabilities | 3,165 | 2,720 |
| Long-term debt | 6,020 | 5,373 |
| Long-term operating lease liabilities | 2,619 | 2,484 |
| Other non-current liabilities | 499 | 470 |
| Total liabilities exclusive of liabilities under vehicle programs | 12,303 | 11,047 |
| Liabilities under vehicle programs: | | |
| Debt | 4,368 | 3,453 |
| Debt due to Avis Budget Rental Car Funding (AESOP) LLC—related party | 14,894 | 14,083 |
| Deferred income taxes | 2,982 | 2,442 |
| Other | 345 | 333 |
| | 22,589 | 20,311 |
| Commitments and contingencies (Note 12) | | |
| Stockholders' equity: | | |
| Preferred stock, \$0.01 par value—authorized 10 shares; none issued and outstanding, in each period | — | — |
| Common stock, \$0.01 par value—authorized 250 shares; issued 137 shares, in each period | 1 | 1 |
| Additional paid-in capital | 6,623 | 6,620 |
| Retained earnings | 1,886 | 2,029 |
| Accumulated other comprehensive loss | (153) | (210) |
| Treasury stock, at cost—102 shares, in each period | (10,756) | (10,767) |
| Stockholders' equity attributable to Avis Budget Group, Inc. | (2,399) | (2,327) |
| Non-controlling interests | 25 | 10 |
| Total stockholders' equity | (2,374) | (2,317) |
| Total liabilities and stockholders' equity | \$ 32,518 | \$ 29,041 |

See Notes to Condensed Consolidated Financial Statements (Unaudited).

Avis Budget Group, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In millions)
(Unaudited)

| | Nine Months Ended September 30, | |
|---|--|----------------|
| | 2025 | 2024 |
| Operating activities | | |
| Net income (loss) | \$ (139) | \$ 140 |
| Adjustments to reconcile net income (loss) to net cash provided by operating activities: | | |
| Vehicle depreciation | 2,025 | 1,940 |
| Amortization of right-of-use assets | 810 | 831 |
| (Gain) loss on sale of vehicles, net | 249 | 120 |
| Vehicle related reserves | 263 | 330 |
| Non-vehicle related depreciation and amortization | 174 | 177 |
| Stock-based compensation | 16 | 14 |
| Amortization of debt financing fees | 39 | 36 |
| Early extinguishment of debt costs | 6 | 1 |
| Net change in assets and liabilities: | | |
| Receivables | 20 | (62) |
| Income taxes and deferred income taxes | (152) | 38 |
| Accounts payable and other current liabilities | 292 | 57 |
| Operating lease liabilities | (812) | (822) |
| Other, net | 68 | (54) |
| Net cash provided by operating activities | 2,859 | 2,746 |
| Investing activities | | |
| Property and equipment additions | (136) | (135) |
| Proceeds received on asset sales | 2 | 2 |
| Net assets acquired (net of cash acquired) | — | (3) |
| Other, net | — | 12 |
| Net cash used in investing activities exclusive of vehicle programs | (134) | (124) |
| <i>Vehicle programs:</i> | | |
| Investment in vehicles | (11,586) | (8,153) |
| Proceeds received on disposition of vehicles | 7,206 | 5,653 |
| Investment in debt securities of Avis Budget Rental Car Funding (AESOP) LLC—related party | (808) | (668) |
| Proceeds from debt securities of Avis Budget Rental Car Funding (AESOP) LLC—related party | 668 | 596 |
| | (4,520) | (2,572) |
| Net cash used in investing activities | (4,654) | (2,696) |

Avis Budget Group, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(In millions)
(Unaudited)

| | Nine Months Ended September 30, | |
|---|--|----------------|
| | 2025 | 2024 |
| Financing activities | | |
| Proceeds from long-term borrowings | \$ 1,579 | \$ 1,569 |
| Payments on long-term borrowings | (1,105) | (396) |
| Repurchases of common stock | (4) | (25) |
| Debt financing fees | (15) | (27) |
| Contributions from non-controlling interests | 12 | — |
| Net cash provided by financing activities exclusive of vehicle programs | <u>467</u> | <u>1,121</u> |
| <i>Vehicle programs:</i> | | |
| Proceeds from borrowings | 19,360 | 16,536 |
| Payments on borrowings | (17,996) | (17,657) |
| Debt financing fees | (24) | (43) |
| Net cash provided by (used in) financing activities | <u>1,340</u> | <u>(1,164)</u> |
| Effect of changes in exchange rates on cash and cash equivalents, program and restricted cash | <u>30</u> | <u>(2)</u> |
| Net increase in cash and cash equivalents, program and restricted cash | 42 | 5 |
| Cash and cash equivalents, program and restricted cash, beginning of period | 597 | 644 |
| Cash and cash equivalents, program and restricted cash, end of period | <u>\$ 639</u> | <u>\$ 649</u> |

See Notes to Condensed Consolidated Financial Statements (Unaudited).

Avis Budget Group, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In millions)
(Unaudited)

| | Common Stock | | Additional Paid-in Capital | Retained Earnings (Accumulated Deficit) | Accumulated Other Comprehensive Income (Loss) | Treasury Stock | | Stockholders' Equity Attributable to Avis Budget Group, Inc. | Non-controlling Interests | Total Stockholders' Equity |
|--|--------------|--------|----------------------------|---|---|----------------|-------------|--|---------------------------|----------------------------|
| | Shares | Amount | | | | Shares | Amount | | | |
| Balance as of June 30, 2025 | 137.1 | \$ 1 | \$ 6,618 | \$ 1,528 | \$ (135) | (101.9) | \$ (10,757) | \$ (2,745) | \$ 12 | \$ (2,733) |
| Comprehensive income (loss): | | | | | | | | | | |
| Net income (loss) | — | — | — | 359 | — | — | — | 359 | 1 | 360 |
| Other comprehensive income (loss) | — | — | — | — | (18) | — | — | (18) | — | (18) |
| Total comprehensive income (loss) | | | | 359 | (18) | | | 341 | 1 | 342 |
| Contributions from non-controlling interests | — | — | — | — | — | — | — | — | 12 | 12 |
| Net activity related to restricted stock units | — | — | 5 | (1) | — | — | 1 | 5 | — | 5 |
| Balance as of September 30, 2025 | 137.1 | \$ 1 | \$ 6,623 | \$ 1,886 | \$ (153) | (101.9) | \$ (10,756) | \$ (2,399) | \$ 25 | \$ (2,374) |
| Balance as of June 30, 2024 | 137.1 | \$ 1 | \$ 6,616 | \$ 3,751 | \$ (135) | (101.4) | \$ (10,723) | \$ (490) | \$ 8 | \$ (482) |
| Comprehensive income (loss): | | | | | | | | | | |
| Net income (loss) | — | — | — | 237 | — | — | — | 237 | 1 | 238 |
| Other comprehensive income (loss) | — | — | — | — | 23 | — | — | 23 | — | 23 |
| Total comprehensive income (loss) | | | | 237 | 23 | | | 260 | 1 | 261 |
| Net activity related to restricted stock units | — | — | (1) | — | — | — | 1 | — | — | — |
| Repurchases of common stock | — | — | — | — | — | (0.1) | (8) | (8) | — | (8) |
| Balance as of September 30, 2024 | 137.1 | \$ 1 | \$ 6,615 | \$ 3,988 | \$ (112) | (101.5) | \$ (10,730) | \$ (238) | \$ 9 | \$ (229) |

| | Common Stock | | Additional Paid-in Capital | Retained Earnings (Accumulated Deficit) | Accumulated Other Comprehensive Income (Loss) | Treasury Stock | | Stockholders' Equity Attributable to Avis Budget Group, Inc. | Non-controlling Interests | Total Stockholders' Equity |
|--|--------------|--------|----------------------------|---|---|----------------|-------------|--|---------------------------|----------------------------|
| | Shares | Amount | | | | Shares | Amount | | | |
| Balance as of December 31, 2024 | 137.1 | \$ 1 | \$ 6,620 | \$ 2,029 | \$ (210) | (102.0) | \$ (10,767) | \$ (2,327) | \$ 10 | \$ (2,317) |
| Comprehensive income (loss): | | | | | | | | | | |
| Net income (loss) | — | — | — | (142) | — | — | — | (142) | 3 | (139) |
| Other comprehensive income (loss) | — | — | — | — | 57 | — | — | 57 | — | 57 |
| Total comprehensive income (loss) | | | | (142) | 57 | | | (85) | 3 | (82) |
| Contributions from non-controlling interests | — | — | — | — | — | — | — | — | 12 | 12 |
| Net activity related to restricted stock units | — | — | 3 | (1) | — | 0.1 | 11 | 13 | — | 13 |
| Balance as of September 30, 2025 | 137.1 | \$ 1 | \$ 6,623 | \$ 1,886 | \$ (153) | (101.9) | \$ (10,756) | \$ (2,399) | \$ 25 | \$ (2,374) |
| Balance as of December 31, 2023 | 137.1 | \$ 1 | \$ 6,634 | \$ 3,854 | \$ (96) | (101.6) | \$ (10,742) | \$ (349) | \$ 6 | \$ (343) |
| Comprehensive income (loss): | | | | | | | | | | |
| Net income (loss) | — | — | — | 137 | — | — | — | 137 | 3 | 140 |
| Other comprehensive income (loss) | — | — | — | — | (16) | — | — | (16) | — | (16) |
| Total comprehensive income (loss) | | | | 137 | (16) | | | 121 | 3 | 124 |
| Net activity related to restricted stock units | — | — | (19) | (3) | — | 0.2 | 20 | (2) | — | (2) |
| Repurchases of common stock | — | — | — | — | — | (0.1) | (8) | (8) | — | (8) |
| Balance as of September 30, 2024 | 137.1 | \$ 1 | \$ 6,615 | \$ 3,988 | \$ (112) | (101.5) | \$ (10,730) | \$ (238) | \$ 9 | \$ (229) |

See Notes to Condensed Consolidated Financial Statements (Unaudited).

NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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Avis Budget Group, Inc.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
(Unless otherwise noted, all dollar amounts are in millions, except per share amounts)

1. Basis of Presentation

Avis Budget Group, Inc. provides mobility solutions to businesses and consumers worldwide. The accompanying unaudited Condensed Consolidated Financial Statements include the accounts and transactions of Avis Budget Group, Inc. and its subsidiaries, as well as entities in which Avis Budget Group, Inc. directly or indirectly has a controlling financial interest (collectively, “we,” “our,” “us,” or the “Company”), and have been prepared pursuant to the rules and regulations of the U.S. Securities and Exchange Commission for interim financial reporting.

We operate the following reportable business segments:

- **Americas** - consisting primarily of (i) vehicle rental operations in North America, South America, Central America and the Caribbean, (ii) car sharing operations in certain of these markets, and (iii) licensees in the areas in which we do not operate directly.
- **International** - consisting primarily of (i) vehicle rental operations in Europe, the Middle East, Africa, Asia and Australasia, (ii) car sharing operations in certain of these markets, and (iii) licensees in the areas in which we do not operate directly.

The operating results of acquired businesses are included in the accompanying Condensed Consolidated Financial Statements from the dates of acquisition. We consolidate joint venture activities when we have a controlling interest and record non-controlling interests within stockholders’ equity and the statement of comprehensive income equal to the percentage of ownership interest retained in such entities by the respective non-controlling party. On September 30, 2025, we received a contribution of \$12 million from a non-controlling interest party in exchange for approximately 17% in a new joint venture which is consolidated by the Company.

In presenting the Condensed Consolidated Financial Statements in accordance with accounting principles generally accepted in the United States of America (“GAAP”), management makes estimates and assumptions that affect the amounts reported and related disclosures. Estimates, by their nature, are based on judgment and available information. Accordingly, actual results could differ from those estimates. In management’s opinion, the Condensed Consolidated Financial Statements contain all adjustments necessary for a fair presentation of interim results reported. The results of operations reported for interim periods are not necessarily indicative of the results of operations for the entire year or any subsequent interim period. These financial statements should be read in conjunction with our 2024 Annual Report on Form 10-K (the “2024 Form 10-K”).

Summary of Significant Accounting Policies

Our significant accounting policies are fully described in Note 2 – Summary of Significant Accounting Policies in our 2024 Form 10-K.

Cash and cash equivalents, Program cash and Restricted cash. The following table provides a detail of cash and cash equivalents, program and restricted cash reported within the Condensed Consolidated Balance Sheets to the amounts shown in the Condensed Consolidated Statements of Cash Flows.

| | As of September 30, | |
|--|----------------------------|---------------|
| | 2025 | 2024 |
| Cash and cash equivalents | \$ 564 | \$ 602 |
| Program cash | 71 | 44 |
| Restricted cash ^(a) | 4 | 3 |
| Total cash and cash equivalents, program and restricted cash | <u>\$ 639</u> | <u>\$ 649</u> |

^(a) Included within other current assets.

Vehicle Programs. We present separately the financial data of our vehicle programs. These programs are distinct from our other activities since the assets under vehicle programs are generally funded through the issuance of debt that is collateralized by such assets. The income generated by these assets is used, in part, to repay the principal and interest associated with the debt. Cash inflows and outflows relating to the acquisition of such assets and the principal debt repayment or financing of such assets are classified as activities of our vehicle programs. We believe it is appropriate to segregate the financial data of our vehicle programs because, ultimately, the source of repayment of such debt is the realization of such assets.

Transaction-related costs, net. Transaction-related costs, net are classified separately in the Condensed Consolidated Statements of Comprehensive Income. These costs are comprised of expenses primarily related to acquisition-related activities such as due diligence and other advisory costs, expenses related to the integration of the acquiree's operations with our own operations, including the implementation of best practices and process improvements, non-cash gains and losses related to re-acquired rights, expenses related to pre-acquisition contingencies and contingent consideration related to acquisitions.

Currency Transactions. We record the gain or loss on foreign currency transactions on certain intercompany loans and the gain or loss on intercompany loan hedges within interest expense related to corporate debt, net.

Variable Interest Entity ("VIE"). We review our investments to determine if they are VIEs. A VIE is an entity in which either (i) the equity investors as a group lack the power through voting or similar rights to direct the activities of such entity that most significantly impact such entity's economic performance or (ii) the equity investment at risk is insufficient to finance that entity's activities without additional subordinated financial support. Entities that are determined to be VIEs are consolidated if we are the primary beneficiary of the entity. The primary beneficiary possesses the power to direct the activities of the VIE that most significantly impact its economic performance and has the obligation to absorb losses or the right to receive benefits from the VIE that are significant to it. We will reconsider our original assessment of a VIE upon the occurrence of certain events such as contributions and redemptions, either by us, or third parties, or amendments to an entity's governing documents. On an ongoing basis, we reconsider whether we are deemed to be a VIE's primary beneficiary. We account for VIEs where we are not the primary beneficiary under the equity method.

Our former subsidiary, Avis Mobility Ventures LLC ("AMV"), is a VIE. We lack the ability to direct the significant activities of AMV and are not its primary beneficiary. As such, we account for AMV under the equity method. See Note 14 – Related Party Transactions.

Investments. As of September 30, 2025 and December 31, 2024, we had equity method investments with a carrying value of \$122 million and \$100 million, respectively, which are included in other non-current assets. Earnings from our equity method investments are included within operating expenses. For the three months ended September 30, 2025 and 2024, we recorded income of \$9 million and \$7 million related to our equity method investments, respectively. For the nine months ended September 30, 2025 and 2024, we recorded income of \$14 million and \$13 million related to our equity method investments, respectively. In July 2024, we received a \$7 million dividend from our equity method investment in our Greece licensee. See Note 14 – Related Party Transactions for our equity method investment in AMV.

Revenues. Revenues are recognized under Leases (Topic 842), with the exception of royalty fee revenue derived from our licensees and revenue related to our customer loyalty program, which were approximately \$61 million and \$88 million during the three months ended September 30, 2025 and 2024, respectively, and \$156 million and \$184 million during the nine months ended September 30, 2025 and 2024, respectively.

The following table presents our revenues disaggregated by geography:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--------------------------------|-------------------------------------|----------|------------------------------------|----------|
| | 2025 | 2024 | 2025 | 2024 |
| Americas | \$ 2,621 | \$ 2,640 | \$ 6,860 | \$ 6,994 |
| Europe, Middle East and Africa | 742 | 689 | 1,667 | 1,615 |
| Asia and Australasia | 156 | 151 | 461 | 470 |
| Total revenues | \$ 3,519 | \$ 3,480 | \$ 8,988 | \$ 9,079 |

The following table presents our revenues disaggregated by brand:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|----------------------|-------------------------------------|----------|------------------------------------|----------|
| | 2025 | 2024 | 2025 | 2024 |
| Avis | \$ 1,999 | \$ 2,011 | \$ 5,089 | \$ 5,218 |
| Budget | 1,328 | 1,263 | 3,346 | 3,301 |
| Other ^(a) | 192 | 206 | 553 | 560 |
| Total revenues | \$ 3,519 | \$ 3,480 | \$ 8,988 | \$ 9,079 |

^(a) Other includes Zipcar and other operating brands.

Reclassification

We reclassified certain items within operating activities on the Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2024 to conform to the current year presentation. These reclassifications had no impact on reported net cash provided by operating activities.

Adoption of New Accounting Pronouncements

Improvements to Reportable Segment Disclosures

On January 1, 2024, as the result of a new accounting pronouncement, we adopted ASU 2023-07, "Improvements to Reportable Segment Disclosures," which amends Topic 280 primarily through enhanced disclosures about significant segment expenses. The update was effective in our Consolidated Financial Statements for the year ended December 31, 2024, and became effective on an interim basis beginning on January 1, 2025. The adoption of this accounting pronouncement has resulted in incremental disclosures within Note 17 – Segment Information.

Recently Issued Accounting Pronouncements

Improvements to Income Tax Disclosures

On January 1, 2025, as the result of a new accounting pronouncement, we adopted ASU 2023-09, "Improvements to Income Tax Disclosures," which amends Topic 740 primarily through enhanced income tax disclosures, improving transparency into the factors affecting income tax expense. We expect to include certain additional income tax disclosures in the notes to our Consolidated Financial Statements for the year ended December 31, 2025.

Disaggregation of Income Statement Expenses

In November 2024, the FASB issued ASU 2024-03, "Disaggregation of Income Statement Expenses," which amends Topic 220 primarily through requiring disclosures in the notes to financial statements about certain costs and expenses. The amendments are effective for annual periods beginning after December 15, 2026 and interim periods beginning after December 15, 2027, with early adoption permitted on a prospective or retrospective basis. ASU 2024-03 becomes effective for us on January 1, 2027. We are currently evaluating the impact of the adoption of this accounting pronouncement.

Targeted Improvements to the Accounting for Internal-Use Software

In September 2025, the FASB issued ASU 2025-06, "Targeted Improvements to the Accounting for Internal-Use Software," which amends Topic 350 primarily to modernize the accounting for software costs. The amendments are effective for annual periods beginning after December 15, 2027, and interim periods within those annual periods. Early adoption is permitted as of the beginning of an annual period. A prospective, modified or retrospective transition approach is permitted. ASU 2025-06 becomes effective for us on an interim basis beginning on January 1, 2028. We are currently evaluating the impact of the adoption of this accounting pronouncement.

2. Leases**Lessor**

The following table presents our lease revenues disaggregated by geography:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--------------------------------|-------------------------------------|-----------------|------------------------------------|-----------------|
| | 2025 | 2024 | 2025 | 2024 |
| Americas | \$ 2,597 | \$ 2,587 | \$ 6,790 | \$ 6,891 |
| Europe, Middle East and Africa | 710 | 660 | 1,595 | 1,548 |
| Asia and Australasia | 151 | 145 | 447 | 456 |
| Total lease revenues | <u>\$ 3,458</u> | <u>\$ 3,392</u> | <u>\$ 8,832</u> | <u>\$ 8,895</u> |

The following table presents our lease revenues disaggregated by brand:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|----------------------|-------------------------------------|-----------------|------------------------------------|-----------------|
| | 2025 | 2024 | 2025 | 2024 |
| Avis | \$ 1,961 | \$ 1,953 | \$ 4,993 | \$ 5,097 |
| Budget | 1,312 | 1,247 | 3,306 | 3,261 |
| Other ^(a) | 185 | 192 | 533 | 537 |
| Total lease revenues | <u>\$ 3,458</u> | <u>\$ 3,392</u> | <u>\$ 8,832</u> | <u>\$ 8,895</u> |

^(a) Other includes Zipcar and other operating brands.

Lessee

We have operating and finance leases for rental locations, corporate offices, vehicle rental fleet and equipment. Many of our operating leases for rental locations contain concession agreements with various airport authorities that allow us to conduct our vehicle rental operations on site. In general, concession fees for airport locations are based on a percentage of total commissionable revenue as defined by each airport authority, some of which are subject to minimum annual guaranteed amounts. Concession fees other than minimum annual guaranteed amounts are not included in the measurement of operating lease right of use ("ROU") assets and operating lease liabilities and are recorded as variable lease expense as incurred. Our operating leases for rental locations often also require us to pay or reimburse operating expenses.

The components of lease expense are as follows:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|-------------------------------------|---------------|------------------------------------|---------------|
| | 2025 | 2024 | 2025 | 2024 |
| Property leases | | | | |
| Operating lease expense | \$ 241 | \$ 229 | \$ 710 | \$ 691 |
| Variable lease expense | 128 | 117 | 276 | 279 |
| Total property lease expense ^(a) | \$ 369 | \$ 346 | \$ 986 | \$ 970 |

^(a) Primarily included within operating expenses.

Supplemental balance sheet information related to leases is as follows:

| | As of September 30, 2025 | As of December 31, 2024 |
|---|--------------------------------|-------------------------------|
| Property leases | | |
| Operating lease ROU assets | \$ 3,222 | \$ 3,057 |
| Short-term operating lease liabilities ^(a) | \$ 656 | \$ 628 |
| Long-term operating lease liabilities | 2,619 | 2,484 |
| Operating lease liabilities | \$ 3,275 | \$ 3,112 |
| Weighted average remaining lease term | 7.7 years | 8.0 years |
| Weighted average discount rate | 5.36 % | 4.98 % |

^(a) Included within accounts payable and other current liabilities.

Supplemental cash flow information related to leases is as follows:

| | Nine Months Ended September 30, | |
|---|------------------------------------|--------|
| | 2025 | 2024 |
| Cash payments for lease liabilities within operating activities: | | |
| Property operating leases | \$ 718 | \$ 710 |
| Non-cash activities - increase (decrease) in ROU assets in exchange for lease liabilities: | | |
| Property operating leases | \$ 825 | \$ 945 |

3. Restructuring and Other Related Charges

In 2024, we initiated a global restructuring plan to further right size our operations (“Global Rightsizing”). The costs associated with this initiative are primarily related to the operational scaling of processes, locations, and lines of business. We expect further restructuring expense of approximately \$7 million related to this initiative to be incurred this year.

In 2022, we initiated a restructuring plan to focus on consolidating our global operations by designing new processes and implementing new systems (“Cost Optimization”). This initiative is complete.

The following tables summarize the changes to our restructuring-related liabilities and identify the amounts recorded within our reportable segments for restructuring charges and corresponding payments and utilizations:

| | <u>Personnel Related</u> | <u>Facility Related</u> | <u>Other</u> | <u>Total</u> |
|------------------------------------|------------------------------|-------------------------|--------------|--------------|
| Balance as of January 1, 2025 | \$ 10 | \$ — | \$ 7 | \$ 17 |
| Restructuring expense: | | | | |
| Global Rightsizing ^(a) | 46 | 8 | 29 | 83 |
| Restructuring payment/utilization: | | | | |
| Global Rightsizing ^(a) | (33) | (2) | (34) | (69) |
| Cost Optimization | (1) | — | — | (1) |
| Balance as of September 30, 2025 | <u>\$ 22</u> | <u>\$ 6</u> | <u>\$ 2</u> | <u>\$ 30</u> |

^(a) Other includes the disposition of vehicles.

| | <u>Americas</u> | <u>International</u> | <u>Total</u> |
|------------------------------------|-----------------|----------------------|--------------|
| Balance as of January 1, 2025 | \$ 9 | \$ 8 | \$ 17 |
| Restructuring expense: | | | |
| Global Rightsizing | 12 | 71 | 83 |
| Restructuring payment/utilization: | | | |
| Global Rightsizing | (19) | (50) | (69) |
| Cost Optimization | (1) | — | (1) |
| Balance as of September 30, 2025 | <u>\$ 1</u> | <u>\$ 29</u> | <u>\$ 30</u> |

Other Related Charges

Officer Separation Costs

In February 2025, we announced that Joseph A. Ferraro, President and Chief Executive Officer, would transition to a Board Advisor role effective June 30, 2025. In connection with Mr. Ferraro’s departure, we recorded other related charges of approximately \$3 million and \$11 million for the three and nine months ended September 30, 2025, respectively, and expect further expense of approximately \$3 million to be incurred this year.

4. Earnings Per Share

The following table sets forth the computation of basic and diluted earnings (loss) per share ("EPS") (shares in millions):

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|---------|------------------------------------|---------|
| | 2025 | 2024 | 2025 | 2024 |
| Net income (loss) attributable to Avis Budget Group, Inc. for basic and diluted EPS | \$ 359 | \$ 237 | \$ (142) | \$ 137 |
| Basic weighted average shares outstanding | 35.2 | 35.5 | 35.2 | 35.6 |
| Non-vested stock ^(a) | 0.3 | 0.2 | — | 0.2 |
| Diluted weighted average shares outstanding ^(b) | 35.5 | 35.7 | 35.2 | 35.8 |
| Earnings (loss) per share | | | | |
| Basic | \$ 10.22 | \$ 6.67 | \$ (4.02) | \$ 3.86 |
| Diluted ^(c) | \$ 10.11 | \$ 6.65 | \$ (4.02) | \$ 3.84 |

^(a) For the three months ended September 30, 2025 and 2024, an immaterial amount and 0.2 million non-vested stock awards, respectively, have an anti-dilutive effect and therefore are excluded from the computation of diluted weighted average shares outstanding. For the nine months ended September 30, 2024, 0.2 million non-vested stock awards have an anti-dilutive effect and therefore have been excluded from the computation of diluted weighted average shares outstanding.

^(b) For the nine months ended September 30, 2025, our number of diluted weighted average shares outstanding excludes the effect of non-vested stock as the effect would have been anti-dilutive. This occurs when a net loss is reported and the effect of using dilutive shares would be anti-dilutive. For the nine months ended September 30, 2025, 0.2 million non-vested stock awards have an anti-dilutive effect and therefore have been excluded from the computation of diluted weighted average shares outstanding.

^(c) Diluted earnings (loss) per share was computed using the treasury stock method for non-vested stock.

5. Other Current Assets

Other current assets consisted of:

| | As of September 30, 2025 | As of December 31, 2024 |
|---|--------------------------------|-------------------------------|
| Sales and use taxes | \$ 345 | \$ 187 |
| Prepaid expenses ^(a) | 183 | 162 |
| Prepaid vehicle license and registration ^(a) | 113 | 77 |
| Other | 171 | 236 |
| Other current assets | \$ 812 | \$ 662 |

^(a) For the year ended December 31, 2024, we reclassified \$77 million of prepaid vehicle license and registration to conform to the current year presentation. This reclassification had no impact to other current assets.

6. Intangible Assets

Intangible assets consisted of:

| | As of September 30, 2025 | | | As of December 31, 2024 | | |
|--------------------------------------|--------------------------|--------------------------|---------------------|-------------------------|--------------------------|---------------------|
| | Gross Carrying Amount | Accumulated Amortization | Net Carrying Amount | Gross Carrying Amount | Accumulated Amortization | Net Carrying Amount |
| <i>Amortized Intangible Assets</i> | | | | | | |
| License agreements | \$ 309 | \$ 253 | \$ 56 | \$ 306 | \$ 244 | \$ 62 |
| Customer relationships | 262 | 243 | 19 | 244 | 221 | 23 |
| Other | 59 | 54 | 5 | 52 | 47 | 5 |
| Total | <u>\$ 630</u> | <u>\$ 550</u> | <u>\$ 80</u> | <u>\$ 602</u> | <u>\$ 512</u> | <u>\$ 90</u> |
| <i>Unamortized Intangible Assets</i> | | | | | | |
| Goodwill | <u>\$ 1,127</u> | | | <u>\$ 1,071</u> | | |
| Trademarks | <u>\$ 514</u> | | | <u>\$ 511</u> | | |

For the three months ended September 30, 2025 and 2024, amortization expense related to amortizable intangible assets was approximately \$6 million and \$7 million, respectively. For the nine months ended September 30, 2025 and 2024, amortization expense related to amortizable intangible assets was approximately \$17 million and \$22 million, respectively.

Based on our amortizable intangible assets as of September 30, 2025, we expect amortization expense of approximately \$5 million for the remainder of 2025, \$22 million for 2026, \$16 million for 2027, \$11 million for 2028, \$8 million for 2029 and \$8 million for 2030, excluding effects of currency exchange rates.

7. Vehicle Rental Activities

The components of vehicles, net within assets under vehicle programs are as follows:

| | As of | As of |
|--|--------------------|-------------------|
| | September 30, 2025 | December 31, 2024 |
| Rental vehicles | \$ 22,020 | \$ 20,094 |
| Less: Accumulated depreciation | (2,928) | (3,143) |
| | 19,092 | 16,951 |
| Vehicles held for sale | 448 | 594 |
| Vehicles, net investment in lease ^(a) | 100 | 74 |
| Vehicles, net | <u>\$ 19,640</u> | <u>\$ 17,619</u> |

^(a) See Note 14 – Related Party Transactions.

The components of vehicle depreciation and lease charges, net are summarized below:

| | Three Months Ended | | Nine Months Ended | |
|---|--------------------|---------------|-------------------|-----------------|
| | September 30, | | September 30, | |
| | 2025 | 2024 | 2025 | 2024 |
| Depreciation expense | \$ 675 | \$ 723 | \$ 2,025 | \$ 1,940 |
| Lease charges | 34 | 41 | 95 | 115 |
| (Gain) loss on sale of vehicles, net ^(a) | (31) | 42 | 249 | 120 |
| Vehicle depreciation and lease charges, net | <u>\$ 678</u> | <u>\$ 806</u> | <u>\$ 2,369</u> | <u>\$ 2,175</u> |

^(a) For the nine months ended September 30, 2025, includes other fleet charges of \$390 million related to the accelerated disposal of certain fleet in our Americas reportable segment. These costs relate to vehicles that were not included in the long-lived asset impairment and other related charges recorded in 2024.

As of September 30, 2025 and 2024, we had payables related to vehicle purchases included in liabilities under vehicle programs - other of \$216 million and \$152 million, respectively, and receivables related to vehicle sales included in assets under vehicle programs - receivables from vehicle manufacturers and other of \$486 million and \$284 million, respectively.

8. Income Taxes

Our effective tax rate for the nine months ended September 30, 2025 was a benefit of 26.5%. Such rate differed from the Federal Statutory rate of 21.0% primarily due to foreign taxes on our International operations and state taxes.

Our effective tax rate for the nine months ended September 30, 2024 was a provision of 34.6%. Such rate differed from the Federal Statutory rate of 21.0% primarily due to foreign taxes and U.S. taxes on our International operations.

The Organisation for Economic Cooperation and Development (“OECD”) published a proposal for the establishment of a global minimum tax rate of 15% (the “Pillar Two rule”), effective as of fiscal 2024. We are closely monitoring developments of the Pillar Two rule as the OECD continues to refine its technical guidance and member states implement tax laws and regulations based on the Pillar Two rule proposals. Based on our preliminary analysis, we do not expect the Pillar Two rule to have a material impact on our Consolidated Financial Statements for the year ended December 31, 2025.

In July 2025, the One Big Beautiful Bill Act (“OBBBA”) was enacted, making permanent key provisions of the Tax Cuts and Jobs Act, including full expensing of qualified property and modifications to the business interest expense limitation. As a result of this enactment, our deferred tax balances as of September 30, 2025 reflect the new law, resulting in the deferral of a significant portion of current federal tax over future periods. As our income tax provision includes both current and deferred components, the overall net impact to our Condensed Consolidated Statements of Comprehensive Income for the three and nine months ended September 30, 2025 is not significant. We are continuing to monitor additional provisions of the OBBBA that become effective through 2027 for potential future impact.

9. Accounts Payable and Other Current Liabilities

Accounts payable and other current liabilities consisted of:

| | As of September 30, 2025 | As of December 31, 2024 |
|--|---|--|
| Short-term operating lease liabilities | \$ 656 | \$ 628 |
| Accounts payable | 597 | 450 |
| Accrued sales and use taxes | 459 | 305 |
| Accrued advertising and marketing | 307 | 258 |
| Public liability and property damage insurance liabilities – current | 254 | 245 |
| Deferred lease revenues - current | 186 | 149 |
| Accrued payroll and related | 196 | 126 |
| Accrued interest | 124 | 180 |
| Other | 348 | 359 |
| Accounts payable and other current liabilities | <u>\$ 3,127</u> | <u>\$ 2,700</u> |

10. Long-term Corporate Debt and Borrowing Arrangements

Long-term debt and other borrowing arrangements consisted of:

| | Maturity Date | As of September 30, 2025 | As of December 31, 2024 |
|---|--------------------------|---|--|
| 5.750% Senior Notes | July 2027 | 644 | 740 |
| 4.750% Senior Notes | April 2028 | 500 | 500 |
| 7.000% euro-denominated Senior Notes | February 2029 | 704 | 621 |
| 5.375% Senior Notes | March 2029 | 600 | 600 |
| 8.250% Senior Notes | January 2030 | 700 | 700 |
| 7.250% euro-denominated Senior Notes | July 2030 | 704 | 622 |
| 8.000% Senior Notes | February 2031 | 498 | 497 |
| 8.375% Senior Notes | June 2032 | 600 | — |
| Floating Rate Term Loan ^(a) | July 2032 | 1,134 | 1,153 |
| Other ^(b) | | 34 | 20 |
| Deferred financing fees | | (60) | (60) |
| Total | | 6,058 | 5,393 |
| Less: Short-term debt and current portion of long-term debt | | 38 | 20 |
| Long-term debt | | <u>\$ 6,020</u> | <u>\$ 5,373</u> |

^(a) The floating rate term loan is part of our senior revolving credit facility, which is secured by pledges of capital stock of certain of our subsidiaries, and liens on substantially all of our intellectual property and certain other real and personal property. As of September 30, 2025, the floating rate term loan due 2032 bears interest at one-month Secured Overnight Financing Rate ("SOFR") plus 2.50%, for an aggregate rate of 6.66%. We have entered into a swap to hedge \$750 million of interest rate exposure related to the floating rate term loan at an aggregate rate of 4.01%.

^(b) Primarily includes finance leases, which are secured by liens on the related assets.

In February 2025, we borrowed \$500 million under a floating rate term loan due December 2025, which was part of our senior revolving credit facilities. In June 2025, we fully repaid our outstanding borrowings under the floating rate term loan due 2025.

In May 2025, we issued \$600 million of 8.375% Senior Notes due June 2032. Net proceeds were used to repay our floating rate term loan due 2025 and a portion of our 5.750% Senior Notes due July 2027, with the remaining proceeds being used to repay outstanding fleet debt and for general corporate purposes.

In June 2025, we redeemed \$100 million of our outstanding 5.750% Senior Notes due July 2027.

In July 2025, we amended our floating rate term loan, extending its maturity date from August 2027 to July 2032 and increasing the interest rate to SOFR plus 2.50%.

Committed Credit Facilities and Available Funding Arrangements

As of September 30, 2025, the committed corporate credit facilities available to us and/or our subsidiaries were as follows:

| | Total Capacity | Outstanding Borrowings | Letters of Credit Issued | Available Capacity |
|---|---------------------------|-----------------------------------|-------------------------------------|-------------------------------|
| Senior revolving credit facility maturing 2028 ^(a) | \$ 2,000 | \$ — | \$ 1,571 | \$ 429 |

^(a) The senior revolving credit facility bears interest at one-month SOFR plus 2.00% and is part of our senior credit facilities, which include the floating rate term loan and the senior revolving credit facility, and which are secured by pledges of capital stock of certain of our subsidiaries, and liens on substantially all of our intellectual property and certain other real and personal property.

As of September 30, 2025, we have other uncommitted standby letter of credit facilities (“SBLC facilities”) with an additional letter of credit capacity of up to \$467 million. As of September 30, 2025, letters of credit totaling \$467 million have been issued on our SBLC facilities, which results in no remaining available capacity.

Debt Covenants

The agreements governing our indebtedness contain restrictive covenants, including restrictions on dividends paid to us by certain of our subsidiaries, the incurrence of additional indebtedness and/or liens by us and certain of our subsidiaries, acquisitions, mergers, liquidations, and sale and leaseback transactions. Our senior credit facility also contains a maximum leverage ratio requirement. As of September 30, 2025, we were in compliance with the financial covenants governing our indebtedness.

11. Debt Under Vehicle Programs and Borrowing Arrangements

Debt under vehicle programs, including related party debt due to Avis Budget Rental Car Funding (AESOP) LLC (“Avis Budget Rental Car Funding”), consisted of:

| | As of September 30, 2025 | As of December 31, 2024 |
|--|--------------------------------|-------------------------------|
| Americas - Debt due to Avis Budget Rental Car Funding ^(a) | \$ 14,952 | \$ 14,143 |
| Americas - Debt borrowings ^(b) | 1,276 | 1,160 |
| International - Debt borrowings | 2,967 | 2,159 |
| International - Finance leases | 141 | 143 |
| Other | — | 8 |
| Deferred financing fees ^(c) | (74) | (77) |
| Total | \$ 19,262 | \$ 17,536 |

^(a) Includes approximately \$814 million and \$751 million of Class R notes as of September 30, 2025 and December 31, 2024, respectively, which are held by us.

^(b) Includes our Repurchase Facilities.

^(c) Deferred financing fees related to Debt due to Avis Budget Rental Car Funding as of September 30, 2025 and December 31, 2024 were \$58 million and \$60 million, respectively.

The following table provides a summary of debt issued by Avis Budget Rental Car Funding during the nine months ended September 30, 2025:

| Issuance Date | Maturity Date | Weighted Average Interest Rate | Amount Issued |
|----------------|---------------|-----------------------------------|------------------|
| January 2025 | August 2027 | 7.31 % | \$ 41 |
| January 2025 | April 2028 | 7.59 % | 75 |
| January 2025 | June 2028 | 7.31 % | 75 |
| January 2025 | December 2028 | 7.37 % | 72 |
| January 2025 | February 2029 | 7.52 % | 95 |
| May 2025 | August 2028 | 4.94 % | 250 |
| May 2025 | August 2030 | 5.26 % | 400 |
| September 2025 | February 2029 | 4.27 % | 250 |
| September 2025 | February 2031 | 4.52 % | 450 |
| | | 5.33 % | \$ 1,708 |

In September 2025, we entered into an additional repurchase agreement. We have two repurchase agreements (the “Repurchase Facilities”), whereby we may sell our Class D notes issued by Avis Budget Rental Car Funding to the Repurchase Facilities’ counterparty and repurchase such notes.

Transactions under the first Repurchase Facility currently have a one-month tenor and may be extended thereafter at our discretion. In March 2025, we extended the maturity of certain transactions under the first Repurchase Facility from March 2025 to June 2025. Beginning with the extension in June 2025 to July 2025, transactions under the first Repurchase Facility began a one-month tenor, with a current maturity date of November 2025. Each period we extended the maturity, we simultaneously repriced the interest rate on these transactions. As of September 30, 2025, \$112 million was outstanding under the first Repurchase Facility, which bears interest at a rate of 6.16%. Transactions under the second Repurchase Facility currently have a three-month tenor and may be extended thereafter at our discretion. As of September 30, 2025, \$66 million was outstanding under the second Repurchase Facility, which bears interest at a rate of 5.10%.

As of September 30, 2025, we had \$273 million of securities pledged as collateral for the Repurchase Facilities, included within investment in Avis Budget Rental Car Funding (AESOP) LLC—related party on our Condensed Consolidated Balance Sheets.

Debt Maturities

The following table provides the contractual maturities of our debt under vehicle programs, including related party debt due to Avis Budget Rental Car Funding, as of September 30, 2025:

| | Debt under Vehicle Programs ^(a) |
|--------------------------------------|---|
| Within 1 year ^(b) | \$ 4,018 |
| Between 1 and 2 years ^(c) | 8,169 |
| Between 2 and 3 years ^(d) | 2,911 |
| Between 3 and 4 years | 2,912 |
| Between 4 and 5 years | 962 |
| Thereafter | 364 |
| Total | \$ 19,336 |

^(a) Vehicle-backed debt primarily represents asset-backed securities.

^(b) Includes \$0.6 billion of bank and bank-sponsored facilities. These short-term borrowings have a weighted average interest rate of 4.52% as of September 30, 2025.

^(c) Includes \$4.4 billion of bank and bank-sponsored facilities.

^(d) Includes \$0.1 billion of bank and bank-sponsored facilities.

Committed Credit Facilities and Available Funding Arrangements

The following table presents available funding under our debt arrangements related to our vehicle programs, including related party debt due to Avis Budget Rental Car Funding, as of September 30, 2025:

| | Total Capacity ^(a) | Outstanding Borrowings ^(b) | Available Capacity |
|---|--------------------------------------|--|---------------------------|
| Americas - Debt due to Avis Budget Rental Car Funding | \$ 16,187 | \$ 14,952 | \$ 1,235 |
| Americas - Debt borrowings | 1,561 | 1,276 | 285 |
| International - Debt borrowings | 3,359 | 2,967 | 392 |
| International - Finance leases | 163 | 141 | 22 |
| Total | \$ 21,270 | \$ 19,336 | \$ 1,934 |

^(a) Capacity is subject to maintaining sufficient assets to collateralize debt. The total capacity for Americas - Debt due to Avis Budget Rental Car Funding includes increases from our asset-backed variable-funding financing facilities. These facilities were most recently amended and restated in April 2025.

^(b) The outstanding debt is collateralized by vehicles and related assets of \$15.9 billion for Americas - Debt due to Avis Budget Rental Car Funding; \$1.7 billion for Americas - Debt borrowings; \$3.8 billion for International - Debt borrowings; and \$0.2 billion for International - Finance leases.

Debt Covenants

The agreements under our vehicle-backed funding programs contain restrictive covenants, including restrictions on dividends paid to us by certain of our subsidiaries and restrictions on indebtedness, mergers, liens, liquidations, and sale and leaseback transactions and in some cases also require compliance with certain financial requirements. As of September 30, 2025, we are not aware of any instances of non-compliance with any of the financial or restrictive covenants contained in the debt agreements under our vehicle-backed funding programs.

12. Commitments and Contingencies

Contingencies

In 2006, we completed the spin-offs of our Realogy and Wyndham subsidiaries (now known as Anywhere Real Estate, Inc., and Wyndham Hotels and Resorts, Inc. and Travel + Leisure Co., respectively). We do not believe that the impact of any resolution of pre-existing contingent liabilities in connection with the spin-offs should result in a material liability to us in relation to our consolidated financial position or liquidity, as Anywhere Real Estate, Inc., Wyndham Hotels and Resorts, Inc. and Travel + Leisure Co. have agreed to assume responsibility for these liabilities.

We are also involved in litigation that is primarily related to the businesses of our former subsidiaries, including Realogy and Wyndham. We are entitled to indemnification from such entities for any liability resulting from such litigation.

In September 2014, Dawn Valli et al. v. Avis Budget Group Inc., et al. was filed in U.S. District Court for the District of New Jersey. The plaintiffs seek to represent a purported nationwide class of certain renters of vehicles from our Avis and Budget subsidiaries from September 30, 2008 through the present. The plaintiffs seek damages in connection with claims relating to alleged misrepresentations and omissions concerning charging customers for traffic infractions and related administrative fees. In October 2023, plaintiffs' motion for class certification was denied as to their proposed nationwide class and granted as to a subclass, created at the Court's discretion, of Avis Preferred and Budget Fastbreak members. We have been named as a defendant in other purported consumer class action lawsuits, including a class action filed against us in New Jersey seeking damages in connection with a breach of contract claim, which the Company intends to vigorously defend.

As previously reported, several shareholder plaintiffs sued the Company and management in New Jersey federal court under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, alleging misstatements and omissions about the Company's fleet strategy in 2024. Those cases were consolidated, co-lead plaintiffs were appointed, and an amended complaint was due to be filed in October 2025. Rather than file an amended complaint, on October 13, 2025, co-lead plaintiffs dismissed the action without prejudice. On October 16, 2025, the Court entered an order dismissing the action without prejudice and closing the case.

Two shareholders filed derivative suits in the United States District Court for the District of New Jersey alleging that the Company's directors and officers breached their fiduciary duties in connection with the Company's fleet strategy in 2024. The Company is named as a nominal defendant. On October 23, 2025, plaintiffs agreed to dismiss their cases without prejudice, which is subject to court approval.

In September 2025, we received a net pro rata settlement distribution of approximately \$114 million in connection with the Company's participation in a class action settlement in the In re Automotive Parts Antitrust Litigation, No. 2:12-md-02311 (E.D. Mich.), which is included within operating expenses in the Condensed Consolidated Statements of Comprehensive Income.

We are currently involved, and in the future may be involved, in claims and/or legal proceedings, including class actions, and governmental inquiries that are incidental to our vehicle rental and car sharing operations, including, among others, contract and licensee disputes, competition matters, employment and wage-and-hour claims, insurance and liability claims, intellectual property claims, business practice disputes and other regulatory, environmental, commercial and tax matters. In addition, we are a defendant in a number of legal proceedings for personal injury arising from the operation of our vehicles.

Litigation is inherently unpredictable and, although we believe that our accruals are adequate and/or that we have valid defenses in these matters, unfavorable resolutions could occur. We estimate that the potential exposure resulting from adverse outcomes of current legal proceedings in which it is reasonably possible that a loss may be incurred could, in the aggregate, be up to approximately \$45 million in excess of amounts accrued as of September 30, 2025. We do not believe that the impact should result in a material liability to us in relation to our consolidated financial condition or results of operations.

Commitments to Purchase Vehicles

We maintain agreements with vehicle manufacturers under which we have agreed to purchase approximately \$4.2 billion of vehicles from manufacturers over the next 12 months, a \$2.1 billion decrease compared to December 31, 2024, financed primarily through the issuance of vehicle-backed debt and cash received upon the disposition of vehicles. Certain of these commitments are subject to the vehicle manufacturers satisfying their obligations under their respective repurchase and guaranteed depreciation agreements.

Concentrations

Concentrations of credit risk as of September 30, 2025 include risks related to our repurchase and guaranteed depreciation agreements with domestic and foreign car manufacturers and primarily with respect to receivables for program cars that have been disposed of, but for which we have not yet received payment from the manufacturers.

13. Stockholders' Equity

Share Repurchases

Our Board of Directors has authorized the repurchase of up to approximately \$8.1 billion of our common stock under a plan originally approved in 2013 and subsequently expanded, most recently in February 2023 (the "Stock Repurchase Program"). During the nine months ended September 30, 2025, we did not repurchase shares of common stock under the Stock Repurchase Program. During the nine months ended September 30, 2024, we repurchased approximately 0.1 million shares of common stock at a cost of approximately \$8 million (excluding excise taxes due under the Inflation Reduction Act of 2022) under the Stock Repurchase Program. As of September 30, 2025, approximately \$757 million of authorization remained available to repurchase common stock under the Stock Repurchase Program.

Common stock repurchases under the Stock Repurchase Program do not include shares withheld to satisfy employees' income tax liabilities attributable to the vesting of restricted stock unit awards.

Total Comprehensive Income (Loss)

Comprehensive income (loss) consists of net income (loss) and other gains and losses affecting stockholders' equity that, under GAAP, are excluded from net income (loss).

The components of other comprehensive income (loss) were as follows:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|-------------------------------------|---------------|------------------------------------|---------------|
| | 2025 | 2024 | 2025 | 2024 |
| Net income (loss) | \$ 360 | \$ 238 | \$ (139) | \$ 140 |
| Less: Net income attributable to non-controlling interests | 1 | 1 | 3 | 3 |
| Net income (loss) attributable to Avis Budget Group, Inc. | <u>359</u> | <u>237</u> | <u>(142)</u> | <u>137</u> |
| Other comprehensive income (loss), net of tax | | | | |
| Currency translation adjustments, net of tax of \$(1), \$13, \$43 and \$5, respectively ^(a) | (16) | 38 | 68 | (7) |
| Net unrealized gain (loss) on cash flow hedges, net of tax of \$1, \$5, \$5 and \$4, respectively | (3) | (16) | (14) | (12) |
| Minimum pension liability adjustment, net of tax of \$(1), \$(1), \$(1) and \$(1), respectively | 1 | 1 | 3 | 3 |
| | <u>(18)</u> | <u>23</u> | <u>57</u> | <u>(16)</u> |
| Total comprehensive income (loss) attributable to Avis Budget Group, Inc. | <u>\$ 341</u> | <u>\$ 260</u> | <u>\$ (85)</u> | <u>\$ 121</u> |

^(a) Currency translation adjustments exclude income taxes related to indefinite investments in foreign subsidiaries.

Accumulated Other Comprehensive Income (Loss)

The components of accumulated other comprehensive income (loss) were as follows:

| | Currency Translation Adjustments | Net Unrealized Gains (Losses) on Cash Flow Hedges ^(a) | Minimum Pension Liability Adjustment ^(b) | Accumulated Other Comprehensive Income (Loss) |
|--|--|---|--|--|
| Balance as of July 1, 2025 | \$ (41) | \$ 20 | \$ (114) | \$ (135) |
| Other comprehensive income (loss) before reclassifications | (16) | 1 | — | (15) |
| Gross (gains) losses reclassified | | (5) | 1 | (4) |
| Tax on (gains) losses reclassified | | 1 | — | 1 |
| (Gains) losses reclassified from accumulated other comprehensive income (loss), net of tax | — | (4) | 1 | (3) |
| Net current-period other comprehensive income (loss) | (16) | (3) | 1 | (18) |
| Balance as of September 30, 2025 | <u>\$ (57)</u> | <u>\$ 17</u> | <u>\$ (113)</u> | <u>\$ (153)</u> |
| Balance as of July 1, 2024 | \$ (48) | \$ 41 | \$ (128) | \$ (135) |
| Other comprehensive income (loss) before reclassifications | 38 | (11) | — | 27 |
| Gross (gains) losses reclassified | | (8) | 1 | (7) |
| Tax on (gains) losses reclassified | | 3 | — | 3 |
| (Gains) losses reclassified from accumulated other comprehensive income (loss), net of tax | — | (5) | 1 | (4) |
| Net current-period other comprehensive income (loss) | 38 | (16) | 1 | 23 |
| Balance as of September 30, 2024 | <u>\$ (10)</u> | <u>\$ 25</u> | <u>\$ (127)</u> | <u>\$ (112)</u> |
| Balance as of January 1, 2025 | \$ (125) | \$ 31 | \$ (116) | \$ (210) |
| Other comprehensive income (loss) before reclassifications | 68 | (2) | — | 66 |
| Gross (gains) losses reclassified | | (16) | 4 | (12) |
| Tax on (gains) losses reclassified | | 4 | (1) | 3 |
| (Gains) losses reclassified from accumulated other comprehensive income (loss), net of tax | — | (12) | 3 | (9) |
| Net current-period other comprehensive income (loss) | 68 | (14) | 3 | 57 |
| Balance as of September 30, 2025 | <u>\$ (57)</u> | <u>\$ 17</u> | <u>\$ (113)</u> | <u>\$ (153)</u> |
| Balance as of January 1, 2024 | \$ (3) | \$ 37 | \$ (130) | \$ (96) |
| Other comprehensive income (loss) before reclassifications | (7) | 4 | — | (3) |
| Gross (gains) losses reclassified | | (22) | 4 | (18) |
| Tax on (gains) losses reclassified | | 6 | (1) | 5 |
| (Gains) losses reclassified from accumulated other comprehensive income (loss), net of tax | — | (16) | 3 | (13) |
| Net current-period other comprehensive income (loss) | (7) | (12) | 3 | (16) |
| Balance as of September 30, 2024 | <u>\$ (10)</u> | <u>\$ 25</u> | <u>\$ (127)</u> | <u>\$ (112)</u> |

All components of accumulated other comprehensive income (loss) are net of tax, except currency translation adjustments, which exclude income taxes related to indefinite investments in foreign subsidiaries and include \$25 million gain, net of tax, as of September 30, 2025 related to our hedge of our investment in euro-denominated foreign operations (see Note 16 – Financial Instruments).

^(a) Amounts reclassified to interest expense.

^(b) Amounts reclassified to selling, general and administrative expenses.

14. Related Party Transactions

Avis Mobility Ventures LLC

Avis Mobility Ventures LLC (“AMV”) is our former subsidiary. We ceased to have a controlling interest in AMV in 2022, and as a result we deconsolidated AMV from our financial statements. Our proportional share of AMV’s income or loss is included within other (income) expense, net in our Condensed Consolidated Statements of Comprehensive Income. As of September 30, 2025, we own approximately 35% of AMV. We continue to provide vehicles, related fleet services, and certain administrative services to AMV to support their operations. The following tables provide amounts reported within our financial statements related to our equity method investment in AMV and these services.

The components of other (income) expense, net are summarized below:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|------|------------------------------------|--------|
| | 2025 | 2024 | 2025 | 2024 |
| (Income) expense for services to AMV, net | \$ 1 | \$ 1 | \$ 9 | \$ (1) |
| (Income) loss on equity method investment in AMV, net | 1 | 2 | 4 | 7 |
| Other (income) expense, net | 2 | 3 | 13 | 6 |

The following table provides amounts reported within our Condensed Consolidated Balance Sheets related to AMV:

| | As of September 30, 2025 | As of December 31, 2024 |
|---|--------------------------------|-------------------------------|
| Receivables from AMV ^(a) | \$ 4 | \$ 3 |
| Equity method investment in AMV ^(b) | 23 | 28 |
| Vehicles, net investment in lease with AMV ^(c) | 100 | 74 |

^(a) Included within other current assets.

^(b) Included within other non-current assets.

^(c) Included within vehicles, net. See Note 7 – Vehicle Rental Activities.

SRS Mobility Ventures, LLC

SRS Mobility Ventures, LLC is an affiliate of our largest shareholder, SRS Investment Management, LLC. SRS Mobility Ventures, LLC obtained a controlling interest in AMV in 2022. As of September 30, 2025, they own approximately 65% of AMV.

15. Stock-Based Compensation

We recorded stock-based compensation expense of \$4 million (\$3 million, net of tax) and \$1 million (\$1 million, net of tax) during the three months ended September 30, 2025 and 2024, respectively. We recorded stock-based compensation expense of \$16 million (\$12 million, net of tax) and \$14 million (\$11 million, net of tax) during the nine months ended September 30, 2025 and 2024, respectively.

As part of our declaration and payment of a special cash dividend in December 2023, we granted additional restricted stock units (“RSUs”) to our award holders with unvested shares as a dividend equivalent, which has been deferred until, and will not be paid unless, the shares of stock underlying the award vest.

The activity related to stock units consisted of (in thousands of shares):

| | Number of Shares | Weighted Average Grant Date Fair Value | Weighted Average Remaining Contractual Term (years) | Aggregate Intrinsic Value (in millions) |
|--|---------------------|---|--|---|
| Time-based RSUs | | | | |
| Outstanding as of January 1, 2025 | 306 | \$ 143.25 | | |
| Granted ^(a) | 286 | 65.23 | | |
| Vested ^(b) | (77) | 154.79 | | |
| Forfeited | (40) | 108.88 | | |
| Outstanding and expected to vest as of September 30, 2025 ^(c) | 475 | \$ 97.36 | 1.2 | \$ 76 |
| Performance-based RSUs | | | | |
| Outstanding as of January 1, 2025 | 315 | \$ 159.62 | | |
| Granted ^(a) | 433 | 64.10 | | |
| Vested ^(b) | (63) | 192.76 | | |
| Forfeited | (128) | 132.20 | | |
| Outstanding as of September 30, 2025 | 557 | \$ 87.91 | 1.6 | \$ 89 |
| Outstanding and expected to vest as of September 30, 2025 ^(c) | 192 | \$ 67.97 | 1.6 | \$ 31 |

^(a) Reflects the maximum number of stock units assuming achievement of all time- and performance-vesting criteria and does not include those for non-employee directors. The weighted-average fair value of time- and performance-based RSUs granted during the nine months ended September 30, 2024 was \$111.39 and \$112.44, respectively.

^(b) The total fair value of time- and performance-based RSUs vested during the nine months ended September 30, 2025 and 2024 was \$24 million and \$32 million, respectively.

^(c) Aggregate unrecognized compensation expense related to time- and performance-based RSUs amounted to \$35 million and will be recognized over a weighted average vesting period of 1.3 years.

16. Financial Instruments

Derivative Instruments and Hedging Activities

Currency Risk. We use currency exchange contracts to manage our exposure to changes in currency exchange rates associated with certain of our non-U.S.-dollar denominated receivables and forecasted royalties, forecasted earnings of non-U.S. subsidiaries and forecasted non-U.S. dollar denominated acquisitions. We primarily hedge a portion of our current-year currency exposure to the Australian, Canadian and New Zealand dollars, the euro and the British pound sterling. The majority of forward contracts do not qualify for hedge accounting treatment. The fluctuations in the value of these forward contracts do, however, largely offset the impact of changes in the value of the underlying risk they economically hedge. We have designated our euro-denominated notes as a hedge of our investment in euro-denominated foreign operations.

The estimated net amount of existing gains or losses we expect to reclassify from accumulated other comprehensive income (loss) to earnings for cash flow and net investment hedges over the next 12 months is not material.

Interest Rate Risk. We use various hedging strategies including interest rate swaps and interest rate caps to create what we deem an appropriate mix of fixed and floating rate assets and liabilities. We use interest rate swaps and interest rate caps to manage the risk related to our floating rate corporate debt and our floating rate vehicle-backed debt. We record the changes in the fair value of our cash flow hedges to other comprehensive income (loss), net of tax, and subsequently reclassify these amounts into earnings in the period during which the hedged transaction affects earnings and is presented in the same income statement line item as the earnings effect of the hedged item. We record the gains or losses related to freestanding derivatives, which are not designated as a hedge for accounting purposes, currently in earnings and are presented in the same line of the income statement expected for the hedged item. We estimate that approximately \$16 million of gain currently recorded in accumulated other comprehensive income (loss) will be recognized in earnings over the next 12 months.

Commodity Risk. We periodically enter into derivative commodity contracts to manage our exposure to changes in the price of fuel. These instruments were designated as freestanding derivatives and the changes in fair value are recorded in earnings and are presented in the same line of the income statement expected for the hedged item.

We held derivative instruments with absolute notional values as follows:

| | As of September 30, 2025 |
|-----------------------------------|-------------------------------------|
| Foreign exchange contracts | \$ 1,694 |
| Interest rate caps ^(a) | 11,343 |
| Interest rate swaps | 750 |

^(a) Represents \$7.1 billion of interest rate caps sold and \$4.2 billion of interest rate caps purchased. These amounts exclude \$3.1 billion of interest rate caps purchased by our Avis Budget Rental Car Funding subsidiary as it is not consolidated by us.

Estimated fair values (Level 2) of derivative instruments are as follows:

| | As of September 30, 2025 | | As of December 31, 2024 | |
|--|--|--|--|--|
| | Fair Value, Asset Derivatives | Fair Value, Liability Derivatives | Fair Value, Asset Derivatives | Fair Value, Liability Derivatives |
| Derivatives designated as hedging instruments | | | | |
| Interest rate swaps ^(a) | \$ 22 | \$ — | \$ 41 | \$ — |
| Derivatives not designated as hedging instruments | | | | |
| Foreign exchange contracts ^(b) | 2 | 4 | 5 | 10 |
| Interest rate caps ^(c) | — | — | 3 | 12 |
| Total | \$ 24 | \$ 4 | \$ 49 | \$ 22 |

Amounts in this table exclude derivatives issued by Avis Budget Rental Car Funding, as it is not consolidated by us; however, certain amounts related to the derivatives held by Avis Budget Rental Car Funding are included within accumulated other comprehensive income (loss), as discussed in Note 13 – Stockholders' Equity.

^(a) Included within other non-current assets or other non-current liabilities.

^(b) Included within other current assets or other current liabilities.

^(c) Included within assets under vehicle programs or liabilities under vehicle programs.

The effects of financial instruments recognized in our Condensed Consolidated Financial Statements are as follows:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|----------------|--|----------------|
| | 2025 | 2024 | 2025 | 2024 |
| Financial instruments designated as hedging instruments ^(a) | | | | |
| Interest rate swaps ^(b) | \$ (3) | \$ (16) | \$ (14) | \$ (12) |
| Euro-denominated notes ^(c) | 5 | (37) | (123) | (14) |
| Financial instruments not designated as hedging instruments ^(d) | | | | |
| Foreign exchange contracts ^(e) | (3) | (15) | 23 | (34) |
| Total | \$ (1) | \$ (68) | \$ (114) | \$ (60) |

^(a) Recognized, net of tax, as a component of accumulated other comprehensive income (loss) within stockholders' equity.

^(b) Classified as a net unrealized gain (loss) on cash flow hedges in accumulated other comprehensive income (loss). Refer to Note 13 – Stockholders' Equity for amounts reclassified from accumulated other comprehensive income (loss) into earnings.

^(c) Classified as a net investment hedge within currency translation adjustment in accumulated other comprehensive income (loss).

^(d) Gains (losses) related to derivative instruments are expected to be largely offset by (losses) gains on the underlying exposures being hedged.

^(e) Primarily included within interest expense.

Debt Instruments

The carrying amounts and estimated fair values (Level 2) of debt instruments are as follows:

| | As of September 30, 2025 | | As of December 31, 2024 | |
|---|--------------------------|----------------------|-------------------------|----------------------|
| | Carrying Amount | Estimated Fair Value | Carrying Amount | Estimated Fair Value |
| Corporate debt | | | | |
| Short-term debt and current portion of long-term debt | \$ 38 | \$ 38 | \$ 20 | \$ 20 |
| Long-term debt | 6,020 | 6,181 | 5,373 | 5,452 |
| Debt under vehicle programs | | | | |
| Vehicle-backed debt due to Avis Budget Rental Car Funding | \$ 14,894 | \$ 15,134 | \$ 14,083 | \$ 14,154 |
| Vehicle-backed debt | 4,368 | 4,397 | 3,441 | 3,469 |
| Interest rate swaps and interest rate caps ^(a) | — | — | 12 | 12 |

^(a) Derivatives in a liability position.

17. Segment Information

Our chief executive officer, who also serves as our chief operating decision-maker (“CODM,”) assesses performance and allocates resources based upon the separate financial information of our operating segments. We aggregate certain of our operating segments into our reportable segments. In identifying our reportable segments, we also consider the management structure of the organization, the nature of services provided by our operating segments, the geographical areas and economic characteristics in which the segments operate, and other relevant factors.

Our CODM evaluates the operating results of each of our reportable segments based upon revenues and Adjusted EBITDA, which we define as income (loss) from continuing operations before non-vehicle related depreciation and amortization; long-lived asset impairment and other related charges; other fleet charges; restructuring and other related charges; early extinguishment of debt costs; non-vehicle related interest; transaction-related costs, net; legal matters, net, which primarily includes amounts recorded in excess of \$5 million, related to unprecedented self-insurance reserves for allocated loss adjustment expense, class action lawsuits and personal injury matters; non-operational charges related to shareholder activist activity, which includes third-party advisory, legal and other professional fees; COVID-19 charges, net; cloud computing costs; other (income) expense, net; severe weather-related damages in excess of \$5 million, net of insurance proceeds; and income taxes. In the first quarter of 2025, we revised our definition of Adjusted EBITDA to exclude other fleet charges. We did not revise prior years' Adjusted EBITDA amounts because there were no other charges similar in nature to these.

We believe Adjusted EBITDA is useful as a supplemental measure in evaluating the performance of our operating businesses and in comparing our results from period to period. We also believe that Adjusted EBITDA is useful to investors because it allows them to assess our results of operations and financial condition on the same basis that management uses internally. Adjusted EBITDA is a non-GAAP measure and should not be considered in isolation or as a substitute for net income or other income statement data prepared in accordance with U.S. GAAP.

Provided below is information about our revenues, significant segment expenses, and reportable segment Adjusted EBITDA, together with a reconciliation of reportable segment Adjusted EBITDA to income (loss) before income taxes.

| | Three Months Ended September 30, | | | | | |
|---|----------------------------------|---------------|-------------|----------|---------------|-------------|
| | 2025 | | | 2024 | | |
| | Americas | International | Total | Americas | International | Total |
| Revenues | \$ 2,621 | \$ 898 | \$ 3,519 | \$ 2,640 | \$ 840 | \$ 3,480 |
| Significant segment expenses: | | | | | | |
| Operating ^(a) | 1,234 | 374 | | 1,210 | 348 | |
| Vehicle depreciation and lease charges, net | 508 | 170 | | 613 | 193 | |
| Selling, general and administrative | 269 | 128 | | 236 | 116 | |
| Vehicle interest, net | 212 | 36 | | 197 | 44 | |
| Reportable segment Adjusted EBITDA | \$ 398 | \$ 190 | \$ 588 | \$ 384 | \$ 139 | \$ 523 |
| Reconciliation of reportable segment Adjusted EBITDA to income before income taxes: | | | | | | |
| | | | <u>2025</u> | | | <u>2024</u> |
| Reportable segment Adjusted EBITDA | | | \$ 588 | | | \$ 523 |
| Non-vehicle related depreciation and amortization | | | 57 | | | 58 |
| Interest expense related to corporate debt, net: | | | | | | |
| Interest expense | | | 4 | | | 3 |
| Restructuring and other related charges | | | 9 | | | 6 |
| Other (income) expense, net | | | 2 | | | 3 |
| Other segment expenses ^(b) | | | (110) | | | 1 |
| Corporate and other ^(c) | | | 153 | | | 123 |
| Income before income taxes | | | \$ 473 | | | \$ 329 |

^(a) Excludes other segment expenses.

^(b) Legal matters, net, cloud computing costs and severe weather-related damages, net for the three months ended September 30, 2025. Cloud computing costs for the three months ended September 30, 2024.

^(c) Consists of unallocated corporate expenses not attributable to a particular reportable segment. For the three months ended September 30, 2025 and 2024, includes \$105 million and \$92 million of interest expense related to corporate debt, respectively.

Nine Months Ended September 30,

| | 2025 | | | 2024 | | |
|--|----------|---------------|-----------------|----------|---------------|---------------|
| | Americas | International | Total | Americas | International | Total |
| Revenues | \$ 6,860 | \$ 2,128 | \$ 8,988 | \$ 6,994 | \$ 2,085 | \$ 9,079 |
| Significant segment expenses: | | | | | | |
| Operating ^(a) | 3,467 | 977 | | 3,449 | 957 | |
| Vehicle depreciation and lease charges, net ^(b) | 1,525 | 454 | | 1,659 | 516 | |
| Selling, general and administrative | 733 | 325 | | 665 | 323 | |
| Vehicle interest, net | 584 | 103 | | 607 | 117 | |
| Reportable segment Adjusted EBITDA | \$ 551 | \$ 269 | \$ 820 | \$ 614 | \$ 172 | \$ 786 |
| Reconciliation of reportable segment Adjusted EBITDA to income (loss) before income taxes: | | | | | | |
| | | | <u>2025</u> | | | <u>2024</u> |
| Reportable segment Adjusted EBITDA | | | \$ 820 | | | \$ 786 |
| Non-vehicle related depreciation and amortization | | | 172 | | | 176 |
| Interest expense related to corporate debt, net: | | | | | | |
| Interest expense | | | 10 | | | 5 |
| Other fleet charges | | | 390 | | | — |
| Restructuring and other related charges | | | 82 | | | 23 |
| Transaction-related costs, net | | | — | | | 2 |
| Other (income) expense, net | | | 13 | | | 6 |
| Other segment expenses ^(c) | | | (97) | | | 10 |
| Corporate and other ^(d) | | | 439 | | | 350 |
| Income (loss) before income taxes | | | <u>\$ (189)</u> | | | <u>\$ 214</u> |

^(a) Excludes other segment expenses.

^(b) For the nine months ended September 30, 2025, excludes other fleet charges related to the accelerated disposal of certain fleet within our Americas reportable segment. These costs relate to vehicles that were not included in the long-lived asset impairment and other related charges recorded in 2024.

^(c) Legal matters, net, cloud computing costs and severe weather-related damages, net for the nine months ended September 30, 2025. Legal matters, net and cloud computing costs for the nine months ended September 30, 2024.

^(d) Consists of unallocated corporate expenses not attributable to a particular reportable segment. For the nine months ended September 30, 2025 and 2024, includes \$306 million and \$261 million of interest expense related to corporate debt, respectively.

Provided below is information about our segment assets.

| | <u>Americas</u> | <u>International</u> | <u>Unallocated Assets ^(a)</u> | <u>Total</u> |
|---|-----------------|----------------------|--|--------------|
| Nine Months Ended September 30, 2025 | | | | |
| Property and equipment additions | \$ 44 | \$ 23 | \$ 69 | \$ 136 |
| As of September 30, 2025 | | | | |
| Assets exclusive of assets under vehicle programs | 7,394 | 3,066 | 320 | 10,780 |
| Assets under vehicle programs | 17,504 | 4,234 | — | 21,738 |
| Net long-lived assets | 1,438 | 793 | 200 | 2,431 |
| Year Ended December 31, 2024 | | | | |
| Property and equipment additions | \$ 109 | \$ 40 | \$ 53 | \$ 202 |
| As of December 31, 2024 | | | | |
| Assets exclusive of assets under vehicle programs | 6,785 | 2,539 | 344 | 9,668 |
| Assets under vehicle programs | 16,058 | 3,315 | — | 19,373 |
| Net long-lived assets | 1,474 | 733 | 162 | 2,369 |

^(a) Includes unallocated corporate assets which are not attributable to a particular reportable segment.

* * * *

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with our Condensed Consolidated Financial Statements and accompanying Notes included in this Quarterly Report on Form 10-Q and with our 2024 Form 10-K. Our actual results of operations may differ materially from those discussed in forward-looking statements as a result of various factors, including those discussed in "Forward-Looking Statements." See "Forward-Looking Statements" and "Risk Factors" for additional information. Unless otherwise noted, all dollar amounts in tables are in millions.

OVERVIEW

Our Company

We operate three of the most globally recognized brands in mobility solutions, Avis, Budget and Zipcar, together with several other brands well recognized in their respective markets. We are a leading vehicle rental operator in North America, Europe, Australasia and certain other regions we serve, with an average rental fleet of approximately 746,000 vehicles in third quarter 2025. We also license the use of our trademarks to licensees in the areas in which we do not operate directly. We and our licensees operate our brands in approximately 180 countries throughout the world.

Our Segments

We categorize our operations into two reportable business segments: *Americas*, consisting primarily of (i) vehicle rental operations in North America, South America, Central America and the Caribbean, (ii) car sharing operations in certain of these markets, and (iii) licensees in the areas in which we do not operate directly; and *International*, consisting primarily of (i) vehicle rental operations in Europe, the Middle East, Africa, Asia and Australasia, (ii) car sharing operations in certain of these markets, and (iii) licensees in the areas in which we do not operate directly.

Business and Trends

Our strategy continues to focus on transforming key parts of our business through technology, system enhancements and data, particularly with respect to customer experience, revenue generation and costs. Additionally, during the fourth quarter of our fiscal year ended December 31, 2024, we changed our fleet strategy with respect to United States and Canadian rental car vehicles, to accelerate certain fleet rotations in order to decrease the age of our fleet for competitive reasons. We believe our strategies will continue to strengthen our Company, maximize profitability, and deliver stakeholder value. During the three months ended September 30, 2025, we generated revenues of \$3.5 billion, net income of \$360 million and Adjusted EBITDA of \$559 million. These results were primarily driven by increased volume and decreased fleet costs, partially offset by decreased revenue per day.

We continue to be susceptible to a number of industry-specific and global macroeconomic factors that may cause our actual results of operations to differ from our historical results of operations or current expectations. The factors and trends that we currently believe are or will be most impactful to our results of operations and financial condition include the following: interest rates, inflationary impact on items such as commodity prices and wages, cost of new vehicles, used car values, increases in the number of personal injury claims and cost per incident, and an economic downturn that may impact travel demand, all of which may be exacerbated by ongoing military conflicts, including in the Middle East and Eastern Europe. Additionally, uncertainty remains with respect to tariffs and tax regulations, and this uncertainty has had and may continue to have impacts on our operations. We continue to monitor the potential favorable or unfavorable impacts of these and other factors on our business, operations, financial condition, and future results of operations.

RESULTS OF OPERATIONS

We measure performance principally using the following key metrics: (i) rental days, which represent the total number of days (or portion thereof) a vehicle was rented, (ii) revenue per day, which represents revenues divided by rental days, (iii) vehicle utilization, which represents rental days divided by available rental days, with available rental days being defined as average rental fleet times the number of days in the period, and (iv) per-unit fleet costs, which represent vehicle depreciation, lease charges and gain or loss on vehicle sales, divided by average rental fleet. Our rental days, revenue per day and vehicle utilization metrics are all calculated based on the actual rental of the vehicle during a 24-hour period. We believe that this methodology provides management with the most relevant metrics in order to effectively manage the performance of the business. Our calculation may not be comparable to the calculation of similarly-titled metrics by other companies. We present currency exchange rate effects to provide a method of assessing how our business performed excluding the effects of foreign currency rate fluctuations. Currency exchange rate effects are calculated by translating the current period results at the prior period average exchange rate plus any related gains and losses on currency hedges.

We assess performance and allocate resources based upon the separate financial information of our operating segments. We aggregate certain of our operating segments into our reportable segments. In identifying our reportable segments, we also consider the management structure of the organization, the nature of services provided by our operating segments, the geographical areas and economic characteristics in which the segments operate, and other relevant factors. Management evaluates the operating results of each of our reportable segments based upon revenues and Adjusted EBITDA, which we define as income (loss) from continuing operations before non-vehicle related depreciation and amortization; long-lived asset impairment and other related charges; other fleet charges; restructuring and other related charges; early extinguishment of debt costs; non-vehicle related interest; transaction-related costs, net; legal matters, net, which primarily includes amounts recorded in excess of \$5 million, related to unprecedented self-insurance reserves for allocated loss adjustment expense, class action lawsuits and personal injury matters; non-operational charges related to shareholder activist activity, which includes third-party advisory, legal and other professional fees; COVID-19 charges, net; cloud computing costs; other (income) expense, net; severe weather-related damages in excess of \$5 million, net of insurance proceeds; and income taxes. In the first quarter of 2025, we revised our definition of Adjusted EBITDA to exclude other fleet charges. We did not revise prior years' Adjusted EBITDA amounts because there were no other charges similar in nature to these.

We believe Adjusted EBITDA is useful as a supplemental measure in evaluating the performance of our operating businesses and in comparing our results from period to period. We also believe that Adjusted EBITDA is useful to investors because it allows them to assess our results of operations and financial condition on the same basis that management uses internally. Adjusted EBITDA is a non-GAAP measure and should not be considered in isolation or as a substitute for net income or other income statement data prepared in accordance with U.S. GAAP. Our presentation of Adjusted EBITDA may not be comparable to similarly-titled measures used by other companies.

During the nine months ended September 30, 2025:

- Our revenues totaled \$9.0 billion, a decrease of \$91 million year-over-year, primarily due to decreased revenue per day.
- Our net loss attributable to Avis Budget Group, Inc. was \$142 million, representing a decrease of \$279 million year-over-year, primarily due to other fleet charges related to the accelerated disposal of certain fleet in our Americas reportable segment.
- Our Adjusted EBITDA was \$743 million, representing an increase of \$14 million year-over-year.
- We received a settlement distribution of \$114 million relating to the Company's participation in the In re Automotive Parts Antitrust Litigation.

Three Months Ended September 30, 2025 vs. Three Months Ended September 30, 2024

Our condensed consolidated results of operations comprised of the following:

| | Three Months Ended September 30, | | | |
|--|----------------------------------|----------|-----------|----------|
| | 2025 | 2024 | \$ Change | % Change |
| Revenues | \$ 3,519 | \$ 3,480 | \$ 39 | 1% |
| Expenses | | | | |
| Operating | 1,513 | 1,575 | (62) | (4%) |
| Vehicle depreciation and lease charges, net | 678 | 806 | (128) | (16%) |
| Selling, general and administrative | 422 | 367 | 55 | 15% |
| Vehicle interest, net | 248 | 241 | 7 | 3% |
| Non-vehicle related depreciation and amortization | 58 | 58 | — | —% |
| Interest expense related to corporate debt, net: | | | | |
| Interest expense | 109 | 95 | 14 | 15% |
| Early extinguishment of debt | 3 | — | 3 | n/m |
| Restructuring and other related charges | 13 | 6 | 7 | n/m |
| Other (income) expense, net | 2 | 3 | (1) | (33%) |
| Total expenses | 3,046 | 3,151 | (105) | (3%) |
| Income before income taxes | 473 | 329 | 144 | 44% |
| Provision for income taxes | 113 | 91 | 22 | 24% |
| Net income | 360 | 238 | 122 | 51% |
| Less: Net income attributable to non-controlling interests | 1 | 1 | — | —% |
| Net income attributable to Avis Budget Group, Inc. | \$ 359 | \$ 237 | 122 | 51% |

n/m - Not Meaningful

Revenues increased \$39 million during the three months ended September 30, 2025 compared to the similar period in 2024, primarily due to a 1% increase in volume and a \$37 million positive impact from currency exchange rate movements, partially offset by a 1% decrease in revenue per day, excluding exchange rate effects. Total expenses decreased 3% during the three months ended September 30, 2025 compared to the similar period in 2024, primarily due to decreased fleet costs. Our effective tax rates were a provision of 23.9% and 27.7% for the three months ended September 30, 2025 and 2024, respectively. As a result of these items, our net income attributable to Avis Budget Group, Inc. increased by \$122 million compared to the similar period in 2024. For the three months ended September 30, 2025 and 2024, we reported diluted earnings per share of \$10.11 and \$6.65, respectively.

Operating expenses decreased to 43.0% of revenue during the three months ended September 30, 2025 compared to 45.2% during the similar period in 2024, primarily due to a settlement distribution relating to our participation in the In re Automotive Parts Antitrust Litigation. Vehicle depreciation and lease charges decreased to 19.3% of revenue during the three months ended September 30, 2025 compared to 23.2% during the similar period in 2024, primarily due to decreased per-unit fleet costs, excluding exchange rate effects, driven by an increase in the gain on sale of vehicles. Selling, general and administrative costs increased to 12.0% of revenue during the three months ended September 30, 2025 compared to 10.5% during the similar period in 2024, primarily due to increased commissions and other general and administrative costs. Vehicle interest costs were 7.0% of revenue during the three months ended September 30, 2025 compared to 6.9% during the similar period in 2024.

Following is a more detailed discussion of the results of each of our reportable segments and corporate and other, together with a reconciliation of net income to Adjusted EBITDA:

| | Three Months Ended September 30, | | | |
|------------------------------------|----------------------------------|-----------------|-----------------|-----------------|
| | 2025 | | 2024 | |
| | Revenues | Adjusted EBITDA | Revenues | Adjusted EBITDA |
| Americas | \$ 2,621 | \$ 398 | \$ 2,640 | \$ 384 |
| International | 898 | 190 | 840 | 139 |
| Corporate and other ^(a) | — | (29) | — | (20) |
| Total Company | <u>\$ 3,519</u> | <u>\$ 559</u> | <u>\$ 3,480</u> | <u>\$ 503</u> |

Reconciliation of net income to Adjusted EBITDA:

| | 2025 | 2024 |
|--|---------------|---------------|
| Net income | \$ 360 | \$ 238 |
| Provision for income taxes | 113 | 91 |
| Income before income taxes | <u>473</u> | <u>329</u> |
| Non-vehicle related depreciation and amortization | 58 | 58 |
| Interest expense related to corporate debt, net: | | |
| Interest expense | 109 | 95 |
| Early extinguishment of debt | 3 | — |
| Restructuring and other related charges | 13 | 6 |
| Other (income) expense, net ^(b) | 2 | 3 |
| Legal matters, net ^(c) | (109) | — |
| Cloud computing costs ^(c) | 12 | 12 |
| Severe weather-related damages, net ^(c) | (2) | — |
| Adjusted EBITDA | <u>\$ 559</u> | <u>\$ 503</u> |

^(a) Includes unallocated corporate expenses which are not attributable to a particular segment.

^(b) Primarily consists of gains or losses related to our equity method investment in a former subsidiary, offset by fleet related and certain administrative services provided to the same former subsidiary.

^(c) Reported within operating expenses.

Americas

| | Three Months Ended September 30, | | |
|-----------------|----------------------------------|----------|----------|
| | 2025 | 2024 | % Change |
| Revenues | \$ 2,621 | \$ 2,640 | (1%) |
| Adjusted EBITDA | 398 | 384 | 4% |

Revenues decreased during the three months ended September 30, 2025 compared to the similar period in 2024, primarily due to a 3% decrease in revenue per day, excluding exchange rate effects, and a \$2 million negative impact from currency exchange rate movements, partially offset by a 3% increase in volume.

Operating expenses decreased to 42.9% of revenue during the three months ended September 30, 2025 compared to 45.9% during the similar period in 2024, primarily due to a settlement distribution relating to our participation in the In re Automotive Parts Antitrust Litigation. Vehicle depreciation and lease charges decreased to 19.3% of revenue during the three months ended September 30, 2025 compared to 23.2% during the similar period in 2024, primarily due to decreased per-unit fleet costs, excluding exchange rate effects, driven by an increase in the gain on sale of vehicles. Selling, general and administrative costs increased to 10.3% of revenue during the three months ended September 30, 2025 compared to 9.0% during the similar period in 2024, primarily due to increased commissions. Vehicle interest costs increased to 8.1% of revenue during the three months ended September 30, 2025 compared to 7.5% during the similar period in 2024, primarily due to increased fleet levels, partially offset by decreased interest rates.

Adjusted EBITDA increased during the three months ended September 30, 2025 compared to the similar period in 2024, primarily due to lower per-unit fleet costs, partially offset by a \$1 million negative impact from currency exchange rate movements.

International

| | Three Months Ended September 30, | | |
|-----------------|----------------------------------|--------|----------|
| | 2025 | 2024 | % Change |
| Revenues | \$ 898 | \$ 840 | 7% |
| Adjusted EBITDA | 190 | 139 | 37% |

Revenues increased during the three months ended September 30, 2025 compared to the similar period in 2024, primarily due to a 5% increase in revenue per day, excluding exchange rate effects, and a \$39 million positive impact from currency exchange rate movements, partially offset by a 2% decrease in volume.

Operating expenses increased to 41.8% of revenue during the three months ended September 30, 2025 compared to 41.4% during the similar period in 2024, primarily due to increased fleet operating and facilities costs. Vehicle depreciation and lease charges decreased to 19.0% of revenue during the three months ended September 30, 2025 compared to 23.1% during the similar period in 2024, primarily due to decreased per-unit fleet costs, excluding exchange rate effects, driven by decreased fleet levels. Selling, general and administrative costs increased to 14.2% of revenue during the three months ended September 30, 2025 compared to 13.8% during the similar period in 2024 primarily due to increased commissions and other general and administrative costs. Vehicle interest costs decreased to 4.0% of revenue during the three months ended September 30, 2025 compared to 5.2% during the similar period in 2024, primarily due to decreased fleet levels and interest rates.

Adjusted EBITDA increased during the three months ended September 30, 2025 compared to the similar period in 2024, primarily due to lower per-unit fleet costs and a \$10 million positive impact from currency exchange rate movements.

Nine Months Ended September 30, 2025 vs. Nine Months Ended September 30, 2024

Our condensed consolidated results of operations comprised of the following:

| | Nine Months Ended September 30, | | | |
|--|---------------------------------|----------|-----------|----------|
| | 2025 | 2024 | \$ Change | % Change |
| Revenues | \$ 8,988 | \$ 9,079 | \$ (91) | (1%) |
| Expenses | | | | |
| Operating | 4,392 | 4,451 | (59) | (1%) |
| Vehicle depreciation and lease charges, net | 2,369 | 2,175 | 194 | 9% |
| Selling, general and administrative | 1,126 | 1,040 | 86 | 8% |
| Vehicle interest, net | 687 | 724 | (37) | (5%) |
| Non-vehicle related depreciation and amortization | 174 | 177 | (3) | (2%) |
| Interest expense related to corporate debt, net: | | | | |
| Interest expense | 316 | 266 | 50 | 19% |
| Early extinguishment of debt | 6 | 1 | 5 | n/m |
| Restructuring and other related charges | 94 | 23 | 71 | n/m |
| Transaction-related costs, net | — | 2 | (2) | n/m |
| Other (income) expense, net | 13 | 6 | 7 | n/m |
| Total expenses | 9,177 | 8,865 | 312 | 4% |
| Income (loss) before income taxes | (189) | 214 | (403) | n/m |
| Provision for (benefit from) income taxes | (50) | 74 | (124) | n/m |
| Net income (loss) | (139) | 140 | (279) | n/m |
| Less: Net income attributable to non-controlling interests | 3 | 3 | — | 0% |
| Net income (loss) attributable to Avis Budget Group, Inc. | \$ (142) | \$ 137 | \$ (279) | n/m |

n/m - Not Meaningful

Revenues decreased \$91 million during the nine months ended September 30, 2025 compared to the similar period in 2024, primarily due to a 1% decrease in revenue per day, excluding exchange rate effects, and sustained volume, partially offset by a \$38 million positive impact from currency exchange rate movements. Total expenses increased 4% during the nine months ended September 30, 2025 compared to the similar period in 2024, primarily due to increased fleet costs. Our effective tax rates were a benefit of 26.5% and a provision of 34.6% for the nine months ended September 30, 2025 and 2024, respectively. As a result of these items, our net income (loss) attributable to Avis Budget Group, Inc. resulted in a decrease of \$279 million compared to the similar period in 2024. For the nine months ended September 30, 2025 and 2024, we reported diluted loss per share of \$4.02 and diluted earnings per share \$3.84, respectively.

Operating expenses were 48.9% of revenue during the nine months ended September 30, 2025 compared to 49.0% during the similar period in 2024. Vehicle depreciation and lease charges increased to 26.4% of revenue during the nine months ended September 30, 2025 compared to 24.0% during the similar period in 2024, primarily due to other fleet charges related to the accelerated disposal of certain fleet in our Americas reportable segment. Selling, general and administrative costs increased to 12.5% of revenue during the nine months ended September 30, 2025 compared to 11.5% during the similar period in 2024, primarily due to increased commissions, marketing and other general and administrative costs. Vehicle interest costs decreased to 7.6% of revenue during the nine months ended September 30, 2025 compared to 8.0% during the similar period in 2024, primarily due to decreased fleet levels and interest rates.

Following is a more detailed discussion of the results of each of our reportable segments and corporate and other, together with a reconciliation of net income (loss) to Adjusted EBITDA:

| | Nine Months Ended September 30, | | | |
|------------------------------------|--|------------------------|-----------------|------------------------|
| | 2025 | | 2024 | |
| | Revenues | Adjusted EBITDA | Revenues | Adjusted EBITDA |
| Americas | \$ 6,860 | \$ 551 | \$ 6,994 | \$ 614 |
| International | 2,128 | 269 | 2,085 | 172 |
| Corporate and other ^(a) | — | (77) | — | (57) |
| Total Company | <u>\$ 8,988</u> | <u>\$ 743</u> | <u>\$ 9,079</u> | <u>\$ 729</u> |

Reconciliation of net income (loss) to Adjusted EBITDA:

| | 2025 | 2024 |
|--|---------------|---------------|
| Net income (loss) | \$ (139) | \$ 140 |
| Provision for (benefit from) income taxes | (50) | 74 |
| Income (loss) before income taxes | (189) | 214 |
| Non-vehicle related depreciation and amortization | 174 | 177 |
| Interest expense related to corporate debt, net: | | |
| Interest expense | 316 | 266 |
| Early extinguishment of debt | 6 | 1 |
| Other fleet charges ^(b) | 390 | — |
| Restructuring and other related charges | 94 | 23 |
| Transaction-related costs, net | — | 2 |
| Other (income) expense, net ^(c) | 13 | 6 |
| Legal matters, net ^(d) | (96) | 7 |
| Cloud computing costs ^(e) | 37 | 33 |
| Severe weather-related damages, net ^(e) | (2) | — |
| Adjusted EBITDA | <u>\$ 743</u> | <u>\$ 729</u> |

^(a) Includes unallocated corporate expenses which are not attributable to a particular segment.

^(b) Costs reported within vehicle depreciation and lease charges, net related to the accelerated disposal of certain fleet in our Americas reportable segment. These costs relate to vehicles that were not included in the long-lived asset impairment and other related charges recorded in 2024.

^(c) Primarily consists of gains or losses related to our equity method investment in a former subsidiary, offset by fleet related and certain administrative services provided to the same former subsidiary.

^(d) Consists of \$98 million of income reported within operating expenses and \$2 million reported within selling, general and administrative expenses for the nine months ended September 30, 2025. Consists of \$7 million reported within operating expenses for the nine months ended September 30, 2024.

^(e) Reported within operating expenses.

Americas

| | Nine Months Ended September 30, | | |
|-----------------|--|-------------|-----------------|
| | 2025 | 2024 | % Change |
| Revenues | \$ 6,860 | \$ 6,994 | (2%) |
| Adjusted EBITDA | 551 | 614 | (10%) |

Revenues decreased during the nine months ended September 30, 2025 compared to the similar period in 2024, primarily due to a 3% decrease in revenue per day, excluding exchange rate effects, and a \$7 million negative impact from currency exchange rate movements, partially offset by a 1% increase in volume.

Operating expenses were 49.1% of revenue during the nine months ended September 30, 2025 compared to 49.3% during the similar period in 2024. Vehicle depreciation and lease charges increased to 27.9% of revenue during the nine months ended September 30, 2025 compared to 23.7% during the similar period in 2024, primarily

due to other fleet charges related to the accelerated disposal of certain fleet. Selling, general and administrative costs increased to 10.7% of revenue during the nine months ended September 30, 2025 compared to 9.5% during the similar period in 2024, primarily due to increased commissions and marketing costs. Vehicle interest costs were 8.5% of revenue during the nine months ended September 30, 2025 compared to 8.7% during the similar period in 2024.

Adjusted EBITDA decreased during the nine months ended September 30, 2025 compared to the similar period in 2024, primarily due to decreased revenue per day, excluding exchange rate effects, and other fleet charges related to the accelerated disposal of certain fleet.

International

| | Nine Months Ended September 30, | | |
|-----------------|---------------------------------|----------|----------|
| | 2025 | 2024 | % Change |
| Revenues | \$ 2,128 | \$ 2,085 | 2% |
| Adjusted EBITDA | 269 | 172 | 56% |

Revenues increased during the nine months ended September 30, 2025 compared to the similar period in 2024, primarily due to a 3% increase in revenue per day, excluding exchange rate effects, and a \$45 million positive impact from currency exchange rate movements, partially offset by a 3% decrease in volume.

Operating expenses decreased to 46.0% of revenue during the nine months ended September 30, 2025 compared to 46.4% during the similar period in 2024, primarily due to an increase in revenue per day, excluding exchange rate effects, partially offset by a decrease in volume. Vehicle depreciation and lease charges decreased to 21.3% of revenue during the nine months ended September 30, 2025 compared to 24.8% during the similar period in 2024, primarily due to decreased per-unit fleet costs, excluding exchange rate effects, driven by decreased fleet levels. Selling, general and administrative costs were 15.3% of revenue during the nine months ended September 30, 2025 compared to 15.5% during the similar period in 2024. Vehicle interest costs decreased to 4.9% of revenue during the nine months ended September 30, 2025 compared to 5.6% during the similar period in 2024, primarily due to decreased fleet levels and interest rates.

Adjusted EBITDA increased during the nine months ended September 30, 2025 compared to the similar period in 2024, primarily due to lower per-unit fleet costs and approximately \$14 million positive impact from currency exchange rate movements.

FINANCIAL CONDITION, LIQUIDITY AND CAPITAL RESOURCES

We present separately the financial data of our vehicle programs. These programs are distinct from our other activities as the assets under vehicle programs are generally funded through the issuance of debt that is collateralized by such assets. The income generated by these assets is used, in part, to repay the principal and interest associated with the debt. Cash inflows and outflows relating to the generation or acquisition of such assets and the principal debt repayment or financing of such assets are classified as activities of our vehicle programs. We believe it is appropriate to segregate the financial data of our vehicle programs because, ultimately, the source of repayment of such debt is the realization of such assets.

FINANCIAL CONDITION

| | September 30, 2025 | December 31, 2024 | \$ Change |
|---|-----------------------|----------------------|-----------|
| Total assets exclusive of assets under vehicle programs | \$ 10,780 | \$ 9,668 | \$ 1,112 |
| Total liabilities exclusive of liabilities under vehicle programs | 12,303 | 11,047 | 1,256 |
| Assets under vehicle programs | 21,738 | 19,373 | 2,365 |
| Liabilities under vehicle programs | 22,589 | 20,311 | 2,278 |
| Total stockholders' equity | (2,374) | (2,317) | (57) |

The increase in total assets exclusive of assets under vehicle programs is primarily due to the remeasurement of our deferred income taxes due to the enactment of the One Big Beautiful Bill Act. The increase in total liabilities exclusive of liabilities under vehicle programs is primarily due to the increase in corporate indebtedness from the

issuance of Senior Notes due June 2032. See “Liquidity and Capital Resources,” and Note 10 – Long-term Corporate Debt and Borrowing Arrangements to our Condensed Consolidated Financial Statements. The increases in both assets under vehicle programs and liabilities under vehicle programs is primarily due to the increase in the cost of our rental fleet and, to a lesser extent, the remeasurement of our deferred income tax liability due to the enactment of the One Big Beautiful Bill Act. The decrease in total stockholders’ equity is primarily due to our net loss.

LIQUIDITY AND CAPITAL RESOURCES

Overview

Our principal sources of liquidity are cash on hand and our ability to generate cash through operations and financing activities, as well as available funding arrangements and committed credit facilities, each of which is discussed below.

In February 2025, we borrowed \$500 million under a floating rate term loan due December 2025, which is part of our senior revolving credit facilities. The proceeds were primarily used to pay down fleet indebtedness. In June 2025, we fully repaid our outstanding borrowings under the floating rate term loan due 2025.

In April 2025, our Avis Budget Rental Car Funding (AESOP) LLC subsidiary amended and restated its asset-backed variable-funding financing facilities. The proceeds from these borrowings were used to repay maturing vehicle-backed debt and the acquisition of rental cars in the United States.

In May 2025, we issued \$600 million of 8.375% Senior Notes due June 2032. Net proceeds were used to repay our floating rate term loan due 2025 and a portion of our 5.750% Senior Notes due July 2027, with the remaining proceeds being used to repay outstanding fleet debt and for general corporate purposes.

In June 2025, we redeemed \$100 million of our outstanding 5.750% Senior Notes due July 2027.

In July 2025, we amended our floating rate term loan, extending its maturity date from August 2027 to July 2032 and increasing the interest rate to SOFR plus 2.50%.

During 2025, our Avis Budget Rental Car Funding (AESOP) LLC subsidiary issued approximately \$1,708 million of asset-backed notes with expected final payment dates ranging from August 2027 to February 2031 and a weighted average interest rate of 5.33%. The proceeds from these borrowings were used to fund the repayment of maturing vehicle-backed debt and the acquisition of rental cars in the United States.

Our Board of Directors has authorized the repurchase of up to approximately \$8.1 billion of our common stock under a plan originally approved in 2013 and subsequently expanded most recently in February 2023 (the “Stock Repurchase Program”). Our stock repurchases may occur through open market purchases, privately negotiated transactions or trading plans pursuant to Rule 10b5-1 of the Securities Exchange Act of 1934, as amended. The amount and timing of specific repurchases are subject to market conditions, applicable legal requirements, restricted payment capacity under our debt instruments and other factors. The Stock Repurchase Program may be suspended, modified or discontinued at any time without prior notice. The Stock Repurchase Program has no set expiration or termination date. During the nine months ended September 30, 2025, we did not repurchase shares of common stock under the Stock Repurchase Program. As of September 30, 2025, approximately \$757 million of authorization remained available to repurchase common stock under the Stock Repurchase Program.

CASH FLOWS

The following table summarizes our cash flows:

| | Nine Months Ended September 30, | | |
|---|---------------------------------|---------------|----------------|
| | 2025 | 2024 | \$ Change |
| Cash provided by (used in): | | | |
| Operating activities | \$ 2,859 | \$ 2,746 | \$ 113 |
| Investing activities | (4,654) | (2,696) | (1,958) |
| Financing activities | 1,807 | (43) | 1,850 |
| Effect of changes in exchange rates on cash and cash equivalents, program and restricted cash | 30 | (2) | 32 |
| Net change in cash and cash equivalents, program and restricted cash | 42 | 5 | 37 |
| Cash and cash equivalents, program and restricted cash, beginning of period | 597 | 644 | (47) |
| Cash and cash equivalents, program and restricted cash, end of period | <u>\$ 639</u> | <u>\$ 649</u> | <u>\$ (10)</u> |

Cash provided by operating activities during the nine months ended September 30, 2025 increased when compared with the similar period in 2024, primarily due to changes in the components of working capital.

Cash used in investing activities during the nine months ended September 30, 2025 increased when compared with the similar period in 2024, primarily due to the increase in our investment in vehicles, partially offset by the increase in proceeds received on vehicle sales.

Cash provided by financing activities during the nine months ended September 30, 2025 increased when compared with the similar period in 2024, primarily due to the increase in our net borrowings under vehicle programs, partially offset by the increase in our payments on corporate borrowings.

DEBT AND FINANCING ARRANGEMENTS

As of September 30, 2025, we had approximately \$25.3 billion of indebtedness, including corporate indebtedness of approximately \$6.0 billion and debt under vehicle programs of approximately \$19.3 billion. For information regarding our debt and borrowing arrangements, see Note 1 – Basis of Presentation, Note 10 – Long-term Corporate Debt and Borrowing Arrangements and Note 11 – Debt Under Vehicle Programs and Borrowing Arrangements to our Condensed Consolidated Financial Statements.

LIQUIDITY RISK

Our primary liquidity needs include the procurement of rental vehicles to be used in our operations, servicing of corporate and vehicle-related debt and the payment of operating expenses. The present intention of management is to reinvest the undistributed earnings of our foreign subsidiaries indefinitely into our foreign operations. Our primary sources of funding are operating revenue, cash received upon the sale of vehicles, borrowings under our vehicle-backed borrowing arrangements and our senior revolving credit facility, and other financing activities.

Our liquidity has in the past been, and could in the future be, negatively affected by any financial market disruptions, a worsening of the United States and worldwide economies or by increases in interest rates, which may result in unfavorable conditions in the mobility industry, in the asset-backed financing market and in the credit markets generally. We believe these factors have affected and could further affect the debt ratings assigned to us by credit rating agencies and the cost of our borrowings. Additionally, a worsening or prolonged downturn in the worldwide economy or a disruption in the credit markets could further impact our liquidity due to (i) decreased demand and pricing for vehicles in the used vehicle market, (ii) increased costs associated with, and/or reduced capacity or increased collateral needs, including due to a decrease in the fair value of our fleet, under, our financings, (iii) the adverse impact of vehicle manufacturers being unable or unwilling to honor their obligations to repurchase or guarantee the depreciation on the related program vehicles and (iv) disruption in our ability to obtain financing due to negative credit events specific to us or affecting the overall debt market.

As of September 30, 2025, we had \$564 million of available cash and cash equivalents and access to \$429 million of available borrowing capacity under our revolving credit facility, providing us with access to approximately \$993 million of total liquidity.

Our liquidity position could also be negatively impacted if we are unable to remain in compliance with the consolidated first lien leverage ratio requirement and other covenants associated with our senior credit facilities and other borrowings. As of September 30, 2025, we were in compliance with the financial covenants governing our indebtedness. For additional information regarding our liquidity risks, see Part I, Item 1A, "Risk Factors" of our 2024 Form 10-K.

CONTRACTUAL OBLIGATIONS

Our future contractual obligations have not changed significantly from the amounts reported within our 2024 Form 10-K with the exception of our commitment to purchase vehicles, which decreased by approximately \$2.1 billion from December 31, 2024, to approximately \$4.2 billion as of September 30, 2025 due to existing fleet levels. Changes to our obligations related to corporate indebtedness and debt under vehicle programs are presented above within the section titled "Liquidity and Capital Resources—Debt and Financing Arrangements" and also within Note 10 – Long-term Corporate Debt and Borrowing Arrangements and Note 11 – Debt Under Vehicle Programs and Borrowing Arrangements to our Condensed Consolidated Financial Statements.

CRITICAL ACCOUNTING ESTIMATES

Accounting Policies

The results of the majority of our recurring operations are recorded in our financial statements using accounting policies that are not particularly subjective, nor complex. However, in presenting our financial statements in conformity with generally accepted accounting principles (GAAP), we are required to make estimates and assumptions that affect the amounts reported therein. Several of the estimates and assumptions we are required to make relate to matters that are inherently uncertain as they relate to future events and/or events that are outside of our control. If there is a significant unfavorable change to current conditions, it could result in a material adverse impact to our consolidated results of operations, financial position and liquidity. We believe that the estimates and assumptions we used when preparing our financial statements were the most appropriate at that time. Presented within the section titled "Critical Accounting Estimates" of our 2024 Form 10-K are the accounting policies (related to goodwill and other indefinite-lived intangible assets, vehicles, income taxes and public liability, property damage and other insurance liabilities) that we believe require subjective and complex judgments that could potentially affect reported results. There have been no significant changes to those accounting policies or our assessment of which accounting policies we would consider to be critical accounting policies.

New Accounting Standards

For detailed information regarding new accounting standards and their impact on our business, see Note 1 – Basis of Presentation to our Condensed Consolidated Financial Statements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to a variety of market risks, including changes in currency exchange rates, interest rates and fuel prices. We assess our market risks based on changes in interest and currency exchange rates utilizing a sensitivity analysis that measures the potential impact on earnings, fair values and cash flows based on a hypothetical 10% change (increase and decrease) in interest and foreign currency exchange rates. We used September 30, 2025 market rates to perform a sensitivity analysis separately for each of these market risk exposures. We have determined, through such analyses, that the impact of a 10% change in interest or currency exchange rates on our results of operations, balance sheet and cash flows would not be material. Additionally, we have commodity price exposure related to fluctuations in the price of unleaded fuel. We anticipate that such commodity risk will remain a market risk exposure for the foreseeable future. We determined that a 10% change in the price of unleaded fuel would not have a material impact on our earnings for the period ended September 30, 2025. For additional information regarding our long-term borrowings and financial instruments, see Note 10 – Long-term Corporate Debt and Borrowing Arrangements, Note 11 – Debt Under Vehicle Programs and Borrowing Arrangements and Note 16 – Financial Instruments to our Condensed Consolidated Financial Statements.

Item 4. Controls and Procedures

- (a) *Disclosure Controls and Procedures.* Under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, our management conducted an evaluation of the effectiveness of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective as of September 30, 2025.
- (b) *Changes in Internal Control Over Financial Reporting.* During the third quarter of 2025, there was no change in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

For information regarding our legal proceedings, see Note 12 – Commitments and Contingencies to our Condensed Consolidated Financial Statements and refer to our 2024 Form 10-K.

SEC regulations require us to disclose certain information about proceedings arising under federal, state or local environmental provisions if we reasonably believe that such proceedings may result in monetary sanctions above a stated threshold. In accordance with these regulations, we use a threshold of \$1 million for purposes of determining whether disclosure of any such proceedings is required pursuant to this item.

Item 1A. Risk Factors

During the quarter ended September 30, 2025, we had no material developments to report with respect to our risk factors. For additional information regarding our risk factors, please refer to our 2024 Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Our Board of Directors has authorized the repurchase of up to approximately \$8.1 billion of our common stock under a plan originally approved in 2013 and subsequently expanded, most recently in February 2023 (the "Stock Repurchase Program"). Under our Stock Repurchase Program, we may repurchase shares from time to time in open market transactions, and may also repurchase shares in accelerated share repurchases, tender offers, privately negotiated transactions or by other means. Repurchases may also be made under a plan pursuant to Rule 10b5-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The timing and amount of repurchase transactions is determined by management based on our evaluation of market conditions, our share price, legal requirements, restricted payment capacity under our debt instruments and other factors. The Stock Repurchase Program may be suspended, modified or discontinued without prior notice. During the third quarter of 2025, no common stock repurchases were made under the Stock Repurchase Program. As of September 30, 2025, approximately \$757 million of authorization remained available to repurchase common stock under the Stock Repurchase Program.

Item 5. Other Information

During the quarter ended September 30, 2025, no director or Section 16 officer of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

Item 6. Exhibits

See Exhibit Index commencing on page 47 hereof.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AVIS BUDGET GROUP, INC.

Date: October 28, 2025

/s/ CATHLEEN DEGENOVA

Cathleen DeGenova
Senior Vice President and
Chief Accounting Officer

Exhibit Index

| Exhibit No. | Description |
|-------------|---|
| 3.1 | Amended and Restated Certificate of Incorporation of Avis Budget Group, Inc., dated as of July 31, 2025 (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K, dated July 31, 2025). |
| 3.2 | Amended and Restated Bylaws of Avis Budget Group, Inc., dated August 10, 2020 (Incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K, dated August 13, 2020). |
| 10.1 | Tenth Amendment, dated as of July 16, 2025, to the Sixth Amended and Restated Credit Agreement, dated as of July 9, 2021, among Avis Budget Holdings, LLC, Avis Budget Car Rental, LLC, as borrower, Avis Budget Group, Inc., the subsidiary borrowers from time to time party thereto, the lenders from time to time party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent, and the other parties thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated July 21, 2025). |
| 10.2 | First Amendment, dated July 21, 2025, to Series 2025-1 Supplement, dated as of May 28, 2025, between Avis Budget Group, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2025-1 Agent. |
| 10.3 | First Amendment, dated July 21, 2025, to Series 2025-2 Supplement, dated as of May 28, 2025, between Avis Budget Group, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2025-2 Agent. |
| 10.4 | Separation and Advising Agreement between Joseph Ferraro and Avis Budget Group, Inc., dated as of July 24, 2025.† |
| 10.5 | Second Amendment, dated as of September 5, 2025, to the Fourth Amended and Restated Cooperation Agreement, dated as of December 23, 2022, by and among Avis Budget Group, Inc., SRS Investment Management, LLC and certain of its affiliates (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated September 8, 2025). |
| 10.6 | Series 2025-3 Supplement, dated as of September 16, 2025, between Avis Budget Group, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2025-3 Agent (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K, dated September 19, 2025). |
| 10.7 | Series 2025-4 Supplement, dated as of September 16, 2025, between Avis Budget Group, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2025-4 Agent (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K, dated September 19, 2025). |
| 10.8 | Second Amendment, dated September 16, 2025, to Series 2025-1 Supplement, dated as of May 28, 2025, between Avis Budget Group, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2025-1 Agent. |
| 10.9 | Second Amendment, dated September 16, 2025, to Series 2025-2 Supplement, dated as of May 28, 2025, between Avis Budget Group, Inc. and The Bank of New York Mellon Trust Company, N.A., as trustee and as Series 2025-2 Agent. |
| 31.1 | Certification of Chief Executive Officer pursuant to Rules 13(a)-14(a) and 15(d)-14(a) promulgated under the Securities Exchange Act of 1934, as amended. |
| 31.2 | Certification of Chief Financial Officer pursuant to Rules 13(a)-14(a) and 15(d)-14(a) promulgated under the Securities Exchange Act of 1934, as amended. |
| 32 | Certifications Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. |
| 101.INS | XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document. |
| 101.SCH | XBRL Taxonomy Extension Schema. |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase. |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase. |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase. |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase. |
| 104 | Cover Page Interactive Data File - (formatted as Inline XBRL and contained in Exhibit 101) |

† Denotes management contract or compensatory plan.

FIRST AMENDMENT TO
THE SERIES 2025-1 SUPPLEMENT

This FIRST AMENDMENT TO SERIES 2025-1 SUPPLEMENT (this “Amendment”), dated as of July 21, 2025 (the “Amendment Date”) amends the Series 2025-1 Supplement (the “Series 2025-1 Supplement”), dated as of May 28, 2025 (the “Series 2025-1 Closing Date”), among AVIS BUDGET RENTAL CAR FUNDING (AESOP) LLC, a special purpose limited liability company established under the laws of Delaware (“ABRCF”) and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association, as trustee (in such capacity, the “Trustee”) and as agent for the benefit of the Series 2025-1 Noteholders (in such capacity, the “Series 2025-1 Agent”), to the Second Amended and Restated Base Indenture, dated as of June 3, 2004, between ABRCF and the Trustee (as amended, modified or supplemented from time to time, exclusive of Supplements creating a new Series of Notes, the “Base Indenture”). All capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Definitions List attached as Schedule I to the Base Indenture (as amended through the date hereof) or the Series 2025-1 Supplement, as applicable.

WITNESSETH:

WHEREAS, ABRCF and the Trustee entered into the Series 2025-1 Supplement;

WHEREAS, Section 5.7 of the Series 2025-1 Supplement permits ABRCF to amend or modify the Series 2025-1 Supplement to provide for tax-related changes such as transfer restrictions or other note-related amendments with respect to the Class D Notes to facilitate the transfer of the Class D Notes, in each case, solely with the consent of the Class D Noteholders;

WHEREAS, ABRCF desires to transfer the Class D Notes following the Amendment Date, the terms of which will require that the Class D Notes include transfer restrictions and other tax-related changes;

WHEREAS, the Issuer owns 100% of the Class D Notes (in such capacity, the “Sole Class D Noteholder”) and desires to make the amendments set forth herein to facilitate the transfer of the Class D Notes to a subsequent Holder; and

WHEREAS, upon the effectiveness of this Amendment, ABRCF, in its capacity as the Issuer, and ABRCF, in its capacity as the Sole Class D Noteholder, have agreed to make the amendments described above as set forth herein.

NOW, THEREFORE, it is agreed:

1. Amendments.

(a) The following definitions are hereby added to Article I(b) of the Series 2025-1 Supplement, in the appropriate alphabetical order:

“Transferee” is defined in Section 5.23(d).

“Transferor” is defined in Section 5.23(d).

(b) The Series 2025-1 Supplement is hereby amended by replacing Section 5.3 with the below:

“Section 5.3. Exhibits. The following exhibits attached hereto supplement the exhibits included in the Base Indenture.

| | |
|---------------------|--|
| <u>Exhibit A-1:</u> | Form of Restricted Global Class A Note |
| <u>Exhibit A-2:</u> | Form of Temporary Global Class A Note |
| <u>Exhibit A-3:</u> | Form of Permanent Global Class A Note |
| <u>Exhibit B-1:</u> | Form of Restricted Global Class B Note |
| <u>Exhibit B-2:</u> | Form of Temporary Global Class B Note |
| <u>Exhibit B-3:</u> | Form of Permanent Global Class B Note |
| <u>Exhibit C-1:</u> | Form of Restricted Global Class C Note |
| <u>Exhibit C-2:</u> | Form of Temporary Global Class C Note |
| <u>Exhibit C-3:</u> | Form of Permanent Global Class C Note |
| <u>Exhibit D-1:</u> | Form of Restricted Global Class D Note |
| <u>Exhibit D-2:</u> | Form of Temporary Global Class D Note |
| <u>Exhibit D-3:</u> | Form of Permanent Global Class D Note |
| <u>Exhibit E-1:</u> | Form of Restricted Global Class R Note |
| <u>Exhibit E-2:</u> | Form of Temporary Global Class R Note |
| <u>Exhibit E-3:</u> | Form of Permanent Global Class R Note |
| <u>Exhibit F:</u> | Form of Series 2025-1 Demand Note |
| <u>Exhibit G:</u> | Form of Multi-Series Letter of Credit |
| <u>Exhibit H:</u> | Form of Lease Payment Deficit Notice |
| <u>Exhibit I:</u> | Form of Demand Notice |
| <u>Exhibit J:</u> | Form of Supplemental Indenture No. 6 to the Base Indenture |
| <u>Exhibit K:</u> | Form of Amendment to the AESOP I Operating Lease |
| <u>Exhibit L:</u> | Form of Amendment to the Finance Lease |
| <u>Exhibit M:</u> | Form of Amendment to the AESOP I Operating Lease Loan Agreement |
| <u>Exhibit N:</u> | Form of Amendment to the AESOP I Finance Lease Loan Agreement |
| <u>Exhibit O:</u> | Form of Amendment to the AESOP II Operating Lease |
| <u>Exhibit P:</u> | Form of Amendment to the Master Exchange Agreement |
| <u>Exhibit Q:</u> | Form of Amendment to the Escrow Agreement |
| <u>Exhibit R:</u> | Form of Amendment to the Administration Agreement |
| <u>Exhibit S:</u> | Form of Amendment to the AESOP II Operating Lease Loan Agreement |
| <u>Exhibit T:</u> | Form of Amendment to the Original AESOP Nominee Agreement |
| <u>Exhibit U:</u> | Form of Amendment to the Disposition Agent Agreement |

| | |
|---------------------|---|
| <u>Exhibit V:</u> | Form of Amendment to the Back-up Administration Agreement |
| <u>Exhibit W-1:</u> | Form of Transfer Certificate for Class D Notes (Transferee) |
| <u>Exhibit W-2:</u> | Form of Transfer Certificate for Class D Notes (Transferor) |

(c) The Series 2025-1 Supplement is hereby amended by adding clause (d) to Section 5.23 as set forth below:

“(d) The transfer by a transferor (a “Transferor”) holding a Class D Note or a beneficial interest therein to a subsequent transferee (a “Transferee”) who wishes to take delivery thereof in the form of a Class D Note or beneficial interest therein will be made upon receipt by the Trustee, at the office of the Trustee, of (x) a transfer certificate from the Transferee substantially in the form of Exhibit W-1 and (y) a transfer certificate from the Transferor substantially in the form of Exhibit W-2. For the avoidance of doubt, if a Transferor or Transferee is unable to provide an applicable transfer certificate due to the requirements of such certificate not being satisfied, such transfer shall not be permitted (and any such transfer shall be void ab initio and of no force and effect). Delivery of any such certificate to ABRCF shall be required to be delivered to the email address set forth in Exhibits W-1 and W-2.”

(d) The Exhibits to the Series 2025-1 Supplement are hereby amended to (i) modify the minimum denomination in Exhibits D-1, D-2 and D-3 and (ii) add Exhibits W-1 and W-2, each as set forth in Exhibit A hereto, without modifying the existing Exhibits.

2. Direction. By their signatures hereto, each of the undersigned (excluding The Bank of New York Mellon Trust Company, N.A., in its capacity as Trustee and Series 2025-1 Agent) hereby authorize and direct the Trustee and Series 2025-1 Agent to execute this Amendment and take any and all further action necessary or appropriate to give effect to the transaction contemplated hereby.

3. This Amendment is limited as specified and, except as expressly stated herein, shall not constitute a modification, acceptance or waiver of any other provision of the Series 2025-1 Supplement.

4. This Amendment shall become effective on the date hereof. From and after the date hereof, all references to the Series 2025-1 Supplement shall be deemed to be references to the Series 2025-1 Supplement as amended hereby.

5. This Amendment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all of such counterparts shall together constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment by facsimile or electronic mail in a “pdf” file shall be effective as delivery

of a manually executed counterpart of this Amendment. The parties agree that this Amendment may be executed and delivered by electronic signatures and that the signatures appearing on this Amendment are the same as handwritten signatures for the purposes of validity, enforceability and admissibility. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Amendment or any document to be signed in connection with this Amendment shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form. Any document accepted, executed or agreed to in conformity with such laws will be binding on all parties hereto to the same extent as if it were physically executed and each party hereby consents to the use of any third party electronic signature capture service providers as may be reasonably chosen by a signatory hereto.

6. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, each of the parties hereto have caused this Amendment to be duly executed by their respective duly authorized officers as of the date above first written.

AVIS BUDGET RENTAL CAR
FUNDING
(AESOP) LLC, as Issuer

By: /s/ David Calabria
Name: David Calabria
Title: Senior Vice President and
Treasurer

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee
and
Series 2025-1 Agent

By: /s/ Mitchell L. Brumwell
Name: Mitchell L. Brumwell
Title: Vice President

AGREED, ACKNOWLEDGED AND CONSENTED:

AVIS BUDGET RENTAL CAR FUNDING
(AESOP) LLC,
as the Sole Class D Noteholder

By: /s/ David Calabria
Name: David Calabria
Title: Senior Vice President and Treasurer

Exhibit A

Exhibits to Series 2025-1 Supplement

AMERICAS 130537158
AESOP 2025-1 - First Amendment to Series 2025-1 Supplement (Cover
Amendment)

FIRST AMENDMENT TO
THE SERIES 2025-2 SUPPLEMENT

This FIRST AMENDMENT TO SERIES 2025-2 SUPPLEMENT (this “Amendment”), dated as of July 21, 2025 (the “Amendment Date”) amends the Series 2025-2 Supplement (the “Series 2025-2 Supplement”), dated as of May 28, 2025 (the “Series 2025-2 Closing Date”), among AVIS BUDGET RENTAL CAR FUNDING (AESOP) LLC, a special purpose limited liability company established under the laws of Delaware (“ABRCF”) and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association, as trustee (in such capacity, the “Trustee”) and as agent for the benefit of the Series 2025-2 Noteholders (in such capacity, the “Series 2025-2 Agent”), to the Second Amended and Restated Base Indenture, dated as of June 3, 2004, between ABRCF and the Trustee (as amended, modified or supplemented from time to time, exclusive of Supplements creating a new Series of Notes, the “Base Indenture”). All capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Definitions List attached as Schedule I to the Base Indenture (as amended through the date hereof) or the Series 2025-2 Supplement, as applicable.

WITNESSETH:

WHEREAS, ABRCF and the Trustee entered into the Series 2025-2 Supplement;

WHEREAS, Section 5.7 of the Series 2025-2 Supplement permits ABRCF to amend or modify the Series 2025-2 Supplement to provide for tax-related changes such as transfer restrictions or other note-related amendments with respect to the Class D Notes to facilitate the transfer of the Class D Notes, in each case, solely with the consent of the Class D Noteholders;

WHEREAS, ABRCF desires to transfer the Class D Notes following the Amendment Date, the terms of which will require that the Class D Notes include transfer restrictions and other tax-related changes;

WHEREAS, the Issuer owns 100% of the Class D Notes (in such capacity, the “Sole Class D Noteholder”) and desires to make the amendments set forth herein to facilitate the transfer of the Class D Notes to a subsequent Holder; and

WHEREAS, upon the effectiveness of this Amendment, ABRCF, in its capacity as the Issuer, and ABRCF, in its capacity as the Sole Class D Noteholder, have agreed to make the amendments described above as set forth herein.

NOW, THEREFORE, it is agreed:

1. Amendments.

(a) The following definitions are hereby added to Article I(b) of the Series 2025-2 Supplement, in the appropriate alphabetical order:

“Transferee” is defined in Section 5.23(d).

“Transferor” is defined in Section 5.23(d).

(b) The Series 2025-2 Supplement is hereby amended by replacing Section 5.3 with the below:

“Section 5.3. Exhibits. The following exhibits attached hereto supplement the exhibits included in the Base Indenture.

| | |
|---------------------|--|
| <u>Exhibit A-1:</u> | Form of Restricted Global Class A Note |
| <u>Exhibit A-2:</u> | Form of Temporary Global Class A Note |
| <u>Exhibit A-3:</u> | Form of Permanent Global Class A Note |
| <u>Exhibit B-1:</u> | Form of Restricted Global Class B Note |
| <u>Exhibit B-2:</u> | Form of Temporary Global Class B Note |
| <u>Exhibit B-3:</u> | Form of Permanent Global Class B Note |
| <u>Exhibit C-1:</u> | Form of Restricted Global Class C Note |
| <u>Exhibit C-2:</u> | Form of Temporary Global Class C Note |
| <u>Exhibit C-3:</u> | Form of Permanent Global Class C Note |
| <u>Exhibit D-1:</u> | Form of Restricted Global Class D Note |
| <u>Exhibit D-2:</u> | Form of Temporary Global Class D Note |
| <u>Exhibit D-3:</u> | Form of Permanent Global Class D Note |
| <u>Exhibit E-1:</u> | Form of Restricted Global Class R Note |
| <u>Exhibit E-2:</u> | Form of Temporary Global Class R Note |
| <u>Exhibit E-3:</u> | Form of Permanent Global Class R Note |
| <u>Exhibit F:</u> | Form of Series 2025-2 Demand Note |
| <u>Exhibit G:</u> | Form of Multi-Series Letter of Credit |
| <u>Exhibit H:</u> | Form of Lease Payment Deficit Notice |
| <u>Exhibit I:</u> | Form of Demand Notice |
| <u>Exhibit J:</u> | Form of Supplemental Indenture No. 6 to the Base Indenture |
| <u>Exhibit K:</u> | Form of Amendment to the AESOP I Operating Lease |
| <u>Exhibit L:</u> | Form of Amendment to the Finance Lease |
| <u>Exhibit M:</u> | Form of Amendment to the AESOP I Operating Lease Loan Agreement |
| <u>Exhibit N:</u> | Form of Amendment to the AESOP I Finance Lease Loan Agreement |
| <u>Exhibit O:</u> | Form of Amendment to the AESOP II Operating Lease |
| <u>Exhibit P:</u> | Form of Amendment to the Master Exchange Agreement |
| <u>Exhibit Q:</u> | Form of Amendment to the Escrow Agreement |
| <u>Exhibit R:</u> | Form of Amendment to the Administration Agreement |
| <u>Exhibit S:</u> | Form of Amendment to the AESOP II Operating Lease Loan Agreement |
| <u>Exhibit T:</u> | Form of Amendment to the Original AESOP Nominee Agreement |
| <u>Exhibit U:</u> | Form of Amendment to the Disposition Agent Agreement |

| | |
|---------------------|---|
| <u>Exhibit V:</u> | Form of Amendment to the Back-up Administration Agreement |
| <u>Exhibit W-1:</u> | Form of Transfer Certificate for Class D Notes (Transferee) |
| <u>Exhibit W-2:</u> | Form of Transfer Certificate for Class D Notes (Transferor) |

(c) The Series 2025-2 Supplement is hereby amended by adding clause (d) to Section 5.23 as set forth below:

“(d) The transfer by a transferor (a “Transferor”) holding a Class D Note or a beneficial interest therein to a subsequent transferee (a “Transferee”) who wishes to take delivery thereof in the form of a Class D Note or beneficial interest therein will be made upon receipt by the Trustee, at the office of the Trustee, of (x) a transfer certificate from the Transferee substantially in the form of Exhibit W-1 and (y) a transfer certificate from the Transferor substantially in the form of Exhibit W-2. For the avoidance of doubt, if a Transferor or Transferee is unable to provide an applicable transfer certificate due to the requirements of such certificate not being satisfied, such transfer shall not be permitted (and any such transfer shall be void ab initio and of no force and effect). Delivery of any such certificate to ABRCF shall be required to be delivered to the email address set forth in Exhibits W-1 and W-2.”

(d) The Exhibits to the Series 2025-2 Supplement are hereby amended to (i) modify the minimum denomination in Exhibits D-1, D-2 and D-3 and (ii) add Exhibits W-1 and W-2, each as set forth in Exhibit A hereto, without modifying the existing Exhibits.

2. Direction. By their signatures hereto, each of the undersigned (excluding The Bank of New York Mellon Trust Company, N.A., in its capacity as Trustee and Series 2025-2 Agent) hereby authorize and direct the Trustee and Series 2025-2 Agent to execute this Amendment and take any and all further action necessary or appropriate to give effect to the transaction contemplated hereby.

3. This Amendment is limited as specified and, except as expressly stated herein, shall not constitute a modification, acceptance or waiver of any other provision of the Series 2025-2 Supplement.

4. This Amendment shall become effective on the date hereof. From and after the date hereof, all references to the Series 2025-2 Supplement shall be deemed to be references to the Series 2025-2 Supplement as amended hereby.

5. This Amendment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all of such counterparts shall together constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment by facsimile or electronic mail in a “pdf” file shall be effective as delivery

of a manually executed counterpart of this Amendment. The parties agree that this Amendment may be executed and delivered by electronic signatures and that the signatures appearing on this Amendment are the same as handwritten signatures for the purposes of validity, enforceability and admissibility. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Amendment or any document to be signed in connection with this Amendment shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form. Any document accepted, executed or agreed to in conformity with such laws will be binding on all parties hereto to the same extent as if it were physically executed and each party hereby consents to the use of any third party electronic signature capture service providers as may be reasonably chosen by a signatory hereto.

6. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, each of the parties hereto have caused this Amendment to be duly executed by their respective duly authorized officers as of the date above first written.

AVIS BUDGET RENTAL CAR
FUNDING

(AESOP) LLC, as Issuer

By: /s/ David Calabria
Name: David Calabria
Title: Senior Vice President and
Treasurer

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee
and
Series 2025-2 Agent

By: /s/ Mitchell L. Brumwell
Name: Mitchell L. Brumwell
Title: Vice President

AGREED, ACKNOWLEDGED AND CONSENTED:

AVIS BUDGET RENTAL CAR FUNDING
(AESOP) LLC,
as the Sole Class D Noteholder

By: /s/ David Calabria
Name: David Calabria
Title: Senior Vice President and Treasurer

Exhibit A

Exhibits to Series 2025-2 Supplement

AMERICAS 130537154
AESOP 2025-2 - First Amendment to Series 2025-2 Supplement

SEPARATION AND ADVISING AGREEMENT

This Separation and Advising Agreement (the “Agreement”) is by and between Joseph A. Ferraro (the “Executive”) and Avis Budget Group, Inc., a Delaware Corporation (the “Company”).

WHEREAS, the Executive and the Company are party to that certain Letter Agreement dated as of February 12, 2015 (the “Letter Agreement”);

WHEREAS, the Company and Executive have agreed that Executive will transition from his position of President & Chief Executive Officer of the Company effective as of June 30, 2025 (the “Transition Date”) to the role of Advisor to the Board of Directors of the Company (the “Board”), and will become a part-time non-employee advisor of the Company effective as of the Employment Separation Date (as defined below); and

NOW, THEREFORE, for the promises and covenants set forth herein and for such other good and valuable consideration, the receipt of which is hereby acknowledged, the Executive and the Company enter into this Agreement on the following terms and conditions:

1. CEO Transition.

(a) Employment Transition and Separation. The Executive will continue to be employed as the President and Chief Executive Officer of the Company from the date of this Agreement through the Transition Date. Following the Transition Date, the Executive will continue to be employed by the Company as an employee of the Company, in the role of an Advisor to the Board, through December 31, 2025 (unless earlier terminated by the Company for a “Termination for Cause” (as defined in the Letter Agreement taking into consideration the expected duties hereunder for clause (i) thereof) or for a Material Breach (as defined below) or by the Executive, in which case all payments and benefits under this Agreement shall cease) (the date of the Executive’s actual termination of employment with the Company, the “Employment Separation Date”). For the avoidance of doubt, the change in the Executive’s duties and responsibilities hereunder shall in no event constitute a “Constructive Discharge” or similar event for purposes of any Company agreement, plan or arrangement. In the event of the Executive’s death or Disability (as defined in the Letter Agreement) prior to the Employment Separation Date, and provided the Second Release Effective Date occurs, the Executive (or his estate or spouse (as applicable)) shall be entitled to the payments and benefits set forth in Sections 2(a) (with the Employment Termination Date being deemed December 31, 2025), 3 and 4 of this Agreement. Effective as of the Transition Date, the Executive will resign (and will be deemed to have resigned without any further action by the Executive) from his position as the President and Chief Executive Officer of the Company, and, except as expressly provided in this Section 1, from all of the Executive’s positions with the Company and its affiliates (and as a fiduciary of any benefit plan of the Company and its affiliates). Effective as of the Employment Separation Date, (i) the Executive’s employment with the Company will terminate, and (ii) the Executive will thereafter provide services as a part-time non-employee advisor to the Board pursuant to the terms of Section 4 of this Agreement. The Executive shall execute such additional

documents as requested by the Company to evidence the foregoing resignations and authorizes the Company to take any actions it deems necessary or appropriate to effect the foregoing.

(b) Accrued Obligations. Within ten (10) business days following the Employment Separation Date (or such earlier time as may be required by applicable law), the Company shall pay the Executive any base salary earned but unpaid through the Employment Separation Date and any unused vacation days plus any unreimbursed business expenses entitled to reimbursement, all in accordance with the Company's policies. The Executive shall also receive his vested and accrued benefits pursuant to the terms of any applicable Company employee benefit plans.

2. Compensation Through Employment Separation Date.

(a) Salary. Subject to Executive's continued service until the Transition Date, Executive's salary will continue as in effect on the date hereof. Thereafter, until the Employment Separation Date, Executive's salary will be \$150,000 per month, payable in installments no less frequently than monthly, subject to continued employment.

(b) Pro-Rata Bonus. Executive will remain eligible for a pro-rata 2025 bonus for his service as the President and Chief Executive Officer through the Transition Date (that is, a target bonus for the 2025 fiscal year of \$1,300,000 (representing fifty percent (50%) of the Executive's prior annual target bonus)), subject to achievement of actual results for 2025, and payable at the same time bonuses for the 2025 fiscal year are paid to other senior executives of the Company (but no later than March 15, 2026). The sole performance metric for the bonus applicable to the Executive for the 2025 fiscal year shall be Adjusted EBITDA. The foregoing shall be subject to the Second Release Effective Date occurring and to the Executive's compliance with the terms and conditions of this Agreement.

(c) Benefits. During continued employment, Executive will remain eligible for benefits available to Company employees, as well as Executive's financial planning and Company car usage benefits as currently in effect.

3. Separation Benefits. Provided that the Second Release Effective Date occurs, and subject to the Executive's compliance with the terms and conditions of this Agreement in all material respects (and Executive's employment not being terminated prior to December 31, 2025 by the Company for a "Termination for Cause" (as defined in the Letter Agreement taking into consideration the expected duties hereunder for clause (i) thereof) or for a Material Breach or by the Executive), Executive will receive the following separation benefits:

(a) Cash Severance. The Company shall pay to Executive, no later than sixty (60) days following the Employment Separation Date (subject to Section 15 hereof), a lump-sum amount equal to \$7,800,000, representing 200% of the sum of the Executive's current annualized base salary plus your annualized target bonus.

(b) Vesting of Equity Incentive Awards. (i) All then outstanding unvested stock-

based awards granted to the Executive that vest solely based on continued service that are scheduled to vest in accordance with their original vesting schedule by the two (2)-year anniversary of the Employment Separation Date will vest as soon as reasonably practicable following the Employment Separation Date, and (ii) the performance-based restricted stock units granted in 2025 will remain outstanding and become vested or be forfeited at such time(s) as provided in accordance with the terms and conditions of the applicable award agreement based on actual achievement of the performance goals applicable for purposes of vesting such awards (and in any event, if the performance metrics are met, the 2025 PSUs shall be settled no later than March 15, 2026). Any other outstanding unvested stock-based awards granted to the Executive (including without limitation the performance-based restricted stock units granted in each of 2023 and 2024) shall be canceled as of the Employment Separation Date.

(c) Benefits. The Executive shall be entitled to continued access to company car usage and financial planning expense reimbursements in accordance with Company policy and as provided below. For the avoidance of doubt:

(i) Financial Planning. The Executive shall be entitled to continued access to financial planning benefits for a period of two years following the Employment Separation Date (the “Continuation Period”); and

(ii) Company Car Usage. The Executive shall be entitled to participate in the Company’s company car programs for the Continuation Period on the terms and conditions related to such programs.

(iii) Executive shall be entitled to retain the Executive’s Company-issued mobile phone, including the current phone number, for the Continuation Period, provided that from and after the Continuation Period, the Company shall have no responsibility to maintain, extend or bear any financial responsibility for any plan for such device.

(d) Health Benefits. Executive (and his spouse, including following the Executive’s death) shall remain eligible to continue to participate in Company-sponsored health, vision and dental plans (as they may be modified from time to time with respect to all senior executive officers) for the Continuation Period. The Executive shall be required to make contributions for health plan participation during the Continuation Period that are substantially equal to the contributions required of active employed executives of the Company. If Executive is not permitted to be covered under the Company’s plans for the entire Continuation Period, the Company will be permitted to alter the manner in which health benefits are provided to the Executive pursuant to this Section; provided the after-tax cost to the Executive of such benefits shall not be greater than the cost applicable to active employed executives of the Company (and the coverage for Executive (and his spouse) shall not be less favorable than the coverage applicable to active employed executives of the Company (and their spouses)).

(e) No Other Severance. Payments due to the Executive under this Section 3 shall be in full satisfaction of any severance or termination benefits payable to the Executive under

the Letter Agreement or any severance plan or policy or other plan or agreement of the Company or its affiliates.

(f) For the period of Executive's employment or services to the Company or any affiliate, Executive shall be entitled to any claim or right relating to or under the Company's directors' and officers' liability insurance coverage and any right of indemnification under the Company's organizational documents on the same terms and conditions as other senior officers of the Company or any affiliate following Executive's termination of employment, to the extent permitted by the Company's insurance coverage and applicable law.

4. Advising. Following the Employment Separation Date, the Company shall retain the Executive to provide counsel and advice to the Board as may be reasonably requested from time to time, including to ensure a smooth transition, until June 30, 2026 (the "End Date"). Notwithstanding the foregoing, the Executive or the Company may terminate the advising arrangement hereunder at any time and for any reason (or no reason) during the Advising Period (as defined below) by providing the other party with at least thirty (30) days' advance written notice of such termination, provided, however, if the Company terminates the Advising Period for any reason other than for (x) a "Termination for Cause" (as defined in the Letter Agreement taking into consideration the expected duties hereunder for clause (i) thereof) or (y) due to Executive's material breach of this Agreement or of any restrictive covenant pursuant to any Award Agreement (a "Material Breach") or if the Advising Period terminates as a result of the Executive's death or "Disability" (as defined in the Letter Agreement), then subject to the Executive's (or his estate's) timely execution and non-revocation of a release of claims substantially in the form as set forth in Section 6 of this Agreement, the Company shall pay to the Executive (or his estate) any theretofore unpaid portion of the Advising Fee through June 30, 2026 as if no termination had occurred, paid in a lump sum no later than thirty days following the date of such termination. The period of time between the Employment Separation Date and the termination of the Executive's service relationship with the Company hereunder (no later than the End Date) shall be referred to herein as the "Advising Period." The parties hereby acknowledge that the Executive's employment relationship with the Company shall terminate for all purposes on the Employment Separation Date. The parties hereto reasonably anticipate that the level of bona fide services that the Executive is to perform during the portion of the Advising Period that follows the Employment Separation Date will not exceed 20% of the average level of bona fide services that the Executive performed for the Company and its subsidiaries over the immediately preceding 36-month period, and are not otherwise expected to exceed ten (10) hours per week. The Executive may engage in other employment or services during the portion of the Advising Period that follows the Employment Separation Date so long as the Executive is not in violation of Section 15 of any Award Agreement pursuant to which any restricted stock units or performance-based restricted stock units were granted to Executive (the "Award Agreements") and informs the Chief HR Officer of the Company prior to commencing any such employment or other services. During the Advising Period, the Company shall pay the Executive a monthly retainer of \$150,000 (the "Advising Fees"), payable in cash on a monthly basis on or about the last business day of each month during the Advising Period. In addition, during the Advising Period, the Company shall upon presentation of appropriate documentation, reimburse the Executive, in accordance with the Company's expense reimbursement policy, for all reasonable business expenses approved in advance by the Board in its discretion.

5. No Other Compensation. The Executive acknowledges and agrees that the payments

provided pursuant to this Agreement are in full discharge of any and all liabilities and obligations of the Company and its affiliates to the Executive, monetarily or with respect to employee benefits or otherwise, including, but not limited to, any and all obligations arising under the Letter Agreement, any alleged written or oral employment agreement, policy, plan or procedure of the Company and its affiliates and/or any alleged understanding or arrangement between the Executive and the Company.

6. Release.

(a) In consideration for the payment and benefits to be provided to the Executive pursuant to this Agreement, the Executive, for the Executive and for the Executive's heirs, executors, administrators, trustees, legal representatives and assigns, forever release and discharge the Company and its past, present and future parent entities, subsidiaries, divisions, affiliates and related entities, successors and assigns, assets, employee benefit plans or funds, and any of its or their respective past, present and/or future directors, managers, officers, fiduciaries, attorneys, agents, trustees, administrators, employees and assigns, whether acting on behalf of the Company and its affiliates or in their individual capacities (collectively, the "Released Parties") to the extent provided below.

(b) Except as provided in Sections 6(d) and 6(e) below and except for the provisions of the Letter Agreement which expressly survive the termination of the Executive's employment with the Company, the Executive knowingly and voluntarily (for himself, his heirs, executors, administrators, trustees, legal representatives and assigns) releases and forever discharges the Company and the other Released Parties from any and all claims, suits, controversies, actions, causes of action, cross-claims, counter-claims, demands, debts, compensatory damages, liquidated damages, punitive or exemplary damages, other damages, claims for costs and attorneys' fees, or liabilities of any nature whatsoever in law and in equity, both past and present (through the date that this Agreement becomes effective and enforceable) and whether known or unknown, suspected, or claimed against the Company or any of the Released Parties which the Executive, his spouse, or any of his heirs, executors, administrators, trustees, legal representatives or assigns, may have, (i) from the beginning of time through the date upon which the Executive signs this Agreement and/or re-executes this Agreement (as applicable), (ii) which arise out of or are connected with his employment with the Company through the date upon which the Executive signs this Agreement and/or re-executes this Agreement (as applicable), (iii) which arise out of or are connected with his separation or termination from the Company no later than the Employment Separation Date; and/or (iv) which arise out of or connected with any agreement with any Released Parties and/or any other awards, policies, plans, programs or practices of the Released Parties that may apply to Executive or in which Executive may participate, other than as set forth in this Agreement, and, in each case, through the date upon which the Executive signs this Agreement and/or re-executes this Agreement (as applicable), including, but not limited to, any allegation, claim or violation, arising under: Title VII of the Civil Rights Act of 1964, as amended; the Civil Rights Act of 1991; the Age Discrimination in Employment Act of 1967, as amended (including the Older Workers Benefit Protection Act); the Equal Pay Act of 1963, as amended; the Americans with Disabilities Act of 1990; the Family and Medical Leave Act of 1993; the Worker Adjustment Retraining and Notification Act; the Employee Retirement Income Security Act

of 1974; any applicable Executive Order Programs; the Fair Labor Standards Act; or their state or local counterparts; or under any other federal, state or local civil or human rights law, or under any other local, state, or federal law, regulation or ordinance; or under any public policy, contract or tort, or under common law; or arising under any policies, practices or procedures of the Company; or any claim for wrongful discharge, breach of contract, infliction of emotional distress, defamation; or any claim for costs, fees, or other expenses, including attorneys' fees incurred in these matters) (all of the foregoing collectively referred to herein as the "Claims").

(c) The Executive represents that the Executive has made no assignment or transfer of any right, Claims, demand, cause of action, or other matter covered by Section 6(b) above.

(d) The Executive agrees that this Agreement does not waive or release any rights or Claims that the Executive may have under the Age Discrimination in Employment Act of 1967 which arise after the date the Executive executes this Agreement or re-executes it (as applicable); provided, however, that the parties have agreed that the Executive's employment with the Company is terminating no later than the Employment Separation Date. The Executive acknowledges and agrees that the Executive's separation from employment with the Company is in compliance with the terms of the Letter Agreement and shall not serve as the basis for any claim or action (including, without limitation, any claim under the Age Discrimination in Employment Act of 1967).

(e) Notwithstanding the above, the Executive further acknowledges that the Executive is not waiving and is not being required to waive any right that cannot be waived by private agreement under applicable law, including the right to file an administrative charge or participate in an administrative investigation or proceeding with the Equal Employment Opportunity Commission or similar state agency; provided, however, that the Executive disclaims and waives any right to share or participate in any monetary award resulting from the prosecution of such discrimination charge or investigation or proceeding and represents and warrants that Executive is not aware of any matter that would give rise to such a charge, investigation or proceeding. Additionally, notwithstanding anything to the contrary in this Agreement, the Executive retains and is not waiving (i) any rights to which the Executive is entitled under Sections 2, 3 or 4 of this Agreement, (ii) any claim or right relating to or under the Company's directors' and officers' liability insurance coverage or any right of indemnification under the Company's organizational documents, the Letter Agreement or otherwise, (iii) the Executive's rights as an equity or security holder in the Company or its affiliates, including any outstanding awards not expressly forfeited or canceled herein (iv) the Executive's rights under the Company's deferred compensation plan and/or (v) the Executive's rights to vested benefits, including the Executive's benefits under the Company's 401K Plan and the Company's qualified defined benefit pension plan.

(f) In signing this Agreement, the Executive acknowledges and intends that it shall be effective as a bar to each and every one of the Claims hereinabove mentioned or implied. The Executive expressly consents that this Agreement shall be given full force and effect according to each and all of its express terms and provisions. The Executive

acknowledges and agrees that this waiver is an essential and material term of this Agreement and that without such waiver the Company would not have agreed to the terms of this Agreement.

(g) The Executive further agrees that in the event the Executive should bring a Claim seeking damages against the Company, or in the event the Executive should seek to recover against the Company in any Claim brought by a governmental agency on the Executive's behalf, this Agreement shall serve as a complete defense to such Claims to the maximum extent permitted by law. The Executive further agrees that he is not aware of any pending claim of the type described in Section 6(b) above as of the execution of this Agreement.

(h) The Executive agrees that neither this Agreement, nor the furnishing of the consideration for this Agreement, shall be deemed or construed at any time to be an admission by the Company, any Released Party or the Executive of any improper or unlawful conduct.

(i) Nothing in this Agreement or any other policies of the Company shall prohibit or restrict the Executive or his attorneys from: (x) making any disclosure of relevant and necessary information or documents in any action, investigation, or proceeding relating to this Agreement, or as required by law or legal process, including with respect to possible violations of law; (y) participating, cooperating, or testifying in any action, investigation, or proceeding with, or providing information to, any governmental agency or legislative body, any self-regulatory organization, and/or pursuant to the Sarbanes-Oxley Act; or (z) accepting any U.S. Securities and Exchange Commission awards. In addition, nothing in this Agreement prohibits or restricts the Executive from initiating communications with, or responding to any inquiry from, any regulatory or supervisory authority regarding any good faith concerns about possible violations of law or regulation. The parties acknowledge and agree that, in connection with the Executive's separation from the Company, the Company has requested that he fully and truthfully disclose to the Company any violations of law or regulatory requirements, or material breaches of contract by the Company or any of the other Released Parties, about which he is aware or believes in good faith to have occurred. The Executive hereby confirms that he has disclosed all such instances (if any).

(j) The Executive acknowledges that he may hereafter discover claims or facts in addition to or different than those which the Executive now knows or believes to exist with respect to the subject matter of the release set forth in Section 6(b) above and which, if known or suspected at the time of entering into this Agreement, may have materially affected this Agreement and the Executive's decision to enter into it. Notwithstanding anything in this Agreement to the contrary, this Agreement shall not relinquish, diminish, or in any way affect any rights or claims arising out of any breach by the Company or by any Released Party of this Agreement after the date upon which the Executive signs this Agreement or re-executes this Agreement (as applicable).

7. Return of Company Property. All correspondence, records, documents, software, promotional materials, and other Company property (other than as provided under Section 3), including all copies, which came into the Executive's possession by, through or in the course of

Executive's employment, regardless of the source and whether created by the Executive, are the sole and exclusive property of the Company, and immediately upon the Employment Separation Date, or any time at the Company's request, the Executive shall return to the Company all such property of the Company. Notwithstanding the foregoing, the Executive may retain his contacts and calendar.

8. Publicity. The Executive shall not issue, without consent of the Company, any press release or make any public announcement with respect to this Agreement. Following the effective date of this Agreement and regardless of any dispute that may arise in the future, (a) the Executive agrees that he will not disparage, criticize or make statements which are negative, detrimental or injurious to the Company to any individual, company or client, including within the Company and (b) the Company agrees that it will instruct its executive officers and the members of the Board not to disparage Executive and it shall not make any official written statements which disparage the Executive. The provisions in the immediately preceding sentence shall not be violated by truthful statements in response to or in connection with legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings) or to rebut inaccurate or false statements made by the Executive or by the Company (or any of its executive officers or members of the Board), and the foregoing limitation on executive officers or the members of the Board shall not be violated by statements that they in good faith believe are necessary or appropriate to make in connection with performing their duties and obligations to the Company. Nothing herein shall be violated by the Company's compliance with its securities or other disclosure obligations or by describing Executive's separation as an involuntary termination without cause in its proxy statement in accordance with proxy advisory firm guidance. The parties understand and agree that this Agreement will be publicly filed by the Company pursuant to its securities law obligations.

9. No Assignments; Binding Effect. Except as provided in this Section 9, no party may assign or delegate any rights or obligations hereunder without first obtaining the written consent of the other party hereto. The Company shall assign this Agreement to any successor to all or substantially all of the operations and/or assets of the Company. As used in this Agreement, the term "Company" shall mean the Company and any successor to its operations and/or assets, which assumes and agrees to perform the duties and obligations of the Company under this Agreement by operation of law or otherwise. This Agreement is binding upon, and shall inure to the benefit of, the parties and their respective heirs, executors and administrators (including the Executive's estate, in the event of the Executive's death), and their respective permitted successors and assigns.

10. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of New Jersey, without giving effect to the principles of conflicts of law thereof.

11. Arbitration.

(a) Any controversy, dispute or claim arising out of or relating to this Agreement or the breach hereof which cannot be settled by mutual agreement (other than with respect to the matters covered by Section 12(b) hereof for which the Company may, but shall not be required to, seek injunctive relief) shall be finally settled by binding arbitration in accordance with the Federal Arbitration Act (or if not applicable, the applicable state arbitration law) as

follows: Any party who is aggrieved shall deliver a notice to the other party setting forth the specific points in dispute. Any points remaining in dispute twenty (20) days after the giving of such notice may be submitted to arbitration in New York, New York, to the American Arbitration Association, before a single arbitrator appointed in accordance with the arbitration rules of the American Arbitration Association, modified only as herein expressly provided. After the aforesaid twenty (20) days, either party, upon ten (10) days' notice to the other, may so submit the points in dispute to arbitration. The arbitrator may enter a default decision against any party who fails to participate in the arbitration proceedings.

(b) The decision of the arbitrator on the points in dispute shall be final, unappealable and binding, and judgment on the award may be entered in any court having jurisdiction thereof.

(c) Except as otherwise provided in this Agreement, the arbitrator shall be authorized to apportion its fees and expenses and the reasonable attorneys' fees and expenses of any such party as the arbitrator deems appropriate. In the absence of any such apportionment, the fees and expenses of the arbitrator shall be borne equally by each party, and each party shall bear the fees and expenses of its own attorney.

(d) The parties agree that this Section 11 has been included to rapidly and inexpensively resolve any disputes between them with respect to this Agreement, and that this Section 11 shall be grounds for dismissal of any court action commenced by either party with respect to this Agreement, other than post-arbitration actions seeking to enforce an arbitration award. In the event that any court determines that this arbitration procedure is not binding, or otherwise allows any litigation regarding a dispute, claim, or controversy covered by this Agreement to proceed, the parties hereto hereby waive any and all right to a trial by jury in or with respect to such litigation.

(e) The parties shall keep confidential, and shall not disclose to any person, except to their respective counsel and as may be required by law or valid subpoena, the existence of any controversy hereunder, the referral of any such controversy to arbitration or the status or resolution thereof, provided, however, that the Executive may also disclose such information to his immediate family and tax and financial advisors.

12. Entire Agreement; Restrictive and Other Covenants.

(a) The Executive understands that this Agreement, all relevant plans referred to herein and the sections of any agreement between the Executive and the Company that survive termination, constitute the complete understanding between the Company and the Executive, and, except as specifically provided herein, supersedes any and all agreements, understandings, and discussions, whether written or oral, between the Executive and any of the Released Parties. No other promises or agreements shall be binding unless in writing and signed by both the Company and the Executive.

(b) Notwithstanding the foregoing, Section 15 of each Award Agreement shall survive in accordance with its terms. For the avoidance of doubt, Executive agrees to comply at all times with Section 15 of each Award Agreement; it being understood that, for the

avoidance of doubt, all post-employment restrictive covenant periods contained in the Award Agreements shall begin to run from and after the Employment Separation Date, rather than from and after the end of the Advising Period, and that, the Executive shall inform the Chief HR Officer of the Company prior to commencing any employment or other services during the post-employment restrictive covenant periods contained in the Award Agreements.

13. Notices. All notices, demands and other communications to be given or delivered under or by reason of the provisions of this Agreement shall be in writing and shall be deemed to have been given when personally delivered to the Company or received by electronic mail as provided below. Such notices, demands and other communications shall be addressed to the Executive at his last known address on the books of the Company or, in the case of the Company, to it at its principal place of business, attention General Counsel, _____, or to such other address as either party may specify by notice to the other actually received.

14. Miscellaneous. This Agreement is not intended, and shall not be construed, as an admission that any of the Released Parties has violated any federal, state or local law (statutory or decisional), ordinance or regulation, breached any contract or committed any wrong whatsoever against the Executive. Should any provision of this Agreement require interpretation or construction, it is agreed by the parties that the entity interpreting or constructing this Agreement shall not apply a presumption against one party by reason of the rule of construction that a document is to be construed more strictly against the party who prepared the document. No waiver by either party hereto at any time of any breach by the other party hereto of, or compliance with, any condition or provision of this Agreement to be performed by such other party shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. Neither party shall be deemed to have made any admission of wrongdoing as a result of executing this Agreement.

15. Tax Matters; Authorized or Required Deductions; Independent Contractor Status.

(a) The Company may withhold from any and all amounts payable to the Executive under this Agreement such federal, state or local taxes as may be required to be withheld pursuant to any applicable law or regulation and any authorized or required reductions.

(b) The intent of the Parties is that payments and benefits under this Agreement comply with Section 409A of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder ("Section 409A") and, accordingly, to the maximum extent permitted, this Agreement shall be interpreted and administered to be exempt therefrom or in compliance therewith, as applicable. Notwithstanding anything herein to the contrary, if the Participant is a "specified employee" within the meaning of Section 409A, no payments or benefits that are "deferred compensation" subject to Section 409A to be paid upon separation from service shall be made to such Participant prior to the date that is six months after the date of such Participant's "separation from service" within the meaning of Section 409A or, if earlier, the Participant's date of death. All such delayed payments and benefits will be provided (without interest) in a single lump sum on the earliest date permitted under Section 409A of the Code that is also a business day. Any payments described in this Agreement that are paid pursuant to a "separation pay plan" as described in Treas. Reg. 1.409A-1(b)(9)(iii) or that are due within the "short term deferral period" as defined in

Section 409A shall not be treated as deferred compensation unless applicable law requires otherwise. Executive's right to receive any installment payments under this Agreement shall be treated as a right to receive a series of separate payments and, accordingly, each such installment payment shall at all times be considered a separate and distinct payment as permitted under Section 409A. To the extent required by Section 409A, (i) any reimbursements required to be made by the Company to the Executive under this Agreement shall be made on or before the last day of the calendar year following the calendar year in which the expense was incurred and shall not be subject to liquidation or exchange for another benefit and (ii) in no event shall the amount of expenses eligible for reimbursement in one calendar year affect the amount of expenses eligible for reimbursement in any other calendar year.

(c) The Executive acknowledges and agrees that after the Employment Separation Date but during the remaining months of the Advising Period the Executive's status at all times shall be that of an independent contractor. The parties hereby acknowledge and agree that all Advising Fees paid pursuant to Section 4 hereof for such period shall represent fees for services as an independent contractor, and shall therefor be paid without any deductions or withholdings taken therefrom for taxes or for any other purpose. The Executive further acknowledges that the Company makes no warranties as to any tax consequences regarding payment of such fees during such period, and specifically agrees that the determination of any tax liability or other consequences of any payment made hereunder is the Executive's sole and complete responsibility and that the Executive will pay all taxes, if any, assessed on such payments under the applicable laws of any Federal, state, local or other jurisdiction and, to the extent not so paid, will indemnify the Company for any taxes so assessed against the Company. The Executive also agrees that after the Employment Separation Date but during the remaining months of the Advising Period, the Executive shall not be eligible to participate in any of the employee benefit plans or arrangements of the Company except as expressly provided herein.

16. Executive Acknowledgements. The Executive acknowledges that the Executive: (a) has carefully read this Agreement in its entirety; (b) has had an opportunity to consider this Agreement for twenty-one (21) days; (c) fully understands the significance of all of the terms and conditions of this Agreement and has discussed them with the Executive's independent legal counsel, or has had a reasonable opportunity to do so; and (d) is entering into this Agreement, knowingly, freely and voluntarily in exchange for good and valuable consideration to which the Executive would not be entitled in the absence of executing and not revoking this Agreement.

17. Initial Consideration and Revocation Period; Effectiveness. The Executive understands that the Executive will have twenty-one (21) days from the date of receipt of this Agreement to consider the terms and conditions of this Agreement. The Executive understands that the Executive may execute this Agreement less than twenty-one (21) days from its receipt from the Company, but agrees that such execution will represent the Executive's knowing waiver of such consideration period. The Executive may accept this Agreement by signing it and returning it to the Human Resources department, attention Ned Linnen, within such twenty-one (21) day period. After executing this Agreement, the Executive shall have seven (7) days (the "Revocation Period") to revoke this Agreement by indicating the Executive's desire to do so in writing delivered to the Human Resources department by no later than the seventh (7th) day after the date that the Executive

signs this Agreement. The effective date of this Agreement shall be the eighth (8th) day after the Executive signs this Agreement. In the event that the Executive does not accept this Agreement as set forth above, or in the event that the Executive revokes this Agreement during the Revocation Period, this Agreement shall be deemed automatically null and void.

18. Re-Execution of Agreement. The Company's obligations under Sections 3 and 4 of this Agreement are strictly contingent upon the Executive's re-execution and non-revocation of this Agreement no earlier than, and within twenty-one (21) days following, the Employment Separation Date. The date of the Executive's re-execution of this Agreement is referred to herein as the "Re-Execution Date". By re-executing this Agreement, the Executive advances to the Re-Execution Date Executive's general waiver and release of all Claims against the Released Parties and the other covenants set forth in Section 6 of this Agreement. The Executive shall have seven (7) calendar days from the Re-Execution Date to revoke his re-execution of this Agreement by indicating the Executive's desire to do so in writing delivered to the Human Resources department by no later than the seventh (7th) day after the Re-Execution Date. In the event of no revocation by the Executive, the date of the releases and covenants set forth in Section 6 of this Agreement shall be advanced through the Re-Execution Date on the eighth (8th) day after the Re-Execution Date (the "Second Release Effective Date"). In the event of such revocation by the Executive, the date of the releases and covenants set forth in Section 6 of this Agreement shall not be advanced, but shall remain effective up to and including the date upon which Executive originally signs this Agreement and the Company shall not be obligated to provide the consideration in Section 3 or 4 of this Agreement.

19. Third Party Beneficiaries. The Released Parties are intended third-party beneficiaries of this Agreement, and this Agreement may be enforced by each of them in accordance with the terms hereof in respect of the rights granted to such Released Parties hereunder. Except and to the extent set forth in the preceding sentence and as otherwise set forth in this Agreement, this Agreement is not intended for the benefit of any person other than the parties hereto, and no such other person or entity shall be deemed to be a third party-beneficiary hereof. Without limiting the generality of the foregoing, it is not the intention of the Company to establish any policy, procedure, course of dealing, or plan of general application for the benefit of or otherwise in respect of any other employee, officer, director, or stockholder, irrespective of any similarity between any contract, agreement, commitment, or understanding between the Company and such other employee, officer, director, or stockholder, on the one hand, and any contract, agreement, commitment, or understanding between the Company and the Executive, on the other hand, and irrespective of any similarity in facts or circumstances involving such other employee, officer, director, or stockholder, on the one hand, and the Executive, on the other hand.

20. Counterpart Agreements. This Agreement may be signed in counterparts, and by facsimile or e-mail or other electronic transmission, all of which shall be considered as original documents and which together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Separation and Advising Agreement as of the date set forth below.

AVIS BUDGET GROUP, INC.

Dated: 24-Jul-2025

By: /s/ Ned Linnen

Name: Ned Linnen

Title: EVP & Chief Human Resources
Officer

EXECUTIVE

Dated: 24-Jul-2025

/s/ Joseph A. Ferraro_____

(Signature)

Joseph A. Ferraro

RE-EXECUTED (ON OR FOLLOWING THE EMPLOYMENT SEPARATION DATE)

Dated:

(Signature)

Joseph A. Ferraro

SECOND AMENDMENT TO
THE SERIES 2025-1 SUPPLEMENT

This SECOND AMENDMENT TO SERIES 2025-1 SUPPLEMENT (this “Amendment”), dated as of September 16, 2025 (the “Amendment Date”) amends the Series 2025-1 Supplement (as amended by the First Amendment, dated as of July 21, 2025, the “Series 2025-1 Supplement”), dated as of May 28, 2025 (the “Series 2025-1 Closing Date”), among AVIS BUDGET RENTAL CAR FUNDING (AESOP) LLC, a special purpose limited liability company established under the laws of Delaware (“ABRCF”) and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association, as trustee (in such capacity, the “Trustee”) and as agent for the benefit of the Series 2025-1 Noteholders (in such capacity, the “Series 2025-1 Agent”), to the Second Amended and Restated Base Indenture, dated as of June 3, 2004, between ABRCF and the Trustee (as amended, modified or supplemented from time to time, exclusive of Supplements creating a new Series of Notes, the “Base Indenture”). All capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Definitions List attached as Schedule I to the Base Indenture (as amended through the date hereof) or the Series 2025-1 Supplement, as applicable.

WITNESSETH:

WHEREAS, ABRCF and the Trustee entered into the Series 2025-1 Supplement;

WHEREAS, Section 5.7 of the Series 2025-1 Supplement permits ABRCF to amend or modify the Series 2025-1 Supplement in accordance with the terms of the Base Indenture;

WHEREAS, Section 12.1(d) of the Base Indenture permits ABRCF and the Trustee, without the consent of any Noteholder, to enter into one or more Supplements to cure any mistake in any Supplement subject to satisfaction of the Rating Agency Consent Condition;

WHEREAS, ABRCF desires to cure a mistake relating to the timing of the Series 2025-1 Controlled Amortization Period; and

WHEREAS, the Rating Agency Consent Condition will be satisfied on the Amendment Date.

NOW, THEREFORE, it is agreed:

1. Amendment. The definition of “Series 2025-1 Controlled Amortization Period” in Article I(b) of the Series 2025-1 Supplement is hereby amended by deleting the stricken text (indicated in the same manner as the following example: ~~stricken text~~) and adding the inserted text (indicated in the same manner as the following example: inserted text) as set forth below:

““Series 2025-1 Controlled Amortization Period” means the period commencing upon the close of business on ~~February 29~~ January 31, 2028 (or, if such day is not a Business Day, the Business Day immediately preceding such day) and continuing to the earliest of (i) the commencement of the Series 2025-1 Rapid Amortization

Period, (ii) the date on which the Series 2025-1 Notes are fully paid and (iii) the termination of the Indenture.”

2. Direction. By their signatures hereto, each of the undersigned (excluding The Bank of New York Mellon Trust Company, N.A., in its capacity as Trustee and Series 2025-1 Agent) hereby authorize and direct the Trustee and Series 2025-1 Agent to execute this Amendment and take any and all further action necessary or appropriate to give effect to the transaction contemplated hereby.

3. This Amendment is limited as specified and, except as expressly stated herein, shall not constitute a modification, acceptance or waiver of any other provision of the Series 2025-1 Supplement.

4. This Amendment shall become effective on the date hereof. From and after the date hereof, all references to the Series 2025-1 Supplement shall be deemed to be references to the Series 2025-1 Supplement as amended hereby.

5. This Amendment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all of such counterparts shall together constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment by facsimile or electronic mail in a “pdf” file shall be effective as delivery of a manually executed counterpart of this Amendment. The parties agree that this Amendment may be executed and delivered by electronic signatures and that the signatures appearing on this Amendment are the same as handwritten signatures for the purposes of validity, enforceability and admissibility. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Amendment or any document to be signed in connection with this Amendment shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form. Any document accepted, executed or agreed to in conformity with such laws will be binding on all parties hereto to the same extent as if it were physically executed and each party hereby consents to the use of any third party electronic signature capture service providers as may be reasonably chosen by a signatory hereto.

6. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, each of the parties hereto have caused this Amendment to be duly executed by their respective duly authorized officers as of the date above first written.

AVIS BUDGET RENTAL CAR
FUNDING
(AESOP) LLC, as Issuer

By: /s/ David Calabria
Name: David Calabria
Title: Senior Vice President and
Treasurer

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee
and
Series 2025-1 Agent

By: /s/ Mitchell L. Brumwell
Name: Mitchell L. Brumwell
Title: Vice President

SECOND AMENDMENT TO
THE SERIES 2025-2 SUPPLEMENT

This SECOND AMENDMENT TO SERIES 2025-2 SUPPLEMENT (this “Amendment”), dated as of September 16, 2025 (the “Amendment Date”) amends the Series 2025-2 Supplement (the “Series 2025-2 Supplement”), dated as of May 28, 2025 (as amended by the First Amendment, dated as of July 21, 2025, the “Series 2025-2 Closing Date”), among AVIS BUDGET RENTAL CAR FUNDING (AESOP) LLC, a special purpose limited liability company established under the laws of Delaware (“ABRCF”) and THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A., a national banking association, as trustee (in such capacity, the “Trustee”) and as agent for the benefit of the Series 2025-2 Noteholders (in such capacity, the “Series 2025-2 Agent”), to the Second Amended and Restated Base Indenture, dated as of June 3, 2004, between ABRCF and the Trustee (as amended, modified or supplemented from time to time, exclusive of Supplements creating a new Series of Notes, the “Base Indenture”). All capitalized terms used herein and not otherwise defined herein shall have the respective meanings provided therefor in the Definitions List attached as Schedule I to the Base Indenture (as amended through the date hereof) or the Series 2025-2 Supplement, as applicable.

WITNESSETH:

WHEREAS, ABRCF and the Trustee entered into the Series 2025-2 Supplement;

WHEREAS, Section 5.7 of the Series 2025-2 Supplement permits ABRCF to amend or modify the Series 2025-2 Supplement in accordance with the terms of the Base Indenture;

WHEREAS, Section 12.1(d) of the Base Indenture permits ABRCF and the Trustee, without the consent of any Noteholder, to enter into one or more Supplements to cure any mistake in any Supplement subject to satisfaction of the Rating Agency Consent Condition;

WHEREAS, ABRCF desires to cure a mistake relating to the timing of the Series 2025-2 Controlled Amortization Period; and

WHEREAS, the Rating Agency Consent Condition will be satisfied on the Amendment Date.

NOW, THEREFORE, it is agreed:

1. Amendment. The definition of “Series 2025-2 Controlled Amortization Period” in Article I(b) of the Series 2025-2 Supplement is hereby amended by deleting the stricken text (indicated in the same manner as the following example: ~~stricken text~~) and adding the inserted text (indicated in the same manner as the following example: inserted text) as set forth below:

““Series 2025-2 Controlled Amortization Period” means the period commencing upon the close of business on ~~February 28~~ January 31, 2030 (or, if such day is not a Business Day, the Business Day immediately preceding such day) and continuing to the earliest of (i) the commencement of the Series 2025-2 Rapid Amortization

Period, (ii) the date on which the Series 2025-2 Notes are fully paid and (iii) the termination of the Indenture.”

2. Direction. By their signatures hereto, each of the undersigned (excluding The Bank of New York Mellon Trust Company, N.A., in its capacity as Trustee and Series 2025-2 Agent) hereby authorize and direct the Trustee and Series 2025-2 Agent to execute this Amendment and take any and all further action necessary or appropriate to give effect to the transaction contemplated hereby.

3. This Amendment is limited as specified and, except as expressly stated herein, shall not constitute a modification, acceptance or waiver of any other provision of the Series 2025-2 Supplement.

4. This Amendment shall become effective on the date hereof. From and after the date hereof, all references to the Series 2025-2 Supplement shall be deemed to be references to the Series 2025-2 Supplement as amended hereby.

5. This Amendment may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all of such counterparts shall together constitute but one and the same instrument. Delivery of an executed counterpart of a signature page to this Amendment by facsimile or electronic mail in a “pdf” file shall be effective as delivery of a manually executed counterpart of this Amendment. The parties agree that this Amendment may be executed and delivered by electronic signatures and that the signatures appearing on this Amendment are the same as handwritten signatures for the purposes of validity, enforceability and admissibility. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Amendment or any document to be signed in connection with this Amendment shall be deemed to include electronic signatures, deliveries or the keeping of records in electronic form. Any document accepted, executed or agreed to in conformity with such laws will be binding on all parties hereto to the same extent as if it were physically executed and each party hereby consents to the use of any third party electronic signature capture service providers as may be reasonably chosen by a signatory hereto.

6. THIS AMENDMENT AND THE RIGHTS AND OBLIGATIONS OF THE PARTIES HEREUNDER SHALL BE CONSTRUED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

IN WITNESS WHEREOF, each of the parties hereto have caused this Amendment to be duly executed by their respective duly authorized officers as of the date above first written.

AVIS BUDGET RENTAL CAR
FUNDING

(AESOP) LLC, as Issuer

By: /s/ David Calabria

Name: David Calabria

Title: Senior Vice President and
Treasurer

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A., as Trustee
and
Series 2025-2 Agent

By: /s/ Mitchell L. Brumwell
Name: Mitchell L. Brumwell
Title: Vice President

SECTION 302 CERTIFICATION

I, Brian J. Choi, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Avis Budget Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 28, 2025

/s/ Brian J. Choi

Chief Executive Officer

SECTION 302 CERTIFICATION

I, Daniel Crestian Cunha, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Avis Budget Group, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: October 28, 2025

/s/ Daniel Crestian Cunha

Executive Vice President and Chief Financial Officer

**CERTIFICATION OF CEO AND CFO PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Avis Budget Group, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), Brian J. Choi, as Chief Executive Officer of the Company, and Daniel Crestian Cunha, as Chief Financial Officer of the Company, each hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

This certification accompanies the Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

/s/ BRIAN J. CHOI

Brian J. Choi
Chief Executive Officer
October 28, 2025

/s/ DANIEL CRESTIAN CUNHA

Daniel Crestian Cunha
Executive Vice President and Chief Financial Officer
October 28, 2025