frontdoor®

Third-Quarter 2025 Earnings Webcast

November 5th, 2025

Today's Presenters

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Forward Looking Statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including, in particular, projected future performance and any statements about Frontdoor's plans, strategies and prospects. Forward-looking statements can be identified by the use of forward-looking terms such as "believe," "expect," "estimate," "could," "should," "intend," "may," "plan," "seek," "anticipate," "project," "will," "shall," "would," "aim," or other comparable terms. These forward-looking statements are subject to known and unknown risks and uncertainties, many of which may be beyond our control. Such risks and uncertainties include, but are not limited to: changes in macroeconomic conditions, including inflation, tariffs and global supply chain challenges and changing interest rates, especially as they may affect existing or new home sales, consumer confidence, labor availability or our costs; our ability to successfully implement our business strategies; the ability of our marketing efforts to be successful and cost-effective; our dependence on our first-year direct-to-consumer and real estate acquisition channels and our renewal channel; changes in the source and intensity of competition in our market; including risks related to the development, deployment, and use of artificial intelligence in our business and industry; our ability to attract, retain and maintain positive relations with third-party contractors and vendors; increases in parts, appliance and home system prices, and other operating costs; changes in U.S. tariffs or import/export regulations; our ability to attract and retain qualified key employees and labor availability in our customer service operations; our dependence on third-party vendors, including business process outsourcers, and third-party component suppliers; cybersecurity breaches, disruptions or failures in our technology systems; our ability to protect the security of personal information about our customers; compliance with, or violation of, laws and regulations, including consumer protection laws, or lawsuits or other claims by third parties, increasing our legal and regulatory expenses; weather, including adverse conditions, Acts of God and seasonality, along with related regulations; our ability to underwrite risks accurately and to charge adequate prices to builder members, as well as our ability to effectively re-insure a large portion of those risks; the availability of reinsurance to manage a substantial portion of our potential loss exposure for our new home structural warranty business; evolving corporate governance and disclosure regulations and expectations; our ability to protect our intellectual property and other material proprietary rights; negative reputational and financial impacts resulting from acquisitions or strategic transactions; a requirement to recognize impairment charges; third-party use of our trademarks as search engine keywords to direct our potential customers to their own websites; inappropriate use of social media by us or other parties to harm our reputation; special risks applicable to operations outside the United States by us or our business process outsource providers; risks related to our acquisition of 2-10 Home Buyers Warranty (the "2-10 HBW Acquisition"), including the risk that the 2-10 HBW Acquisition may not achieve its intended results; any liabilities, losses, or other exposures for which we do not have adequate insurance coverage, indemnification, or other protection; increase in our indebtedness as a result of financing the 2-10 HBW Acquisition; a return on investment in our common stock is dependent on appreciation in the price; inclusion in our certificate of incorporation a forum selection clause that could discourage an acquisition of our company or litigation against us and our directors and officers; the effects of our significant indebtedness, our ability to incur additional debt and the limitations contained in the agreements governing such indebtedness; increases in interest rates increasing the cost of servicing our indebtedness and counterparty credit risk due to instruments designed to minimize exposure to market risks; increased borrowing costs due to lowering or withdrawal of the credit ratings, outlook or watch assigned to us or our credit facilities; and our ability to generate the significant amount of cash needed to fund our operations and service our debt obligations. We caution you that forward-looking statements are not guarantees of future performance or outcomes and that actual performance and outcomes, including, without limitation, our actual results of operations, financial condition and liquidity, and the development of new markets or market segments in which we operate, may differ materially from those made in or suggested by the forward-looking statements contained in this presentation. For a discussion of other important factors that could cause Frontdoor's results to differ materially from those expressed in, or implied by, the forward-looking statements included in this document, refer to the risks and uncertainties detailed from time to time in Frontdoor's periodic reports filed with the SEC, including the disclosure contained in Item 1A. Risk Factors in our 2024 Annual Report on Form 10-K filed with the SEC, as such factors may be updated from time to time in Frontdoor's periodic filings with the SEC. Except as required by law, Frontdoor does not undertake any obligation to update or revise the forward-looking statements to reflect new information or events or circumstances that occur after the date of this presentation or to reflect the occurrence of unanticipated events or otherwise. Readers are advised to review Frontdoor's filings with the SEC, which are available from the SEC's EDGAR database at sec.gov, and via Frontdoor's website at frontdoorhome.com.

Non-GAAP Financial Measures

To supplement Frontdoor's results presented in accordance with accounting principles generally accepted in the United States ("U.S. GAAP"), Frontdoor has disclosed the non-GAAP financial measures of Adjusted EBITDA, Free Cash Flow, and Unrestricted Cash.

We define "Adjusted EBITDA" as net income before: depreciation and amortization expense; goodwill and intangibles impairment; restructuring charges; acquisition-related costs; provision for income taxes; non-cash stock-based compensation expense; interest expense; loss on extinguishment of debt; and other non-operating expenses.

We define "Free Cash Flow" as net cash provided from operating activities less property additions. Free Cash Flow is not a measurement of our financial performance or liquidity under U.S. GAAP and does not purport to be an alternative to net cash provided from operating activities or any other performance or liquidity measures derived in accordance with U.S. GAAP.

We define "Adjusted Net Income" as net income before: amortization expense; restructuring charges; loss on extinguishment of debt; other non-operating expenses; and the tax impact of the aforementioned adjustments. We believe Adjusted Net Income is useful for investors, analysts and other interested parties as it facilitates company-to-company operating performance comparisons by excluding potential differences caused by items listed in this definition.

We define "Adjusted Diluted Earnings per Share" as Adjusted Net Income divided by the weighted-average diluted common shares outstanding.

We define "Unrestricted Cash" as cash not subject to third-party restrictions. For additional information related to our third-party restrictions, see "Liquidity and Capital Resources — Liquidity" under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2024 Annual Report on Form 10-K filed with the SEC.

See the Appendix attached hereto for additional information and reconciliations of such non-GAAP financial measures. Management believes these non-GAAP financial measures provide useful supplemental information for its and investors' evaluation of Frontdoor's business performance and are useful for period-over-period comparisons of the performance of Frontdoor's business. While we believe that these non-GAAP financial measures are useful in evaluating our business, this information should be considered as supplemental in nature and is not meant to be considered in isolation or as a substitute for the related financial information prepared in accordance with U.S. GAAP. In addition, these non-GAAP financial measures may not be the same as similarly entitled measures reported by other companies.

Q3 2025 Highlights

($ millions)

Revenue	Gross Profit Margin
+14%	**+60bps**
$618M	57%

Net Income	Adjusted EBITDA*
+5%	**+18%**
$106M	$195M

Highlights

- Organic direct-to-consumer member count grew +8% vs. prior year
- Real estate member count increased sequentially for the first time in five years
- Continued expansion in new HVAC sales
- Repurchased $215M of shares year-to-date through October 31

*This financial measure is a non-GAAP financial measure. Refer to “Non-GAAP Financial Measures" in this presentation for a description of this measure and the Appendix for a reconciliation to the nearest GAAP financial measure.

Building Momentum Across the Business

1

Operational Excellence

2

Positive DTC Unit Growth

3

Improving Real Estate Channel

4

Continued Strong Retention Rates

5

Non-Warranty Expanding

Foundation of Operational Excellence

Pricing Actions

- Optimizing price increases through dynamic pricing capabilities
- Increasing trade service fee as lever to protect margins

Operational Efficiencies

- Enhancing contractor management processes to drive higher preferred contract usage
- Leveraging purchasing power and scale

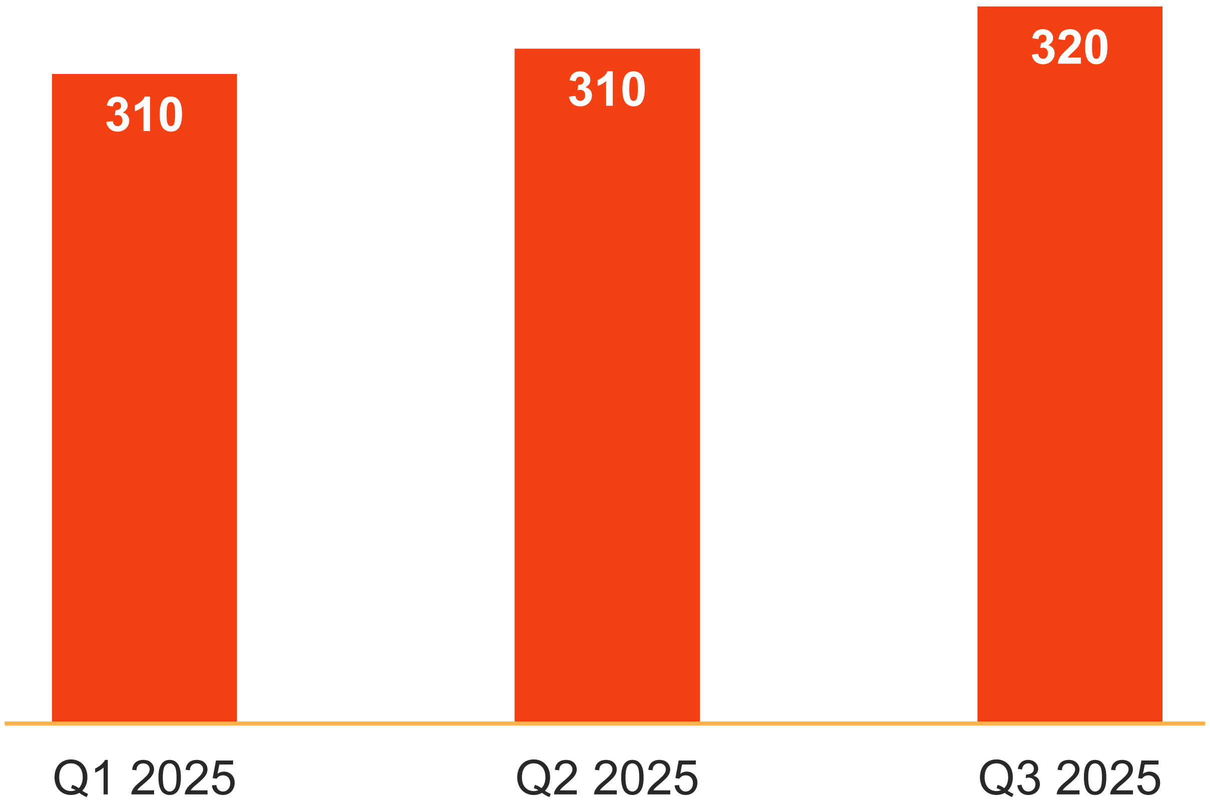
Driven over 1,000 bps gross profit margin improvement since 2022

Efforts to Drive DTC Growth are Working

Five consecutive quarters of organic member count growth; +8% organic growth in Q3 vs PY

First Year Direct-to-Consumer Home Warranties

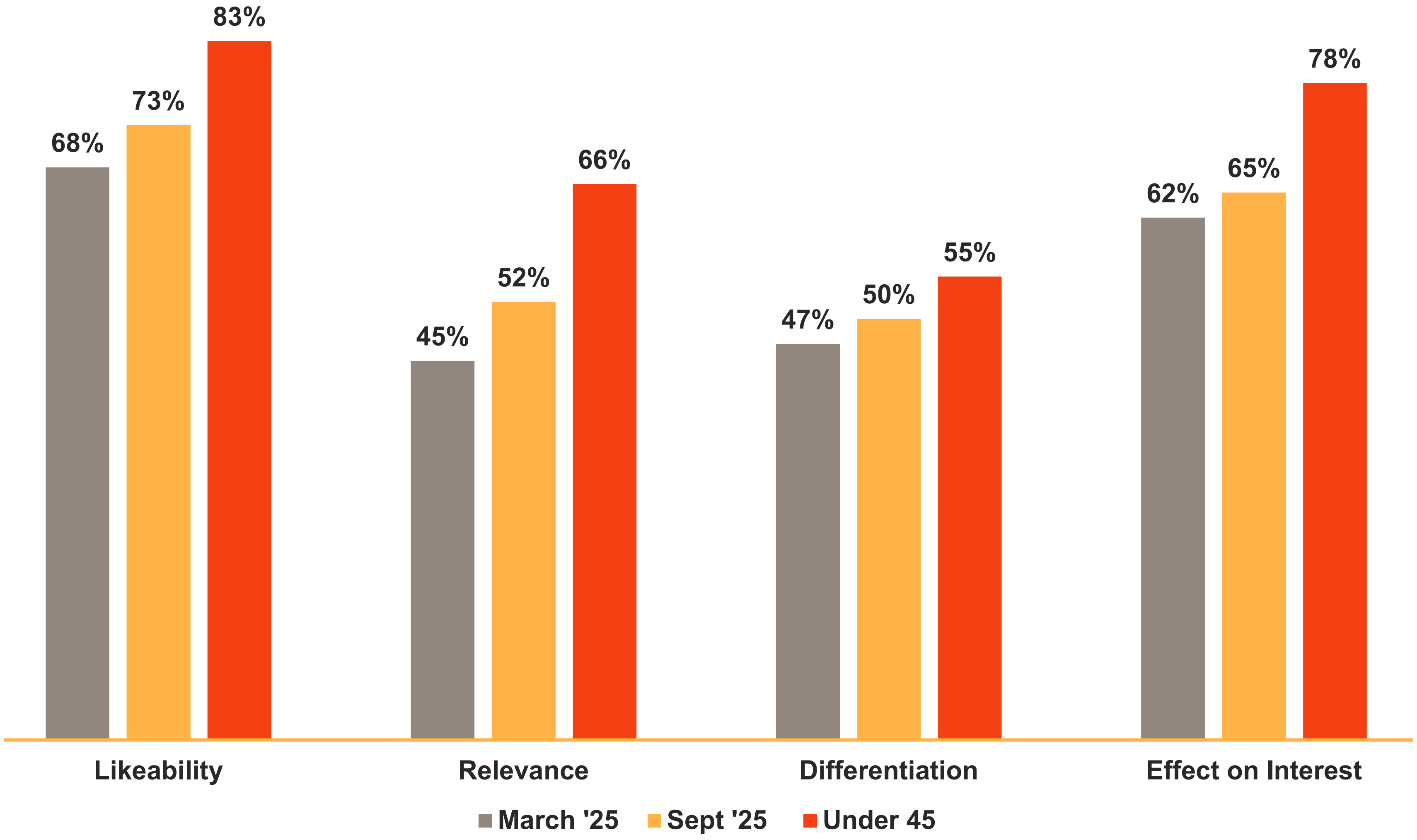
(in thousands)



Drivers

1) Warrantina campaign is working; targeting younger audiences
   - Media approach moving from awareness to consideration
2) Promotional pricing strategy
3) Direct marketing to new homebuyers
4) Optimizing search strategy through AI tools

Warrantina Campaign Resonating

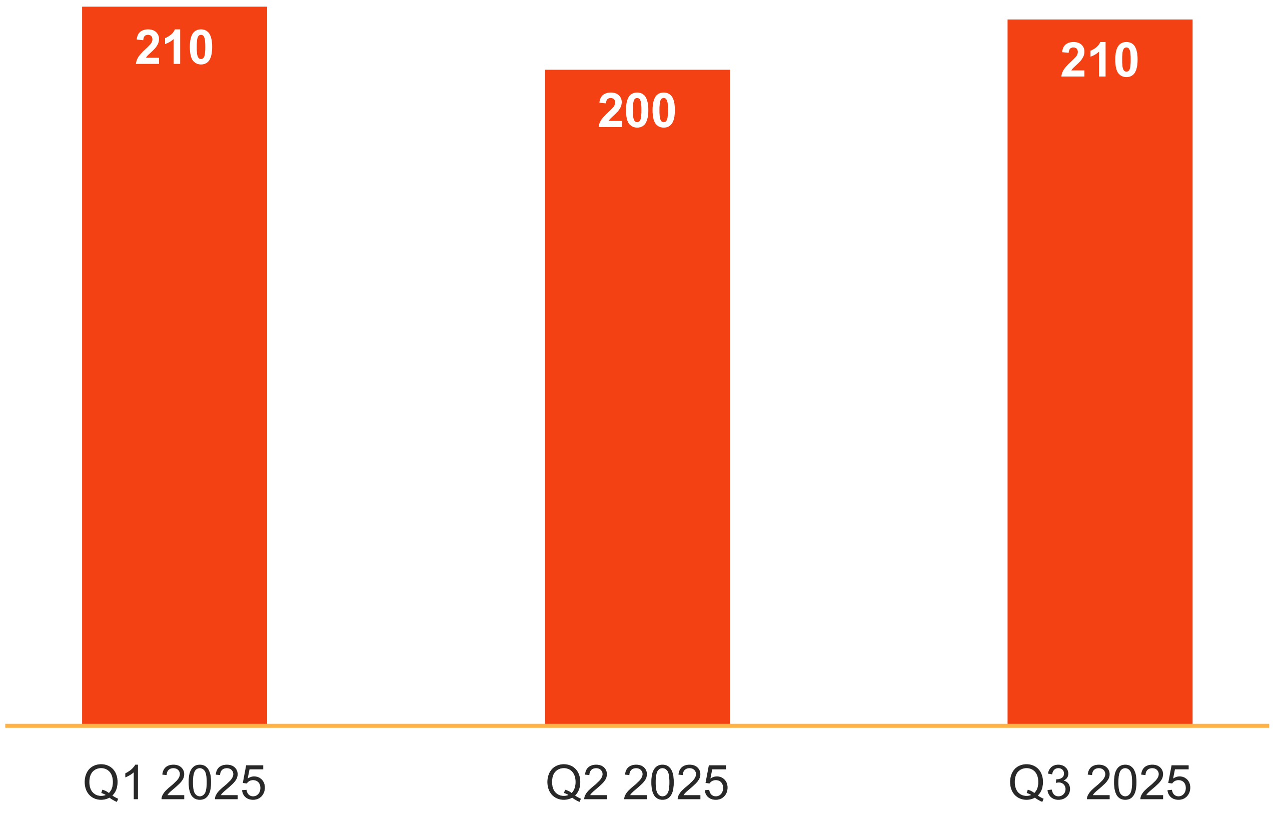


Turning the Corner in Real Estate

First sequential member count growth since 2020

First-Year Real Estate Home Warranties

(in thousands)



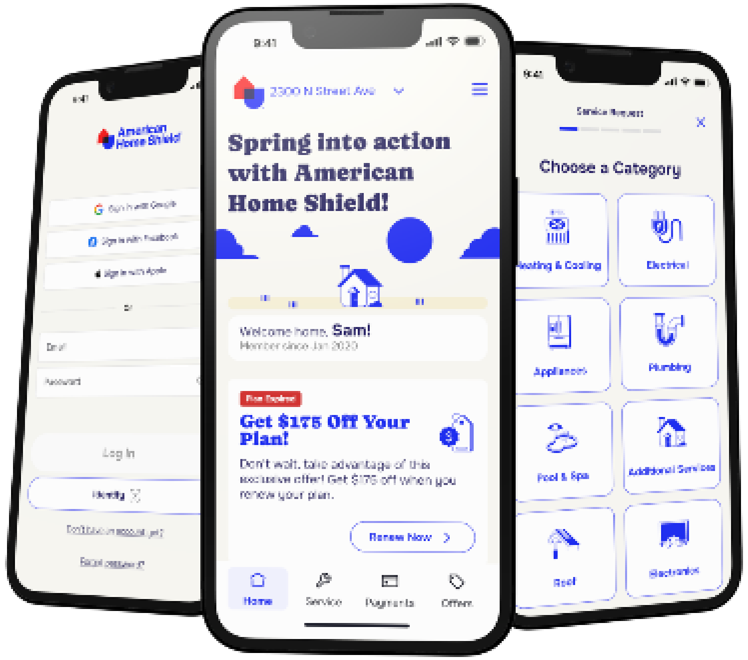
Drivers

1) Shift to buyer's market supporting an improvement in home warranty sales
2) Increased real estate agent engagement and local marketing efforts
3) Implemented promotional strategy

Retention Near All-Time-Highs at 79.4%

Supported by innovation to improve member experience

AHS App



~20% Member Downloads

and 4.9 Star Rating on Google Play Store

Video Chat

35K Video Calls

and 99% Thumbs Up Ratings

Non-Warranty is a Massive Opportunity

Approximately a $2 Billion opportunity over time across our member base

New HVAC

- Increasing revenue expectations to $125M, up 44% vs. prior year
- ~50K upgrades across 2M member base program to date

Appliance

- Extended pilot program across full array of appliances
- Targeting nationwide expansion

Roofing

- Exploring cross selling opportunities to network of new home builders
- Applying existing capabilities to build scale

Water Heaters

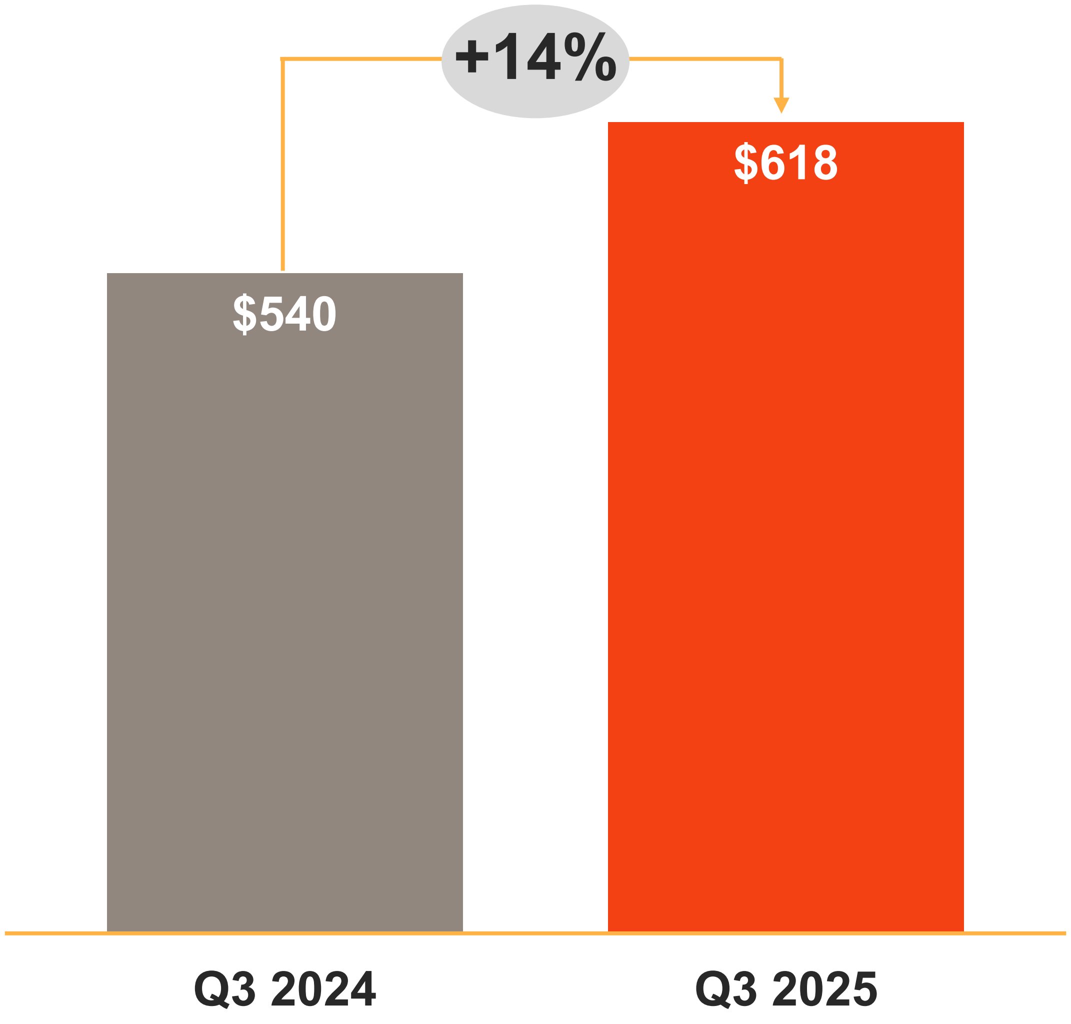
- Conducting market research to identify product offering and pricing strategies

Leveraging HVAC model across other replacement verticals over time

Third Quarter Financial Results

Q3 2025 Revenue

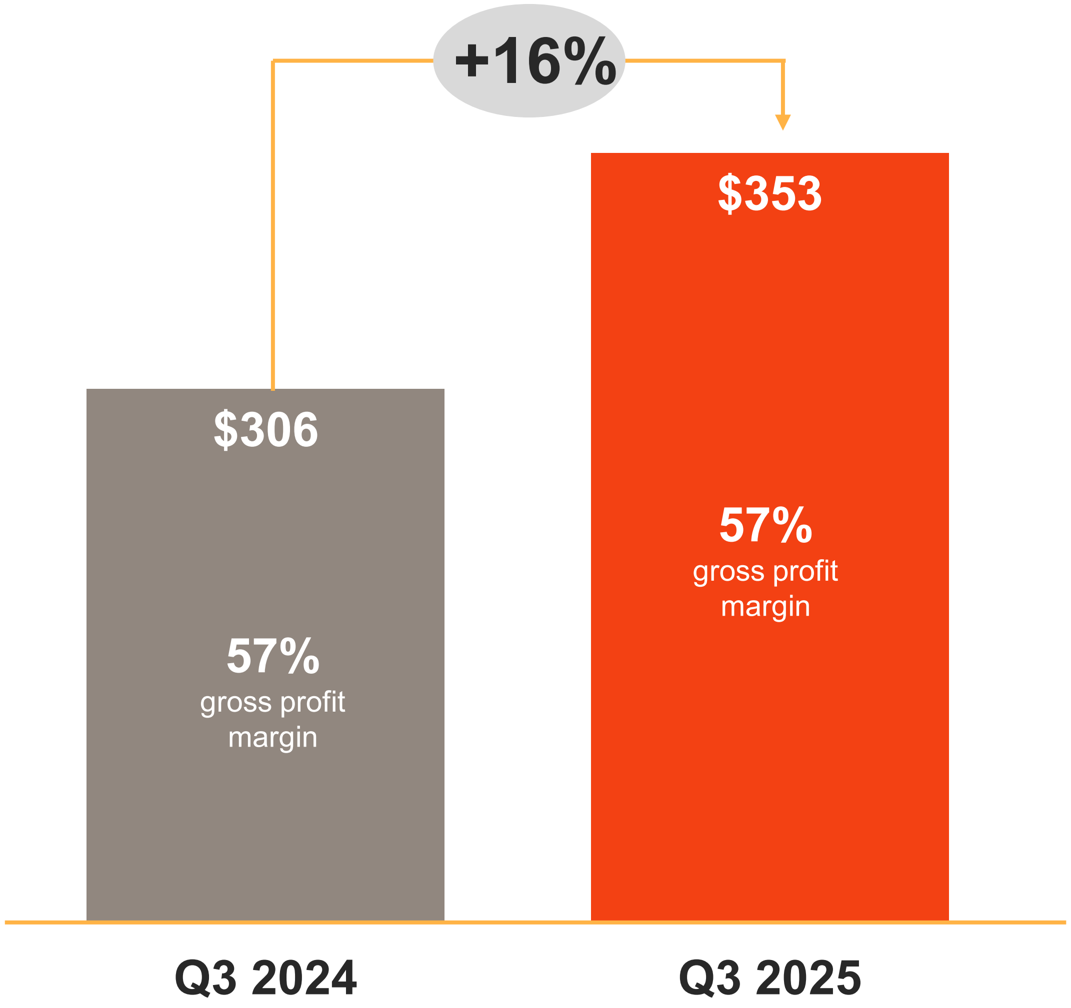
($ millions)



- Volume +12%, Price +3%
- Renewals +9% due to the addition of 2-10 and higher price
- Real estate +21% primarily due to the addition of 2-10
- DTC +11% as higher volumes were partially offset by lower price
- Other revenue +73% due to the new HVAC and Moen programs, as well as the addition of New Home Structural

Q3 2025 Gross Profit

($ millions)

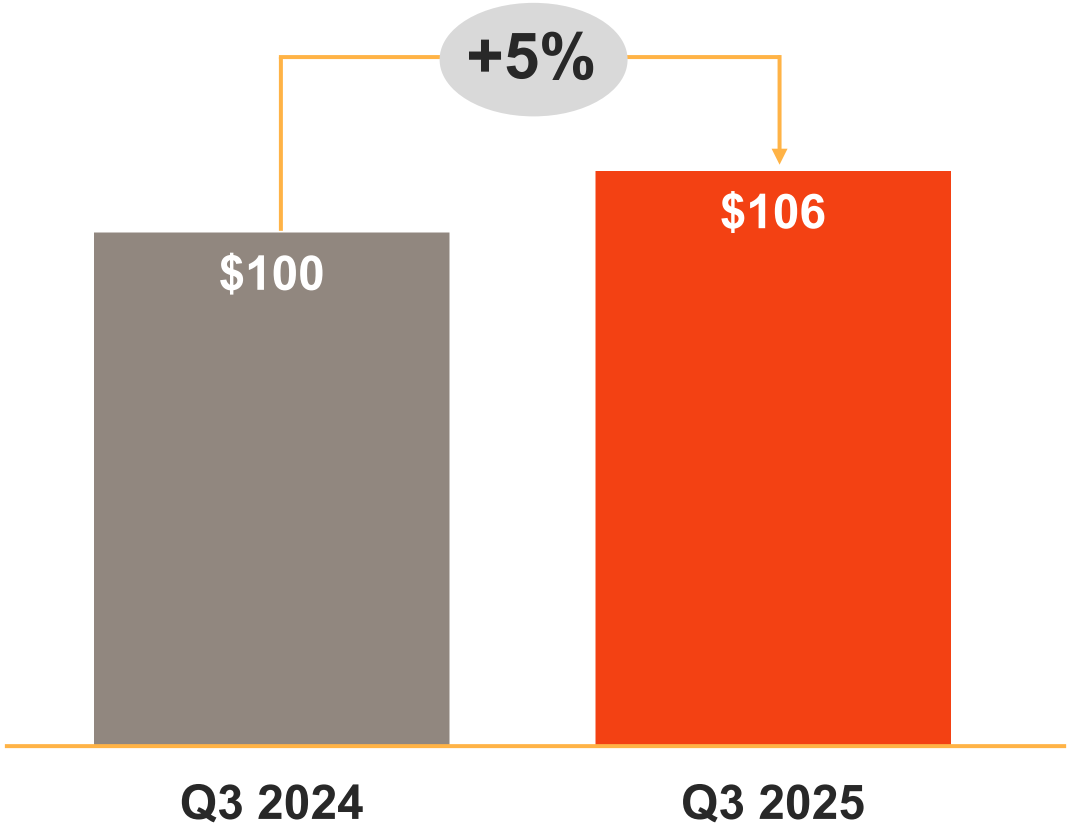


- Gross profit margin increased 60 basis points
- Low-to-mid-single digit net cost inflation across our contractor network, replacement parts and equipment
- Lower service requests per customer due to favorable weather of $6M vs. prior year period

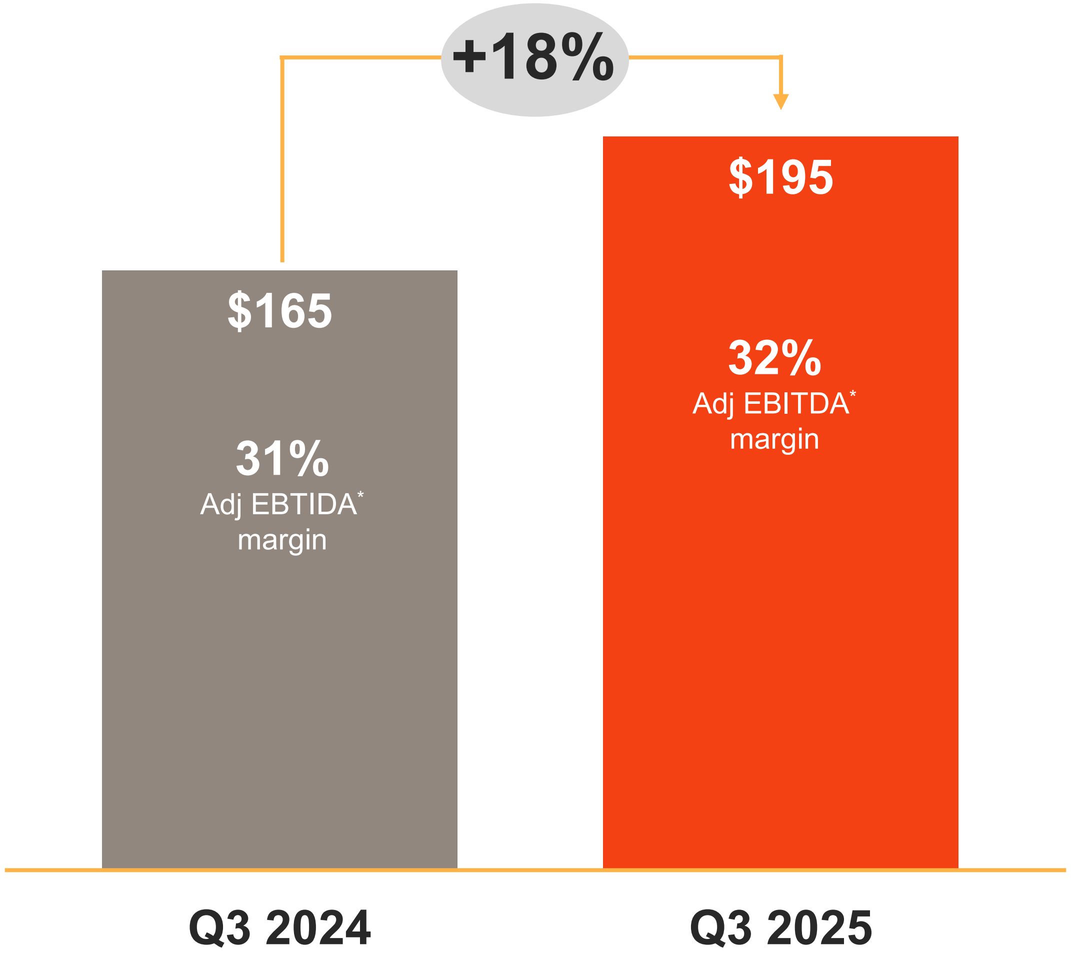
Q3 2025 Net Income & Adjusted EBITDA*

($ millions)

Net Income



Adjusted EBITDA*



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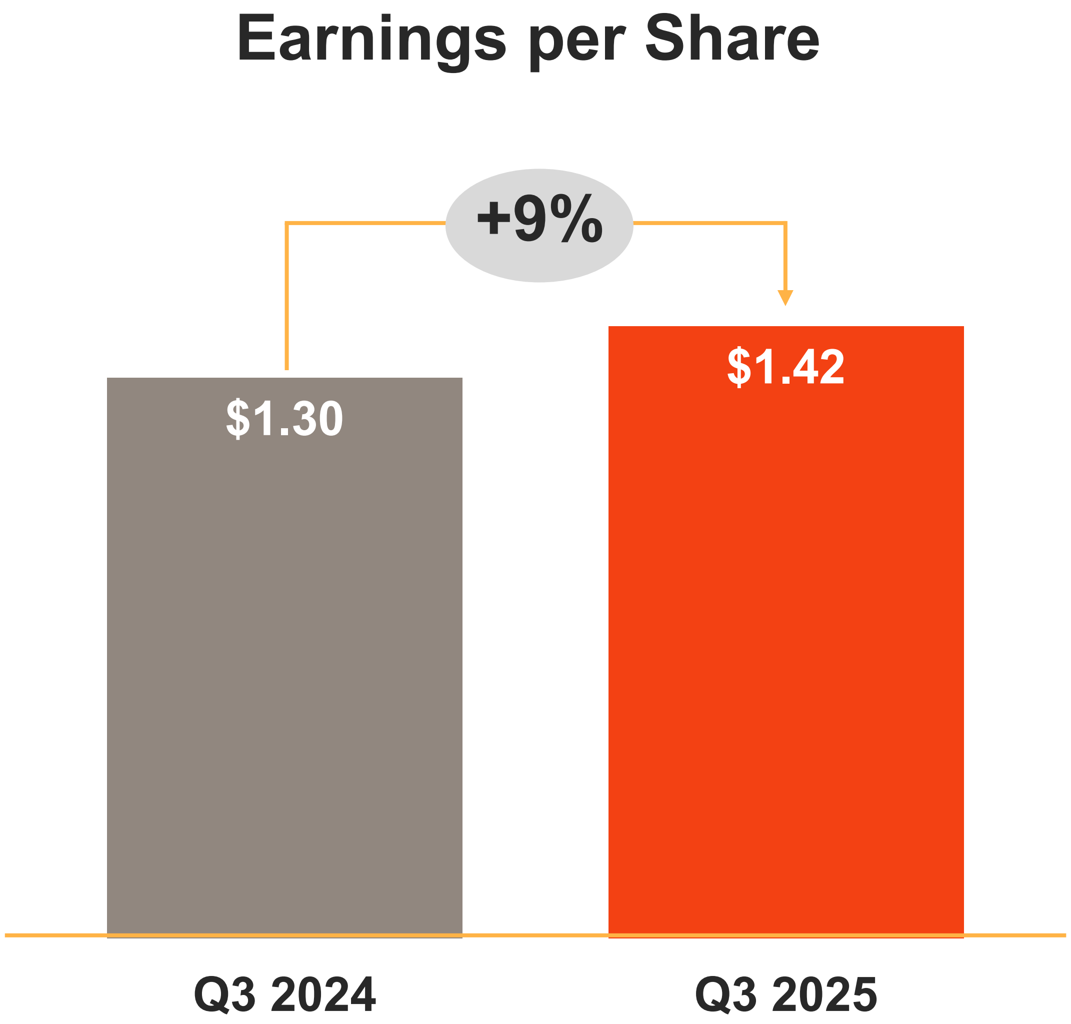
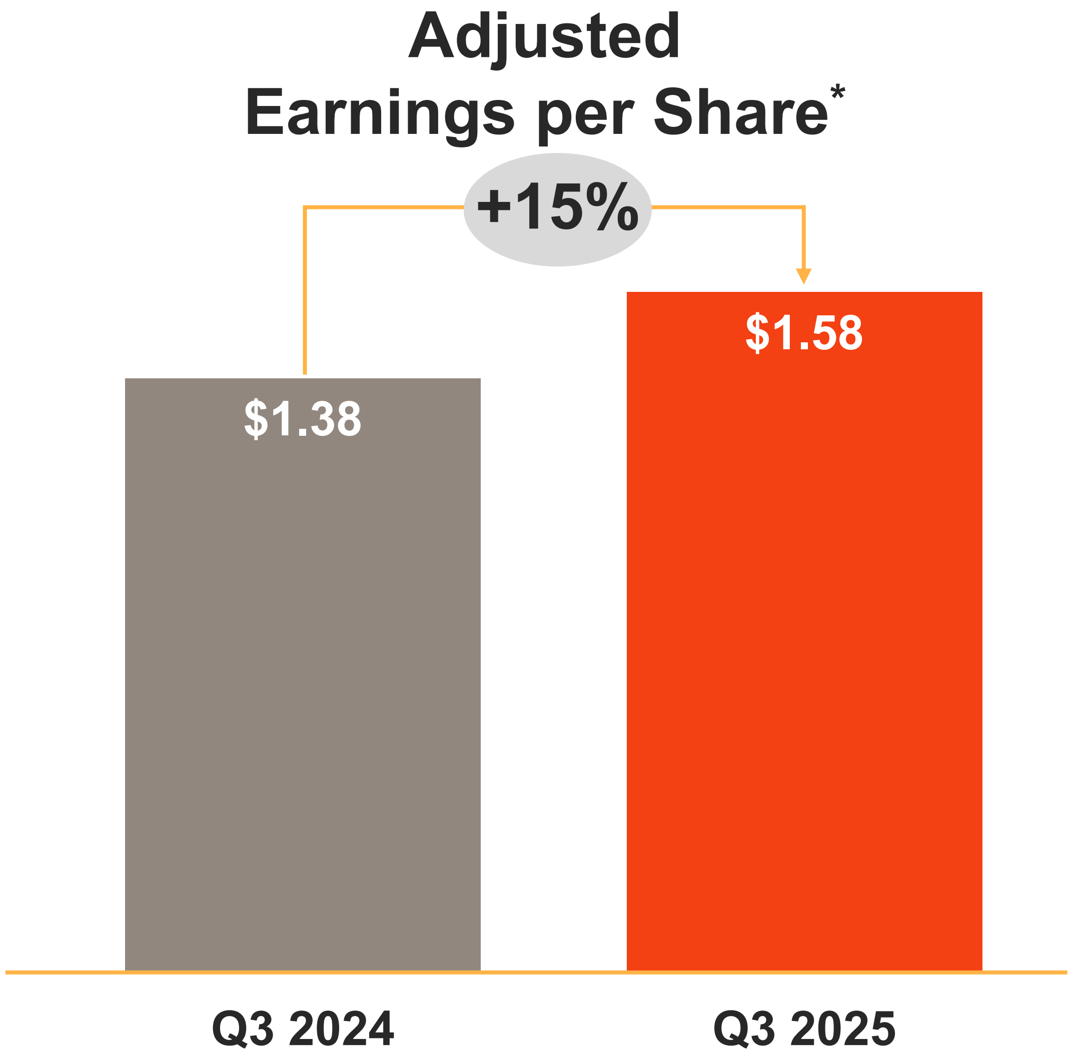
Q3 2025 Earnings Per Share





Note: All references to earnings per share are presented on a diluted basis

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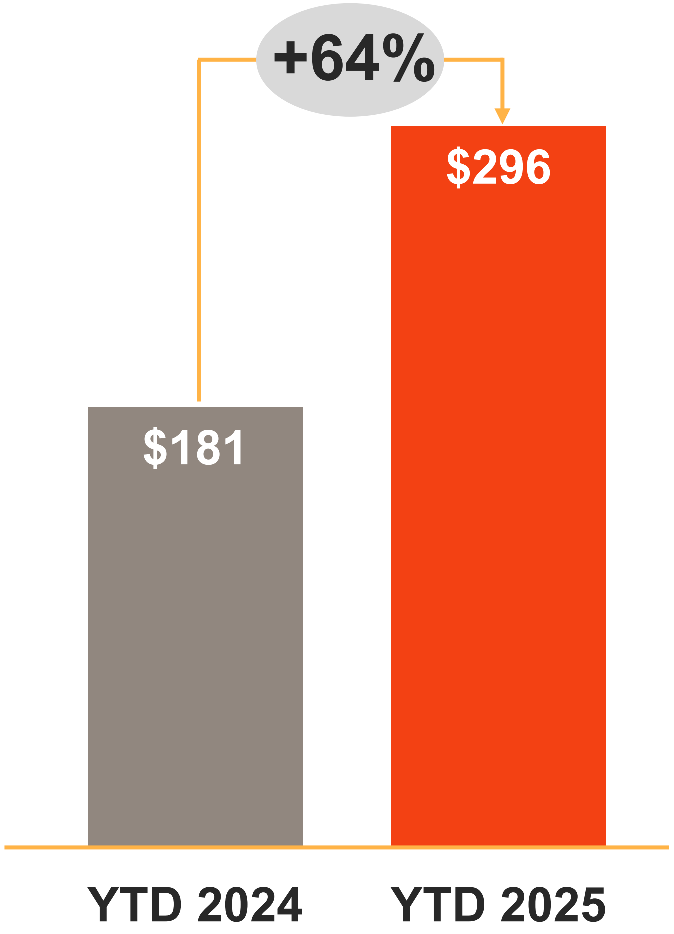
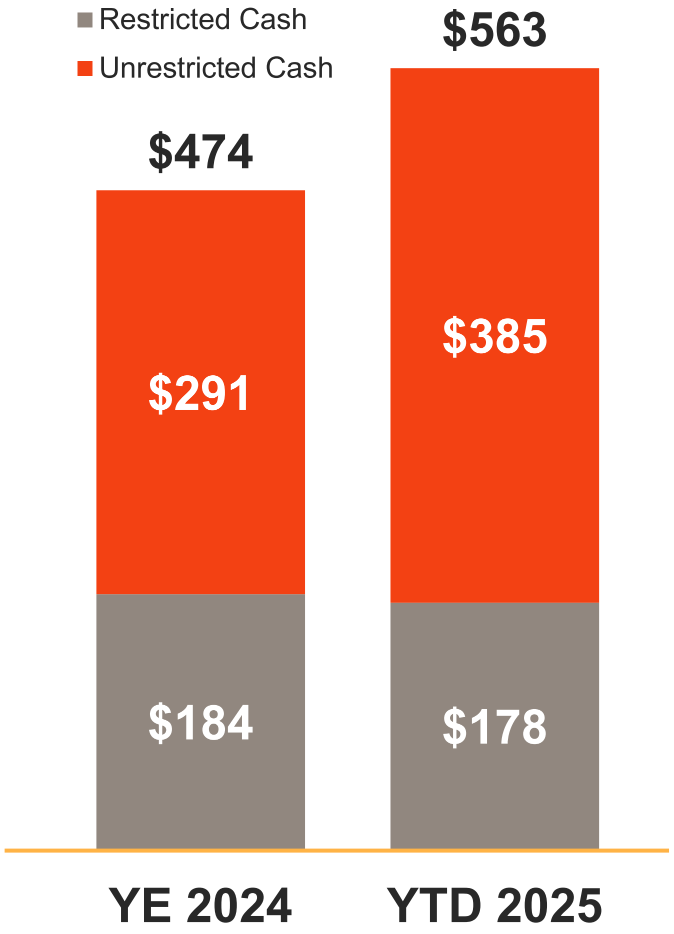
Strong Free Cash Flow* & Financial Position

Free Cash Flow*



Cash Position



Key Highlights

- FCF increased 64%
- Repurchased $215M shares YTD through October
- YTD FCF conversion of 60% vs. 46% in prior year period

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Q4 2025 Outlook

Revenue	Adjusted EBITDA*
$415M - $425M	$50M - $55M

Refer to "Non-GAAP Financial Measures" in this presentation for a description of this measure. A reconciliation of our forward-looking Adjusted EBITDA outlook to net income cannot be provided without unreasonable effort because of the inherent difficulty of accurately forecasting the occurrence and financial impact of the various adjusting items necessary for such reconciliation that have not yet occurred, are out of our control, or cannot be reasonably predicted. For the same reasons, the company is unable to assess the probable significance of the unavailable information, which could have a material impact on its future GAAP financial results.

Full-Year 2025 Outlook

Metric	2024 Actuals	Prior 2025 Outlook	Revised 2025 Outlook
Revenue	$1.8 billion	$2.055 - $2.075 billion	$2.075 - $2.085 billion
Gross Profit Margin	54%	55% - 56%	~55.5%
SG&A	$612 million	$660 - $670 million	$670 - $675 million
Adjusted EBITDA*	$443 million	$530 - $550 million	$545 - $550 million
Capital Expenditures	$39 million	~$35 million	~$30 million
Annual Effective Tax Rate	25%	~24%	~25%

Revenue Drivers vs. Prior Year

- ~3% increase in realized price, ~10% increase in realized volume
  - ~10% increase in renewals
  - ~12% increase in RE
  - ~3% increase in DTC
  - ~$75M increase in other revenue

Refer to "Non-GAAP Financial Measures" in this presentation for a description of this measure. A reconciliation of our forward-looking Adjusted EBITDA outlook to net income cannot be provided without unreasonable effort because of the inherent difficulty of accurately forecasting the occurrence and financial impact of the various adjusting items necessary for such reconciliation that have not yet occurred, are out of our control, or cannot be reasonably predicted. For the same reasons, the company is unable to assess the probable significance of the unavailable information, which could have a material impact on its future GAAP financial results.

Frontdoor Is Delivering

Outstanding operational execution

Record financial performance

Hyper-focused on growth

Questions?

Appendix

Q3 2025 Consolidated Results

*This financial measure is a non-GAAP financial measure. Refer to "Non-GAAP Financial Measures" in this presentation for a description of this measure and the Appendix for a reconciliation to the nearest GAAP financial measure.

$ millions, except per share amounts	**Three Months Ended September 30,**		
	2025	**2024**	**Better /(Worse)**
Revenue	$ 618	$ 540	$ 77
YOY Growth			*14%*
Gross Profit	353	306	48
Gross Profit Margin	*57%*	*57%*	*60 bps*
Selling and administrative expenses	174	154	(20)
Depreciation and amortization expense	22	10	(12)
Restructuring charges	1	3	3
Interest expense	20	10	(10)
Interest and net investment income	(6)	(5)	1
Income before Income Taxes	142	134	8
Provision for income taxes	37	34	(3)
Net Income	$ 106	$ 100	$ 5
Net Income Margin	*17%*	*19%*	*-150 bps*
Other comprehensive income, net of tax	(1)	(4)	3
Total Comprehensive Income	$ 105	$ 97	$ 8
Earnings Per Share:			
Basic	$ 1.45	$ 1.32	$ 0.13
Diluted	$ 1.42	$ 1.30	$ 0.12
Weighted average common shares outstanding:			
Basic	72.8	76.2	3.4
Diluted	74.4	77.1	2.7
Adjusted EBITDA*	**$ 195**	**$ 165**	**$ 30**
Adjusted EBTIDA Margin*	*32%*	*31%*	*100 bps*

YTD 2025 Consolidated Results

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$ millions, except per share amounts	**Nine Months Ended September 30,**		
	2025	**2024**	**Better /(Worse)**
Revenue	$ 1,660	$ 1,461	$ 200
YOY Growth			*14%*
Gross Profit	944	806	138
Gross Profit Margin	*56.9%*	*55.2%*	*170 bps*
Selling and administrative expenses	498	456	(41)
% of revenue	*30%*	*31%*	*-130 bps*
Depreciation and amortization expense	66	28	(38)
Restructuring charges	1	5	3
Interest expense	59	29	(30)
Interest and net investment income	(16)	(15)	1
Income before Income Taxes	336	303	34
Provision for income taxes	83	77	(6)
Net Income	$ 253	$ 226	$ 27
Other comprehensive income, net of tax	(13)	(3)	(10)
Total Comprehensive Income	$ 240	$ 223	$ 17
Earnings Per Share:			
Basic	$ 3.44	$ 2.92	$ 0.52
Diluted	$ 3.38	$ 2.90	$ 0.48
Weighted average common shares outstanding:			
Basic	73.6	77.4	3.8
Diluted	75.0	78.0	3.0
Adjusted EBITDA*	**$ 494**	**$ 394**	**$ 100**

Net Income to Adjusted EBITDA Reconciliation

($ millions)	Three Months Ended September 30, 2025		Three Months Ended September 30, 2024		Nine Months Ended September 30, 2025		Nine Months Ended September 30, 2024	
Net Income	$	106	$	100	$	253	$	226
Depreciation and amortization expense		22	$	10	$	66	$	28
Restructuring charges		1	$	3	$	1	$	5
Interest expense		20		10		59		29
Non-cash stock-based compensation expense		8		6		25		20
Acquisition and integration related costs		2	$	3	$	6	$	9
Other		—		—		1		—
Provision for income taxes		37	$	34	$	83	$	77
Adjusted EBITDA*	**$**	**195**	**$**	**165**	**$**	**494**	**$**	**394**

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Net Income to Adjusted Net Income Reconciliation

($ millions)	Three Months Ended September 30, 2025		Three Months Ended September 30, 2024	
Net Income	$	106	$	100
Amortization expense		13		1
Acquisition-related costs		2		3
Restructuring charges		1		3
Tax Impact of adjustments		(3)		(1)
Adjusted Net Income*	$	117	$	106
Adjusted Earnings per Share*				
Diluted	$	1.58	$	1.38
Weighted-average Common Shares				
Diluted		74.4		77.1

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Net Cash Provided from Operating Activities to Free Cash Flow Reconciliations

($ millions)	Three Months Ended September 30, 2025	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024
Net Cash Provided from Operating Activities	$ 65	$ 25	$ 315	$ 212
Property additions	(5)	(9)	(20)	(31)
Free Cash Flow*	**$ 59**	**$ 16**	**$ 296**	**$ 181**

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