

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 28, 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 Number: 0-19357



Monro, Inc.

(Exact name of registrant as specified in its charter)

New York

(State or other jurisdiction of
incorporation or organization)

16-0838627

(I.R.S. Employer
Identification No.)

295 Woodcliff Drive, Suite 202

Fairport, New York

(Address of principal executive offices)

14450

(Zip code)

Registrant's telephone number, including area code: **1 (800) 876-6676**

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 per share	MNRO	The Nasdaq Stock 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, 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 July 19, 2025, 29,978,942 shares of the registrant's common stock, \$0.01 par value per share, were outstanding.

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CONSOLIDATED FINANCIAL STATEMENTS
PART I - FINANCIAL INFORMATION

Item 1. Financial Statements**Consolidated Balance Sheets**

(thousands, except footnotes) (unaudited)	June 28, 2025	March 29, 2025
Assets		
Current assets		
Cash and equivalents	\$ 7,801	\$ 20,762
Accounts receivable	12,010	11,752
Federal and state income taxes receivable	3,964	3,992
Inventory	171,885	181,467
Other current assets	59,142	59,426
Total current assets	254,802	277,399
Property and equipment, net	242,116	258,949
Finance lease and financing obligation assets, net	152,693	159,794
Operating lease assets, net	179,117	181,587
Goodwill	736,435	736,435
Intangible assets, net	9,710	10,390
Assets held for sale	13,043	—
Other non-current assets	17,144	17,269
Total assets	\$ 1,605,060	\$ 1,641,823
Liabilities and shareholders' equity		
Current liabilities		
Current portion of finance leases and financing obligations	\$ 38,778	\$ 39,739
Current portion of operating lease liabilities	40,483	40,061
Accounts payable	301,373	322,642
Accrued payroll, payroll taxes and other payroll benefits	14,385	23,599
Accrued insurance	57,325	52,822
Deferred revenue	14,406	14,696
Other current liabilities	39,213	30,731
Total current liabilities	505,963	524,290
Long-term debt	71,546	61,250
Long-term finance leases and financing obligations	210,115	220,783
Long-term operating lease liabilities	163,956	167,523
Long-term deferred income tax liabilities	34,878	37,111
Other long-term liabilities	13,711	10,105
Total liabilities	1,000,169	1,021,062
Commitments and contingencies - Note 9		
Shareholders' equity:		
Class C convertible preferred stock	29	29
Common stock	401	401
Treasury stock	(250,111)	(250,111)
Additional paid-in capital	259,655	258,804
Accumulated other comprehensive loss	(3,412)	(3,421)
Retained earnings	598,329	615,059
Total shareholders' equity	604,891	620,761
Total liabilities and shareholders' equity	\$ 1,605,060	\$ 1,641,823

Class C convertible preferred stock Authorized 150,000 shares, \$1.50 par value, one preferred stock share to 61.275 common stock shares conversion value, 19,664 shares issued and outstanding as of June 28, 2025 and March 29, 2025

Common stock Authorized 65,000,000 shares, \$0.01 par value; 40,083,630 shares issued as of June 28, 2025 and 40,067,600 shares issued as of March 29, 2025

Treasury stock 10,104,688 shares as of June 28, 2025 and March 29, 2025, at cost

See accompanying [Notes to Consolidated Financial Statements](#).

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CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statements of (Loss) Income and Comprehensive (Loss) Income

(thousands, except per share data) (unaudited)	Three Months Ended			
		June 28, 2025		June 29, 2024
Sales	\$	301,035	\$	293,182
Cost of sales, including occupancy costs		194,129		183,997
Gross profit		106,906		109,185
Operating, selling, general and administrative expenses		112,981		95,939
Operating (loss) income		(6,075)		13,246
Interest expense, net of interest income		4,784		5,144
Other income, net		(158)		(93)
(Loss) income before income taxes		(10,701)		8,195
(Benefit from) provision for income taxes		(2,651)		2,332
Net (loss) income	\$	(8,050)	\$	5,863
Other comprehensive income				
Changes in pension, net of tax		9		34
Other comprehensive income		9		34
Comprehensive (loss) income	\$	(8,041)	\$	5,897
(Loss) earnings per share				
Basic	\$	(0.28)	\$	0.19
Diluted	\$	(0.28)	\$	0.19
Weighted average common shares outstanding				
Basic		29,967		29,916
Diluted		29,967		31,219

See accompanying [Notes to Consolidated Financial Statements](#).

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CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statements of Changes in Shareholders' Equity

(thousands) (unaudited)	Class C Convertible Preferred Stock		Common Stock		Treasury Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Retained Earnings	Total Equity
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance at March 30, 2024	20	\$ 29	40,017	\$ 400	10,105	\$ (250,115)	\$ 254,484	\$ (3,451)	\$ 655,428	\$ 656,775
Net income									5,863	5,863
Other comprehensive income										
Pension liability adjustment								34		34
Dividends declared										
Preferred									(337)	(337)
Common									(8,377)	(8,377)
Dividend payable									(96)	(96)
Stock options and restricted stock			9			4	(109)			(105)
Stock-based compensation							664			664
Balance at June 29, 2024	20	\$ 29	40,026	\$ 400	10,105	\$ (250,111)	\$ 255,039	\$ (3,417)	\$ 652,481	\$ 654,421
Balance at March 29, 2025	20	\$ 29	40,068	\$ 401	10,105	\$ (250,111)	\$ 258,804	\$ (3,421)	\$ 615,059	\$ 620,761
Net loss									(8,050)	(8,050)
Other comprehensive income										
Pension liability adjustment								9		9
Dividends declared										
Preferred									(337)	(337)
Common									(8,391)	(8,391)
Dividend payable									48	48
Stock options and restricted stock			16				(133)			(133)
Stock-based compensation							984			984
Balance at June 28, 2025	20	\$ 29	40,084	\$ 401	10,105	\$ (250,111)	\$ 259,655	\$ (3,412)	\$ 598,329	\$ 604,891

We declared \$0.28 dividends per common share or equivalent for each of the three months ended June 28, 2025 and June 29, 2024.

See accompanying [Notes to Consolidated Financial Statements](#)

Consolidated Statements of Cash Flows

(thousands) (unaudited)	Three Months Ended	
	June 28, 2025	June 29, 2024
Operating activities		
Net (loss) income	\$ (8,050)	\$ 5,863
Adjustments to reconcile net (loss) income to cash (used for) provided by operating activities:		
Depreciation and amortization	15,591	17,742
Share-based compensation expense	984	664
Loss on disposal of assets	1,476	319
Impairment of long-lived assets	—	520
Deferred income tax expense	(2,651)	1,621
Change in operating assets and liabilities		
Accounts receivable	(258)	(316)
Inventory	7,420	(8,083)
Other current assets	(3,190)	(8,344)
Other non-current assets	9,654	10,053
Accounts payable	(21,269)	26,963
Accrued expenses	4,339	(12,166)
Other long-term liabilities	(5,985)	(9,198)
Cash (used for) provided by operating activities	(1,939)	25,638
Investing activities		
Capital expenditures	(7,400)	(8,882)
Deferred proceeds received from divestiture	3,474	4,369
Proceeds from the disposal of assets	1,560	281
Cash used for investing activities	(2,366)	(4,232)
Financing activities		
Proceeds from borrowings on long-term debt, net principal payments	10,296	10,000
Principal payments on finance leases and financing obligations	(9,760)	(9,918)
Dividends paid	(8,728)	(8,714)
Deferred financing costs	(464)	(670)
Cash used for financing activities	(8,656)	(9,302)
(Decrease) increase in cash and equivalents	(12,961)	12,104
Cash and equivalents at beginning of period	20,762	6,561
Cash and equivalents at end of period	\$ 7,801	\$ 18,665
Supplemental information		
Leased assets (reduced) obtained in exchange for (reduced) new finance lease liabilities	\$ (471)	\$ 9,382
Leased assets obtained in exchange for new operating lease liabilities	\$ 6,341	\$ 7,520

See accompanying [Notes to Consolidated Financial Statements](#).

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Note 1 – Description of Business and Basis of Presentation**Description of business**

Monro, Inc. and its direct and indirect subsidiaries (together, “Monro”, the “Company”, “we”, “us”, or “our”), are engaged principally in providing automotive undercar repair and tire replacement sales and tire related services in the United States. Monro had 1,115 Company-operated retail stores located in 32 states and 47 Car-X franchised locations as of June 28, 2025.

A certain number of our retail locations also service commercial customers. Our locations that serve commercial customers generally operate consistently with our other retail locations, except that the sales mix for these locations includes a higher number of commercial tires.

Monro’s operations are organized and managed as one single segment designed to offer to our customers replacement tires and tire related services, automotive undercar repair services as well as a broad range of routine maintenance services, primarily on passenger cars, light trucks and vans. We also provide other products and services for brakes; mufflers and exhaust systems; and steering, drive train, suspension and wheel alignment.

Basis of presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission (“SEC”) applicable to interim financial statements. While these statements reflect all adjustments (consisting of items of a normal recurring nature) that are, in the opinion of management, necessary for a fair statement of the results of the interim period, they do not include all of the information and footnotes required by United States generally accepted accounting principles (“GAAP”) for complete financial statement presentation. The consolidated financial statements should be read in conjunction with the financial statement disclosures in our [Form 10-K](#) for the fiscal year ended March 29, 2025.

We use the same significant accounting policies in preparing quarterly and annual financial statements. For a description of our significant accounting policies followed in the preparation of the financial statements, see [Note 1](#) of our [Form 10-K](#) for the fiscal year ended March 29, 2025.

Due to the seasonal nature of our business, quarterly operating results and cash flows are not necessarily indicative of the results that may be expected for other interim periods or the full year.

Fiscal year

We operate on a 52/53 week fiscal year ending on the last Saturday in March. Fiscal years 2026 and 2025 each cover 52 weeks. Unless specifically indicated otherwise, any references to “2026” or “fiscal 2026” and “2025” or “fiscal 2025” relate to the years ending March 28, 2026 and March 29, 2025, respectively.

Recent accounting pronouncements

In December 2023, the FASB issued new accounting guidance ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*, which requires income tax disclosure updates, primarily by requiring specific categories and greater disaggregation within the rate reconciliation and disaggregation of income taxes paid by jurisdiction. This guidance is effective for fiscal years beginning after December 15, 2024. We are required to adopt these disclosures for our annual reporting period ending March 28, 2026, and believe that the adoption will result in additional disclosures with no material impact to our consolidated financial statements.

In November 2024, the FASB issued new accounting guidance, ASU 2024-03, *Income Statement – Reporting Comprehensive Income – Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*, which requires disclosures about specific expense categories, including but not limited to, purchases of inventory, employee compensation, depreciation, amortization and operating, selling, general and administrative expenses. The guidance is effective for annual reporting periods beginning after December 15, 2026, and for interim periods within fiscal years beginning after December 15, 2027. We are currently evaluating the impact of adopting this guidance.

Other recent authoritative guidance issued by the FASB (including technical corrections to the Accounting Standards Codification (“ASC”)) and the SEC did not or are not expected to have a material effect on our consolidated financial statements.

Supplemental information

Property and equipment, net: Property and equipment balances are shown on the Consolidated Balance Sheets net of accumulated depreciation of \$417.7 million and \$434.3 million as of June 28, 2025 and March 29, 2025, respectively.

Store Closings

On May 23, 2025, following an evaluation of market segmentation and demographic data specific to geographic areas where our stores are located, our Board of Directors approved a plan to close 145 underperforming stores that we identified to have failed to maintain an acceptable level of profitability (the “Store Closure Plan”). These stores were closed during the first quarter of fiscal 2026. As a result of the store closures, we recorded \$14.8 million in net store closing costs during the three months ended June 28, 2025. These costs are included in operating, selling, general and administrative expenses and represent expected costs to be incurred related to the vacating of stores, utilities, real estate taxes, maintenance, other on-going costs related to the properties, and the disposal of inventory and other store assets, net of gains on early lease terminations and sales of owned locations. As of June 28, 2025, the Company has a remaining liability of \$10.4 million, representing such costs to be settled in future periods, with \$6.5 million and \$3.9 million included within Other current liabilities and Other long-term liabilities in our Consolidated Balance Sheets, respectively. We expect these costs to be settled within the next one to five years.

Assets held for sale

We classify long-lived assets to be sold as held for sale in the period in which all of the required criteria are met. We initially measure a long-lived asset that is classified as held for sale at the lower of its carrying value or fair value less any costs to sell. Any loss resulting from this measurement is recognized in the period in which the held-for-sale criteria are met. Conversely, gains are not recognized on the sale of a long-lived asset until the date of sale. Upon determining that a long-lived asset meets the criteria to be classified as held for sale, we cease depreciation and report long-lived assets, if material, as Assets held for sale in our Consolidated Balance Sheets.

We completed the closure of 145 underperforming stores under the Store Closure Plan during the first quarter of fiscal 2026. We determined that \$13.0 million of building, land and certain equipment met the criteria to be classified as held for sale as of June 28, 2025.

Note 2 – Divestiture

On June 17, 2022, we completed the divestiture of assets relating to our wholesale tire operations (seven locations) and internal tire distribution operations to American Tire Distributors, Inc. (“ATD”). We received \$62 million from ATD at the closing of the transaction, of which \$5 million was held in escrow and subsequently paid in December 2023. The remaining \$40 million (“Earnout”) of the total consideration of \$102 million was paid quarterly over the past three years, based on our tire purchases from or through ATD pursuant to a distribution and fulfillment agreement with ATD. All amounts were fully collected as of June 28, 2025.

Under a distribution agreement between us and ATD, ATD agreed to supply and sell tires to retail locations we own. Our company-owned retail stores will be required to purchase at least 90 percent of their forecasted requirements for certain passenger car tires, light truck replacement tires, and medium truck tires from or through ATD. Any tires that ATD is unable to supply or fulfill from those categories will be excluded from the calculation of our requirements for tires. The initial term of the distribution agreement will expire January 1, 2030, with automatic 12-month renewal periods thereafter.

Note 3 – (Loss) Earnings per Common Share

Basic (loss) earnings per common share amounts are calculated by dividing income available to common shareholders, after deducting preferred stock dividends, by the weighted average number of shares of common stock outstanding. Diluted (loss) earnings per common share amounts are calculated by dividing net income by the weighted average number of shares of common stock outstanding adjusted to give effect to potentially dilutive securities.

(Loss) Earnings per Common Share (thousands, except per share data)	Three Months Ended	
	June 28, 2025	June 29, 2024
Numerator for (loss) earnings per common share calculation:		
Net (loss) income	\$ (8,050)	\$ 5,863
Less: Preferred stock dividends	(337)	(337)
(Loss) income available to common shareholders	\$ (8,387)	\$ 5,526
Denominator for (loss) earnings per common share calculation:		
Weighted average common shares - basic	29,967	29,916
Effect of dilutive securities:		
Preferred stock	—	1,205
Stock options	—	—
Restricted stock	—	98
Weighted average common shares - diluted	29,967	31,219
Basic (loss) earnings per common share	\$ (0.28)	\$ 0.19
Diluted (loss) earnings per common share	\$ (0.28)	\$ 0.19

Diluted (loss) earnings per share includes the potential dilutive effect of common stock equivalents as if such securities were converted or exercised during the period when the effect is dilutive. Because the impact of these items is generally anti-dilutive during periods of net loss, there is no difference between basic and diluted loss per common share for periods with net losses.

Weighted average common share equivalents that have an anti-dilutive impact are excluded from the computation of diluted (loss) earnings per common share.

Note 4 – Income Taxes

For the three months ended June 28, 2025, our effective income tax rate was 24.8 percent, compared to 28.5 percent for the three months ended June 29, 2024. The difference from the statutory rate is primarily due to state taxes and the discrete tax impact related to share-based awards.

On July 4, 2025, President Donald J. Trump signed into law the “H.R.1: One Big Beautiful Bill Act” (OBBBA). The OBBBA contains a broad range of tax reform provisions with various effective dates affecting business taxpayers, and we continue to assess its impact. We currently do not expect the OBBBA to have a material impact on our consolidated financial statements.

Note 5 – Fair Value

Long-term debt had a carrying amount that approximates a fair value of \$71.5 million as of June 28, 2025, as compared to a carrying amount and a fair value of \$61.3 million as of March 29, 2025. The carrying value of our debt approximated its fair value due to the variable interest nature of the debt.

Note 6 – Cash Dividend

We paid dividends of \$8.7 million during the three months ended June 28, 2025. The declaration of future dividends will be at the discretion of the Board of Directors and will depend on our financial condition, results of operations, capital requirements, compliance with charter and contractual restrictions, and such other factors as the Board of Directors deems relevant. Our Credit Facility contains covenants that may limit, subject to certain exemptions, our ability to declare dividends and other distributions. For additional information regarding our Credit Facility, see [Note 8](#).

Note 7 – Revenues

Automotive undercar repair, tire replacement sales and tire related services represent the vast majority of our revenues. We also earn revenue from the sale of tire road hazard warranty agreements, commissions earned from the delivery of tires on behalf of certain tire vendors, as well as franchise royalties.

Revenue from automotive undercar repair, tire replacement sales and tire related services is recognized at the time the customers take possession of their vehicle or merchandise. For sales to certain customers that are financed through the offering of credit on account, payment terms are established for customers based on our pre-established credit requirements. Payment terms may vary depending on the customer and generally are 30 days. Based on the nature of receivables, no significant financing components exist. Sales are recorded net of discounts, sales incentives and rebates, sales taxes and estimated returns and allowances. We estimate the reduction to sales and cost of sales for returns based on current sales levels and our historical return experience. Such amounts are immaterial to our consolidated financial statements.

Revenues (thousands)	Three Months Ended			
	June 28, 2025		June 29, 2024	
Tires ^(a)	\$	138,396	\$	135,413
Maintenance		82,928		83,060
Brakes		44,469		41,237
Steering		26,741		24,859
Batteries		4,206		3,802
Exhaust		3,906		4,387
Franchise royalties		389		424
Total	\$	301,035	\$	293,182

(a) Includes the sale of tire road hazard warranty agreements and tire delivery commissions.

Revenue from the sale of tire road hazard warranty agreements is initially deferred and is recognized over the contract period as costs are expected to be incurred in performing such services, typically 21 to 36 months. The deferred revenue balances at June 28, 2025 and March 29, 2025 were \$20.6 million and \$21.0 million, respectively, of which \$14.4 million and \$14.7 million, respectively, are reported in Deferred revenue and \$6.2 million and \$6.3 million, respectively, are reported in Other long-term liabilities in our Consolidated Balance Sheets.

Changes in Deferred Revenue (thousands)	
Balance at March 29, 2025	\$ 21,048
Deferral of revenue	4,848
Recognition of revenue	(5,334)
Balance at June 28, 2025	\$ 20,562

As of June 28, 2025, we expect to recognize \$11.9 million of deferred revenue related to road hazard warranty agreements in the remainder of fiscal 2026, \$6.9 million of deferred revenue during our fiscal year ending March 27, 2027, and \$1.8 million of deferred revenue thereafter.

Under various arrangements, we receive from certain tire vendors a delivery commission and reimbursement for the cost of the tire that we may deliver to customers on behalf of the tire vendor. The commission we earn from these transactions is as an agent and the net amount retained is recorded as sales.

Note 8 – Long-term Debt*Credit Facility*

In April 2019, we entered into a five-year \$600 million revolving credit facility agreement with eight banks (the “Credit Facility”) that includes an accordion feature permitting us to request an increase in availability of up to an additional \$250 million. In November 2022, we entered into a Third Amendment to the Credit Facility (the “Third Amendment”). The Third Amendment, among other things, extended the term of the Credit Facility to November 10, 2027, and amended certain of the financial terms in the Credit Facility. The Third Amendment amended the interest rate charged on borrowings to be based on 0.10 percent over the Secured Overnight Financing Rate (“SOFR”), replacing the previously used LIBOR. In addition, one additional bank was added to the bank syndicate for a total of nine banks now within the syndicate. Under the Third Amendment, we were required to maintain an interest coverage ratio, as defined in the Credit Facility, of at least 1.55 to 1. In addition, our ratio of adjusted debt to EBITDAR, as defined in the Credit Facility, cannot exceed 4.75 to 1, subject to certain exceptions under the Credit Facility. These terms are modified during the “Extended Covenant Relief Period,” described below.

On May 23, 2024, we entered into a Fourth Amendment to the Credit Facility (the “Fourth Amendment”). Among other changes, the Fourth Amendment modified the definition of “EBITDAR” to permit add-backs relating to expenses, and restrict add-backs related to gains, associated with store closures of (a) all non-cash items and (b) cash items up to 20% of EBITDA from the first quarter of fiscal 2025 through the fourth quarter of fiscal 2026 and up to 15% of EBITDA from the first quarter of fiscal 2027 and thereafter.

See [Note 6](#) of our [Form 10-K](#) for the fiscal year ended March 29, 2025 for additional information.

On May 23, 2025, we entered into an amendment (the “Fifth Amendment”) to our Credit Facility. The Fifth Amendment amends the terms of certain of the financial and restrictive covenants in the Credit Facility to provide us with additional flexibility to operate our business from the first quarter of fiscal 2026 through the first quarter of fiscal 2027 (the “Extended Covenant Relief Period”). We may voluntarily exit the Extended Covenant Relief Period at any time, which would revert the terms of the Credit Facility to the terms existing before the Fourth Amendment, with the exception of the modified definition of “EBITDAR,” described below.

During the Extended Covenant Relief Period, the minimum interest coverage ratio will be reduced from 1.55x to 1.00x to: (a) 1.15x to 1.00x from the first quarter of fiscal 2026 through the third quarter of fiscal 2026; (b) 1.25x to 1.00x from the fourth quarter of fiscal 2026 through the first quarter of fiscal 2027; and (c) 1.55x to 1.00x for the second quarter of fiscal 2027 and thereafter. During the Extended Covenant Relief Period, the maximum ratio of adjusted debt to EBITDAR remains at 4.75x to 1.00x, except that, if we completed a qualified acquisition during the Extended Covenant Relief Period, the maximum ratio would increase to 5.00x to 1.00x for a certain 12-month period after the qualified acquisition. In addition to the Fourth Amendment modifications, the Fifth Amendment further modifies the definition of “EBITDAR” to permit add-backs relating to non-cash impairment and other expenses, with the restriction for add-backs of certain cash expense items up to 20% of EBITDA from the first quarter of fiscal 2026 through the fourth quarter of fiscal 2026 and up to 15% of EBITDA from the first quarter of fiscal 2027 and thereafter.

During the Extended Covenant Relief Period, the interest rate spread charged on borrowings is 225 basis points.

During the Extended Covenant Relief Period, the restrictions on our ability to declare dividends were modified to reduce the cushion inside the threshold required for us to be able to declare dividends without restriction from 0.50x to 0.25x. In addition, during the Extended Covenant Relief Period, we must have minimum liquidity of at least \$300 million to declare dividends. We are prohibited from repurchasing our securities during the Extended Covenant Relief Period if there are outstanding amounts under the Credit Facility immediately before or after giving effect to the repurchase. During the Extended Covenant Relief Period, we may acquire stores or other businesses as long as we have minimum liquidity of at least \$300 million after completing the acquisition.

In addition, the Fifth Amendment permanently reduces the Credit Facility from \$600 million to \$500 million.

Except as amended by the First Amendment, Second Amendment, Third Amendment, Fourth Amendment and Fifth Amendment, the remaining terms of the Credit Facility remain in full force and effect.

We were in compliance with all debt covenants at June 28, 2025.

Within the Credit Facility, we have a sub-facility of \$80 million available for the purpose of issuing standby letters of credit. The sub-facility requires fees aggregating 87.5 to 212.5 basis points annually of the face amount of each standby letter of credit, payable quarterly in arrears. There was a \$30.1 million outstanding letter of credit at June 28, 2025.

There was \$71.5 million outstanding and \$398.4 million available under the Credit Facility at June 28, 2025, subject to compliance with our covenants.

Note 9 – Commitments and Contingencies

Commitments

Commitments Due by Period (thousands)	Total	Within 1 Year	Within 2 to 3 Years	Within 4 to 5 Years	After 5 Years
Principal payments on long-term debt	\$ 71,546	—	\$ 71,546	—	—
Finance lease commitments/financing obligations ^(a)	300,668	\$ 48,752	88,548	\$ 63,353	\$ 100,015
Operating lease commitments ^(a)	238,009	48,120	80,856	49,634	59,399
Total	\$ 610,223	\$ 96,872	\$ 240,950	\$ 112,987	\$ 159,414

(a) Finance and operating lease commitments represent future undiscounted lease payments and include \$53.3 million and \$32.4 million, respectively, related to options to extend lease terms that are reasonably certain of being exercised.

Contingencies

We are currently a party to various claims and legal proceedings incidental to the conduct of our business. If management believes that a loss arising from any of these matters is probable and can reasonably be estimated, we will record the amount of the loss, or the minimum estimated liability when the loss is estimated using a range, and no point within the range is more probable than another.

As additional information becomes available, any potential liability related to these matters is assessed and the estimates are revised, if necessary. Litigation is subject to inherent uncertainties, and unfavorable rulings could occur and may include monetary damages. If an unfavorable ruling were to occur, there exists the possibility of a material adverse impact on the financial position and results of operations of the period in which any such ruling occurs, or in future periods.

Note 10 – Supplier Finance Program

We facilitate a voluntary supply chain financing program to provide our suppliers with the opportunity to sell receivables due from us (our accounts payable) to a participating financial institution subject to the independent discretion of both the supplier and the participating financial institution. Should a supplier choose to participate in the program, it may receive payment from the financial institution in advance of agreed payment terms; our responsibility is limited to making payments to the respective financial institution on the terms originally negotiated with our supplier, which are generally for a term of up to 360 days.

Our outstanding supplier obligations eligible for advance payment under the program totaled \$231.7 million, \$245.5 million, and \$195.6 million as of June 28, 2025, March 29, 2025, and June 29, 2024, respectively, and are included within Accounts Payable on our Consolidated Balance Sheets. Our outstanding supplier obligations do not represent actual receivables sold by our suppliers to the financial institutions, which may be lower.

Note 11 – Equity Capital Structure Reclassification

On May 12, 2023, we entered into a reclassification agreement (the “Reclassification Agreement”) with the holders (the “Class C Holders”) of our Class C Convertible Preferred Stock (the “Class C Preferred Stock”) to reclassify our equity capital structure to eliminate the Class C Preferred Stock.

Under the Reclassification Agreement, after receiving shareholder approval on August 15, 2023, we filed amendments to our certificate of incorporation (the “Certificate of Incorporation”) to create a mandatory conversion of any outstanding shares of Class C Preferred Stock prior to an agreed sunset date of the earliest of (i) August 15, 2026; (ii) the first business day immediately prior to the record date established for the determination of the shareholders of the Company entitled to vote at the Company’s 2026 annual meeting of shareholders; and (iii) the date on which the Class C Holders, in the aggregate, cease to beneficially own at least 50% of all shares of the Class C Preferred Stock issued and outstanding as of May 12, 2023. In exchange for this sunset of the Class C Preferred Stock, the conversion rate of Class C Preferred Stock was adjusted so that each share of Class C Preferred Stock will convert into 61.275 shares of common stock (the “adjusted conversion rate”), an increase from the prior conversion rate of 23.389 shares of common stock for each share of Class C Preferred Stock under the Certificate of Incorporation.

At the end of the sunset period, all shares of Class C Preferred Stock remaining outstanding will be automatically converted into shares of common stock at the adjusted conversion rate. In addition, the liquidation preference for the Class C Preferred Stock was amended to provide that, upon a liquidation event, each holder of Class C Preferred Stock would be entitled to receive, for each share of Class C Preferred Stock held by the holder upon a liquidation, dissolution, or winding up of the affairs of the Company, an amount equal to the greater of \$1.50 per share and the amount the holder would have received had each share of Class C Preferred Stock been converted to shares of common stock immediately prior to the liquidation, dissolution, or winding up. There was no Class C Preferred Stock converted during the quarter ended June 28, 2025 or fiscal 2025. The Reclassification Agreement also provides that, during the sunset period, the Class C Holders will have the right to appoint one member of the Board of Directors. This designee is expected to be Peter J. Solomon, who is one of the Company's current directors and one of the Class C Holders.

We have determined the amendments to the Class C Preferred Stock, because of the Reclassification Agreement, should be accounted for as a modification.

Note 12 – Segment Reporting

The Company has a single reportable operating segment “Monro, Inc.” The accounting policies of the operating segment are the same as those described in [Note 1](#) of our [Form 10-K](#). The Company's chief operating decision maker (“CODM”) is the Chief Executive Officer, who regularly reviews financial information presented on a consolidated basis for purposes of allocating resources and evaluating financial performance for the Company's single reportable segment. The CODM primarily focuses on consolidated net income to evaluate its reportable segment. The CODM also uses consolidated net income for evaluating pricing strategy and to assess the performance for determining the compensation of certain employees. All segment expenses reviewed, which represent the difference between segment revenue and segment net income, consisted of the following:

Segment Reporting (thousands)	June 28, 2025	June 29, 2024
Sales	\$ 301,035	\$ 293,182
Less:		
Cost of sales, including occupancy costs	181,090	169,202
Operating, selling, general and administrative expenses	110,429	92,992
Depreciation and amortization expense	15,591	17,742
Interest expense, net	4,784	5,144
Other segment items ^(a)	(158)	(93)
(Benefit from) provision for income taxes	(2,651)	2,332
Net (loss) income	\$ (8,050)	\$ 5,863

(a) Other segment items consist of other income, net, included in the accompanying Consolidated Statements of (Loss) Income and Comprehensive (Loss) Income

As of June 28, 2025 and June 29, 2024, assets held in the U.S. accounted for 100% of total assets.

There were no major customers individually accounting for 10% or more of consolidated net revenues.

Note 13 – Related Parties and Transactions

The Board of Directors of the Company appointed Peter D. Fitzsimmons to serve as the President and Chief Executive Officer as of March 28, 2025. Mr. Fitzsimmons has served as a partner and managing director of AlixPartners, LLP (“AlixPartners”). In connection with Mr. Fitzsimmons' appointment, the Company entered into a consulting agreement with AP Services, LLC (“APS”), an affiliate of AlixPartners, pursuant to which APS will provide for Mr. Fitzsimmons to serve as the Company's Chief Executive Officer and for the additional resources of APS personnel as required.

On March 28, 2025, the Company also entered into a consulting agreement with AlixPartners pursuant to which AlixPartners will assess the Company's operations to develop a plan to improve the Company's financial performance. On May 30, 2025, the Company amended its consulting agreement with AlixPartners, pursuant to which AlixPartners will provide services to implement the plan developed from its detailed assessment of the Company (the “Operational Improvement Plan”). Such services include the previously disclosed Store Closure Plan, improving customer experience and the Company's selling effectiveness, driving profitable customer acquisition and activation, and increasing merchandising productivity, including mitigating tariff risk.

The Company incurred total expenses related to AlixPartners and APS of \$5.4 million during the three months ended June 28, 2025, of which \$3.2 million is within Other current liabilities in our Consolidated Balance Sheets at June 28, 2025.

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

On May 23, 2025, we entered into an amendment (the "Fifth Amendment") to our Credit Facility, which, among other things, amends the terms of certain of the financial and restrictive covenants in the credit agreement to provide us with additional flexibility to operate our business from the first quarter of fiscal 2026 through the first quarter of fiscal 2027. See additional discussion related to the Fifth Amendment in [Note 8](#) to our consolidated financial statements.

On May 23, 2025, following an evaluation of market segmentation and demographic data specific to geographic areas where our stores are located, our Board of Directors approved a plan to close 145 underperforming stores that we identified to have failed to maintain an acceptable level of profitability (the "Store Closure Plan"). These stores were closed during the first quarter of fiscal 2026. As a result of the store closures, we recorded net store closing costs of \$14.8 million during the three months ended June 28, 2025. See additional discussion related to the Store Closure Plan in [Note 1](#) to our consolidated financial statements.

On May 30, 2025, the Company amended its consulting agreement with AlixPartners, LLP ("AlixPartners"), pursuant to which AlixPartners will provide services to implement the plan developed from its detailed assessment of the Company (the "Operational Improvement Plan"). Such services include the previously disclosed Store Closure Plan, improving customer experience and the Company's selling effectiveness, driving profitable customer acquisition and activation, and increasing merchandising productivity, including mitigating tariff risk. See additional discussion in [Note 13](#) to our consolidated financial statements.

Financial Summary

First quarter 2026 included the following notable items:

- Diluted loss per common share was \$0.28.
- Adjusted diluted earnings per common share ("EPS"), a non-GAAP measure, was \$0.22.
- Sales increased 2.7 percent, due to higher overall comparable store sales partially offset by closed stores.
- Comparable store sales increased 5.7 percent from the prior year period.
- Operating loss was \$6.1 million.
- Adjusted operating income, a non-GAAP measure, was \$14.0 million.
- Net loss was \$8.1 million.
- Adjusted net income, a non-GAAP measure, was \$7.0 million.

Earnings Per Common Share	Three Months Ended			Change
	June 28, 2025		June 29, 2024	
Diluted (loss) earnings per common share	\$	(0.28)	\$ 0.19	(247.4) %
Adjustments		0.50	0.03	
Adjusted diluted earnings per common share	\$	0.22	\$ 0.22	(0.0) %

Adjusted operating income, adjusted net income and adjusted diluted EPS, each of which is a measure not derived in accordance with GAAP, exclude the impact of certain items. Management believes that adjusted operating income, adjusted net income and adjusted diluted EPS are useful in providing period-to-period comparisons of the results of our operations by excluding certain items that are not part of our core operations, such as store closing costs, consulting costs related to the Company's Operational Improvement Plan, transition costs related to back-office optimization, store impairment charges, corporate headquarters relocation costs and write-off of debt issuance costs. Reconciliations of these non-GAAP financial measures to GAAP measures are provided beginning on [page 18](#) under "Non-GAAP Financial Measures."

We define comparable store sales as sales for locations that have been opened or owned at least one full fiscal year. We believe this period is generally required for new store sales levels to begin to normalize. Management uses comparable store sales to assess the operating performance of the Company's stores and believes the metric is useful to investors because our overall results are dependent upon the results of our stores. Comparable sales measures vary across the retail industry. Therefore, our comparable store sales calculation is not necessarily comparable to similarly titled measures reported by other companies.

Analysis of Results of Operations

Summary of Operating (Loss) Income (thousands)	Three Months Ended				
	June 28, 2025		June 29, 2024		Change
Sales	\$	301,035	\$	293,182	
Cost of sales, including occupancy costs		194,129		183,997	5.5
Gross profit		106,906		109,185	(2.1)
Operating, selling, general and administrative expenses		112,981		95,939	17.8
Operating (loss) income	\$	(6,075)	\$	13,246	(145.9) %

Sales

Sales include automotive undercar repair, tire replacement and tire related service sales, net of discounts, returns, and revenue from the sale of warranty agreements and commissions earned from the delivery of tires. See [Note 7](#) to our consolidated financial statements for further information. We use comparable store sales to evaluate the performance of our existing stores by measuring the change in sales for a period over the comparable, prior-year period. There were 90 selling days in each of the three months ended June 28, 2025 and June 29, 2024.

Sales growth – from both comparable store sales and new stores – represents an important driver of our long-term profitability. We expect that comparable store sales growth will significantly impact our total sales growth. We believe that our ability to successfully differentiate our customers', often referred to as "guests", experience through a careful combination of merchandise assortment, price strategy, convenience, and other factors will, over the long-term, drive both increasing guest traffic and the average ticket amount spent.

Sales (thousands)	Three Months Ended			
	June 28, 2025		June 29, 2024	
Sales	\$	301,035	\$	293,182
Dollar change compared to prior year	\$	7,853		
Percentage change compared to prior year		2.7 %		

The sales increase was due to an increase in comparable store sales partially offset by a decrease in sales from closed stores. The following table shows the primary drivers of the change in sales for the three months ended June 28, 2025, as compared to the same period ended June 29, 2024.

Sales Percentage Change	Three Months Ended	
	June 28, 2025	
Sales change		2.7 %
Primary drivers of change in sales		
Comparable store sales		5.7 %
Closed store sales		(3.0) %

During the three months ended June 28, 2025, comparable store sales increased across our product categories with significant growth in our front end/shocks category, as well as our batteries and brakes categories, each of which experienced significant declines during the three months ended June 29, 2024. The following table shows the primary drivers of the comparable store product category sales change for the three months ended June 28, 2025, as compared to the same period ended June 29, 2024.

Comparable Store Product Category Sales Change	Three Months Ended			
	June 28, 2025		June 29, 2024	
Front end/shocks		26 %		(15) %
Batteries		9 %		(6) %
Brakes		9 %		(13) %
Tires		4 %		(8) %
Maintenance service		4 %		(10) %
Alignment		0 %		(9) %

Sales by Product Category	Three Months Ended			
	June 28, 2025		June 29, 2024	
Tires	46	%	46	%
Maintenance service	28		28	
Brakes	15		14	
Steering ^(a)	9		9	
Batteries	1		1	
Other	1		2	
Total	100	%	100	%

(a) Steering product category includes front end/shocks and alignment product category sales.

Change in Number of Company-Operated Retail Stores	Three Months Ended	
	June 28, 2025	June 29, 2024
Beginning store count	1,260	1,288
Closed ^(a)	(145)	(4)
Ending store count	1,115	1,284

(a) All 145 stores were closed in the first quarter of fiscal 2026 as a result of the Store Closure Plan.

Cost of Sales and Gross Profit

Gross Profit (thousands)	Three Months Ended			
	June 28, 2025		June 29, 2024	
Gross profit	\$	106,906	\$	109,185
<i>Percentage of sales</i>		35.5 %		37.2 %
Dollar change compared to prior year	\$	(2,279)		
Percentage change compared to prior year		(2.1) %		

Gross profit, as a percentage of sales, decreased 170 basis points (“bps”) for the three months ended June 28, 2025, as compared to the prior year comparable period. Technician labor costs increased, as a percentage of sales, due primarily to wage inflation. Material costs increased, as a percentage of sales, due primarily to mix within tires and increased levels of self-funded promotions. Partially offsetting these increases was a decrease in occupancy costs, as we gained leverage on these largely fixed costs with higher comparable store sales.

Gross Profit as a Percentage of Sales Change	Three Months Ended	
	June 28, 2025	
Gross profit change	(170)	bps
Primary drivers of change in gross profit as a percentage of sales		
Technician labor costs	(170)	bps
Material costs	(120)	bps
Occupancy costs	120	bps

OSG&A Expenses

OSG&A Expenses (thousands)	Three Months Ended			
	June 28, 2025		June 29, 2024	
OSG&A Expenses	\$	112,981	\$	95,939
<i>Percentage of sales</i>		37.5 %		32.7 %
Dollar change compared to prior year	\$	17,042		
Percentage change compared to prior year		17.8 %		

The increase of \$17.0 million in operating, selling, general and administrative (“OSG&A”) expenses for the three months ended June 28, 2025, from the comparable prior year period is primarily due to store closure costs and consulting costs related to the Operational Improvement Plan. The following table shows the impact of these costs on the change in OSG&A expenses for the three months ended June 28, 2025, as compared to the same periods ended June 29, 2024.

OSG&A Expenses Change (thousands)	Three Months Ended	
	June 28, 2025	
OSG&A expenses change	\$	17,042
Drivers of change in OSG&A expenses		
Increase in store closing costs, net	\$	14,635
Increase in consulting costs related to the Operational Improvement Plan	\$	4,722
Increase from comparable stores	\$	1,873
Decrease from transition costs related to back-office optimization	\$	(26)
Decrease from corporate headquarters relocation costs	\$	(125)
Decrease in store impairment charges	\$	(520)
Decrease from closed stores	\$	(3,517)

Other Performance Factors

Net Interest Expense

Net interest expense of \$4.8 million for the three months ended June 28, 2025 decreased \$0.4 million as compared to the prior year period, and decreased as a percentage of sales from 1.8 percent to 1.6 percent. Weighted average debt outstanding for the three months ended June 28, 2025 decreased by approximately \$62.0 million as compared to the three months ended June 29, 2024. This decrease is primarily related to lower debt outstanding under the Credit Facility as well as lower finance lease debt related to our stores. The weighted average interest rate increased approximately 30 basis points as compared to the same period of the prior year.

Provision for Income Taxes

Our effective income tax rate for the three months ended June 28, 2025 was 24.8 percent, compared with 28.5 percent in the comparable prior-year period. The year-over-year difference in effective tax rate is primarily related to the discrete tax impact related to share-based awards and other adjustments, none of which are significant.

Non-GAAP Financial Measures

In addition to reporting operating (loss) income, net (loss) income and diluted (loss) earnings per common share, which are GAAP measures, this Form 10-Q includes adjusted operating income, adjusted net income and adjusted diluted EPS, which are non-GAAP financial measures. We have included reconciliations to adjusted operating income, adjusted net income and adjusted diluted EPS from our most directly comparable GAAP measures, operating (loss) income, net (loss) income, and diluted (loss) earnings per common share, below. Management views these non-GAAP financial measures as indicators to better assess comparability between periods because management believes these non-GAAP financial measures reflect our core business operations while excluding certain items that are not part of our core operations, such as store closing costs, consulting costs related to the Operational Improvement Plan, transition costs related to back-office optimization, store impairment charges, corporate headquarters relocation costs and write-off of debt issuance costs.

These non-GAAP financial measures are not intended to represent, and should not be considered more meaningful than, or as an alternative to, their most directly comparable GAAP measures. These non-GAAP financial measures may be different from similarly titled non-GAAP financial measures used by other companies.

Adjusted operating income is summarized as follows:

Reconciliation of Adjusted Operating Income (thousands)	Three Months Ended	
	June 28, 2025	June 29, 2024
Operating (loss) income	\$ (6,075)	\$ 13,246
Store closing costs, net ^(a)	14,816	181
Consulting costs related to the Operational Improvement Plan	4,722	—
Transition costs related to back-office optimization	571	597
Store impairment charges	—	520
Corporate headquarters relocation costs	—	125
Adjusted operating income	\$ 14,034	\$ 14,669

(a) Amount for the three months ended June 28, 2025 includes closing costs and asset write-offs related to the closure of 145 underperforming stores, in accordance with the Store Closure Plan, net of related gains on the sale of owned locations and early lease terminations.

Adjusted net income is summarized as follows:

Reconciliation of Adjusted Net Income (thousands)	Three Months Ended		
	June 28, 2025		June 29, 2024
Net (loss) income	\$	(8,050)	\$ 5,863
Store closing costs, net ^(a)		14,816	181
Consulting costs related to the Operational Improvement Plan		4,722	—
Transition costs related to back-office optimization		571	597
Write-off of debt issuance costs		263	—
Store impairment charges		—	520
Corporate headquarters relocation costs		—	125
Provision for income taxes on pre-tax adjustments		(5,297)	(387)
Adjusted net income	\$	7,025	\$ 6,899

(a) Amount for the three months ended June 28, 2025 includes closing costs and asset write-offs related to the closure of 145 underperforming stores, in accordance with the Store Closure Plan, net of related gains on the sale of owned locations and early lease terminations.

Adjusted diluted EPS is summarized as follows:

Reconciliation of Adjusted Diluted EPS	Three Months Ended		
	June 28, 2025		June 29, 2024
Diluted (loss) earnings per share	\$	(0.28)	\$ 0.19
Store closing costs, net ^(a)		0.37	0.00
Consulting costs related to the Operational Improvement Plan		0.12	—
Transition costs related to back-office optimization		0.01	0.01
Write-off of debt issuance costs		0.01	—
Store impairment charges		—	0.01
Corporate headquarters relocation costs ^(a)		—	0.00
Adjusted diluted EPS	\$	0.22	\$ 0.22

(a) Amounts, in the periods presented, may be too minor in amount, net of the impact from income taxes, to have an impact on the calculation of adjusted diluted EPS.

Note: The calculation of the impact of non-GAAP adjustments on diluted EPS is performed on each line independently. The table may not add down +/- \$0.01 due to rounding.

The other adjustments to diluted EPS reflect estimated annual effective income tax rates of 26.0 percent and 27.2 percent for the three months ended June 28, 2025 and June 29, 2024, respectively. This represents the tax effect of non-GAAP adjustments calculated at an estimated blended statutory tax rate. See adjustments from the Reconciliation of Adjusted Net Income table above for pre-tax amounts.

Analysis of Financial Condition

Liquidity and Capital Resources

Capital Allocation

We expect to continue to generate positive operating cash flow as we have done in each of the last three fiscal years. We believe the cash we generate from our operations will allow us to continue to support business operations, pay down debt, and return cash to our shareholders through our dividend program.

In addition, because we believe a large portion of our future expenditures will be to fund our growth, through acquisition of retail stores and/or opening greenfield stores, we continually evaluate our cash needs and may decide it is best to fund the growth of our business through borrowings on our Credit Facility. Conversely, we may also periodically determine that it is in our best interests to voluntarily repay certain indebtedness early.

Future Cash Requirements

We currently expect our capital expenditures to support our projects, including upgrading our facilities and systems, to be \$25 million to \$35 million in the aggregate in fiscal 2026. Additionally, we have contractual finance lease and operating lease commitments with landlords through October 2040 for \$453.0 million in lease payments, of which \$96.1 million is due within one year. For details regarding these lease commitments, see [Note 9](#) to our consolidated financial statements.

As of June 28, 2025 we had \$71.5 million outstanding under the Credit Facility, none of which is due in the succeeding 12 months. For details regarding our indebtedness that is due, see [Note 8](#) to our consolidated financial statements.

Dividends

We declared and paid dividends of \$0.28 per share totaling \$8.7 million for each of the three months ended June 28, 2025 and June 29, 2024.

Working Capital Management

As of June 28, 2025, we had a working capital deficit of \$251.2 million, an increase of \$4.3 million from a deficit of \$246.9 million as of March 29, 2025. The overall working capital deficit is a result of extended payment terms negotiated with certain suppliers. As part of our working capital management, we facilitate a voluntary supply chain finance program to provide our suppliers with the opportunity to sell receivables due from Monro to a participating financial institution subject to the independent discretion of both the supplier and participating financial institution. For details regarding our supply chain finance program, see [Note 10](#) to our consolidated financial statements.

Sources and Conditions of Liquidity

Our sources to fund our material cash requirements are predominantly cash from operations, availability under our Credit Facility, and cash and equivalents on hand.

As of June 28, 2025, we had \$7.8 million of cash and equivalents. In addition, we had \$398.4 million available under the Credit Facility as of June 28, 2025, subject to compliance with our covenants.

We believe that our current sources of funds will provide us with adequate liquidity during the 12-month period following June 28, 2025, as well as in the long-term.

Summary of Cash Flows

The following table presents a summary of our cash flows from operating, investing, and financing activities.

Summary of Cash Flows (thousands)	Three Months Ended	
	June 28, 2025	June 29, 2024
Cash (used for) provided by operating activities	\$ (1,939)	\$ 25,638
Cash used for investing activities	(2,366)	(4,232)
Cash used for financing activities	(8,656)	(9,302)
(Decrease) increase in cash and equivalents	(12,961)	12,104
Cash and equivalents at beginning of period	20,762	6,561
Cash and equivalents at end of period	\$ 7,801	\$ 18,665

Cash (used for) provided by operating activities

For the three months ended June 28, 2025, cash used for operating activities was \$1.9 million, which consisted of a net loss of \$8.1 million and a change in operating assets and liabilities of \$9.2 million, partially offset by non-cash adjustments of \$15.4 million. The change in operating assets and liabilities was driven by timing of payments that caused accounts payable to be a use of cash of \$21.3 million. This was partially offset by our inventory being a source of cash of \$7.4 million and accrued expenses being a source of cash of \$4.3 million. The non-cash charges were driven by \$15.6 million of depreciation and amortization, \$1.5 million in loss on disposal of assets and \$1.0 million in share-based compensation expense, offset by \$2.7 million in deferred income tax expense.

For the three months ended June 29, 2024, cash provided by operating activities was \$25.6 million, which consisted of net income of \$5.9 million, increased by non-cash adjustments of \$20.9 million, offset by a net change in operating assets and liabilities of \$1.1 million. The non-cash charges were largely driven by \$17.8 million of depreciation and amortization, as well as \$1.6 million in deferred income tax expense. The change in operating assets and liabilities was driven by timing of payments, primarily due to accrued expenses and other current assets being a use of cash of \$21.2 million, as well as our inventory balance being a use of cash of \$8.1 million. These uses of cash were partially offset by our supply chain finance program being a source of cash as we improved our cash flow by \$28.3 million.

Cash used for investing activities

For the three months ended June 28, 2025, cash used for investing activities was \$2.4 million. This was primarily due to cash used for capital expenditures, including property and equipment, of \$7.4 million, partially offset by subsequent proceeds from the sale of our wholesale tire locations and distribution assets and proceeds from the disposal of property and equipment of \$3.5 million and \$1.6 million, respectively.

For the three months ended June 29, 2024, cash used for investing activities was \$4.2 million. This was primarily due to cash used for capital expenditures, including property and equipment, of \$8.9 million, partially offset by subsequent proceeds from the sale of our wholesale tire locations and distribution assets and proceeds from the disposal of property and equipment of \$4.4 million and \$0.3 million, respectively.

Cash used for financing activities

For the three months ended June 28, 2025, cash used for financing activities was \$8.7 million. This was primarily due to payment of finance lease principal and dividends of \$9.8 million and \$8.7 million, respectively, as well as deferred financing costs of \$0.5 million. These were offset by amounts borrowed on our Credit Facility, net of payments made during the period, of \$10.3 million.

For the three months ended June 29, 2024, cash used for financing activities was \$9.3 million. This was primarily due to payment of finance lease principal and dividends of \$9.9 million and \$8.7 million, respectively, as well as deferred financing costs of \$0.7 million. These were offset by amounts borrowed on our Credit Facility, net of payments made during the period, of \$10.0 million.

Critical Accounting Estimates

The consolidated financial statements are prepared in accordance with GAAP. The preparation of the consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, costs and expenses, and related disclosures. We base our estimates on historical experience, as appropriate, and on various other assumptions that we believe to be reasonable under the circumstances. Changes in the accounting estimates are reasonably likely to occur from period to period. Accordingly, actual results could differ significantly from the estimates made by management. We evaluate our estimates and assumptions on an ongoing basis. To the extent that there are material differences between these estimates and actual results, our future financial statement presentation, financial condition, results of operations, and cash flows may be affected.

For a description of our critical accounting estimates, refer to [Part II, Item 7](#), "[Management's Discussion and Analysis of Financial Condition and Results of Operations](#)" of our [Form 10-K](#) for the fiscal year ended March 29, 2025. There have been no material changes to our critical accounting estimates since our [Form 10-K](#) for the year ended March 29, 2025.

Recent Accounting Pronouncements

See "Recent Accounting Pronouncements" in [Note 1](#) to our consolidated financial statements for a discussion of the impact of recently issued accounting standards on our consolidated financial statements as of June 28, 2025 and the expected impact on the consolidated financial statements for future periods.

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains "forward-looking statements" as that term is used in the Private Securities Litigation Reform Act of 1995. Forward-looking statements can be identified by the fact that they address future events, developments, and results and do not relate strictly to historical facts. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements include, without limitation, statements preceded by, followed by, or including words such as "anticipate," "believe," "can," "could," "estimate," "expect," "intend," "may," "plan," "potential," "should," "strategy," "will," "would" and variations thereof and similar expressions. Forward-looking statements are subject to risks, uncertainties, and other important factors that could cause actual results to differ materially from those expressed. For example, our forward-looking statements include, without limitation, statements regarding:

- the impact of competitive services and pricing;
- the effect of economic conditions and geopolitical uncertainty, seasonality, and the impact of weather conditions and natural disasters on customer demand;
- advances in automotive technologies including adoption of electronic vehicle technology;
- our dependence on third-party vendors for certain inventory;

- the risks associated with vendor relationships and international trade, particularly imported goods such as those sourced from China and other countries targeted with import tariffs;
- the impact of changes in U.S. trade relations and ongoing trade disputes between the United States, China, and other countries and other potential impediments to imports;
- our ability to generate sufficient cash flows from operations and service our debt obligations, including our expected annual interest expense, and to comply with the debt covenants of our Credit Facility;
- our cash needs, including our ability to fund our future capital expenditures and working capital requirements;
- our anticipated sales, comparable store sales, gross profit margin, costs of goods sold (including product mix), OSG&A expenses and other fixed costs, and our ability to leverage those costs;
- management's estimates and expectations as they relate to income tax liabilities, deferred income taxes, and uncertain tax positions;
- management's estimates associated with our critical accounting policies, including insurance liabilities, income taxes, and valuations for our goodwill and long-lived assets impairment analyses;
- the impact of industry regulation, including changes in environmental, consumer protection, and labor laws;
- potential outcomes related to pending or future litigation matters;
- business interruptions;
- risks relating to disruption or unauthorized access to our computer systems;
- our ability to protect customer and employee personal data;
- risks relating to acquisitions and the integration of acquired businesses with ours;
- our growth plans, including our plans to add, renovate, re-brand, expand, remodel, relocate, or close stores and any related costs or charges, our leasing strategy for future expansion, and our ability to renew leases at existing store locations;
- the impact of costs related to planned store closings or potential impairment of goodwill, other intangible assets, and long-lived assets;
- expected dividend payments;
- our ability to protect our brands and our reputation;
- our ability to attract, motivate, and retain skilled field personnel and our key executives; and
- the potential impacts of climate change on our business.

Any of these factors, as well as such other factors as discussed in [Part I, Item 1A](#), "[Risk Factors](#)" of our [Form 10-K](#) for the fiscal year ended March 29, 2025 as well as in our periodic filings with the SEC, could cause our actual results to differ materially from our anticipated results. The information provided in this report is based upon the facts and circumstances known as of the date of this report, and any forward-looking statements made by us in this report speak only as of the date on which they are made. Except as required by law, we undertake no obligation to update these forward-looking statements after the date of this Form 10-Q to reflect events or circumstances after such date, or to reflect the occurrence of unanticipated events.

Item 3. *Quantitative and Qualitative Disclosures about Market Risk*

We are exposed to market risk from potential changes in interest rates. As of June 28, 2025, excluding finance leases and financing obligations, we had no debt financing at fixed interest rates, for which the fair value would be affected by changes in market interest rates. Our cash flow exposure on floating rate debt would result in annual interest expense fluctuations of approximately \$0.7 million based upon our debt position at June 28, 2025 and approximately \$0.6 million based upon our debt position at March 29, 2025, given a change in SOFR of 100 basis points.

Debt financing had a carrying amount that approximates a fair value of \$71.5 million as of June 28, 2025, as compared to a carrying amount and a fair value of \$61.3 million as of March 29, 2025.

Item 4. *Controls and Procedures***Evaluation of Disclosure Controls and Procedures**

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in reports that we file or submit to the SEC pursuant to the Securities Exchange Act of 1934, as amended (the “Exchange Act”), is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

In conjunction with the close of each fiscal quarter and under the supervision of our Chief Executive Officer (our principal executive officer) and Chief Financial Officer (our principal financial officer), we conduct an update, a review and an evaluation of the effectiveness of our disclosure controls and procedures. It is the conclusion of our Chief Executive Officer and Chief Financial Officer, based upon an evaluation completed as of the end of the most recent fiscal quarter reported on herein, that our disclosure controls and procedures were effective.

Changes in Internal Controls Over Financial Reporting

There were no changes in our internal control over financial reporting during the quarter ended June 28, 2025 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. *Legal Proceedings*

From time to time we are a party to or otherwise involved in legal proceedings arising out of the normal course of business. Legal matters are subject to inherent uncertainties and there exists the possibility that the ultimate resolution of one or more of these matters could have a material adverse impact on the Company, its financial condition and results of operations.

EXHIBITS

Item 6. Exhibits

Exhibit Index

[10.22e – Amendment No. 5 to Amended and Restated Credit Agreement, dated as of May 23, 2025. \(2025 Form 10-K, Exhibit No. 10.22e\)**](#)

[10.79a – Amendment No. 1 to Agreement by and between the Company and AlixPartners, LLP, effective as of May 30, 2025.†**](#)

[31.1 – Certification of Peter D. Fitzsimmons pursuant to Section 302 of the Sarbanes – Oxley Act of 2002](#)

[31.2 – Certification of Brian J. D'Ambrosia pursuant to Section 302 of the Sarbanes – Oxley Act of 2002](#)

[32.1 – Certification 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

101.LAB – XBRL Taxonomy Extension Label Linkbase

101.PRE – XBRL Taxonomy Extension Presentation Linkbase

101.SCH – XBRL Taxonomy Extension Schema Linkbase

101.DEF – XBRL Taxonomy Extension Definition Linkbase

101.CAL – XBRL Taxonomy Extension Calculation Linkbase

104 – Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

† Certain portions of this exhibit have been omitted (indicated by asterisks) pursuant to Item 601(b) of Regulation S-K of the Securities Act of 1933, as amended, because such omitted information is (i) not material and (ii) the type of information that the Company treats as private or confidential.

** Schedules and similar attachments have been omitted pursuant to Item 601(a)(5) of Regulation S-K of the Securities Act of 1933, as amended. The Company will furnish a copy of any omitted schedule or similar attachment to the Securities and Exchange Commission upon request.

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.

MONRO, INC.

DATE: July 30, 2025

By: /s/ Peter D. Fitzsimmons
Peter D. Fitzsimmons
President and Chief Executive Officer
(Principal Executive Officer)

DATE: July 30, 2025

By: /s/ Brian J. D'Ambrosia
Brian J. D'Ambrosia
Executive Vice President – Finance, Chief Financial Officer and
Treasurer
(Principal Financial Officer and Principal Accounting Officer)

CERTAIN INFORMATION IDENTIFIED WITH [*] HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS BOTH (i) NOT MATERIAL AND (ii) THE TYPE OF INFORMATION THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL.**

May 30, 2025

Robert E. Mellor
Chairman of the Board
Monro, Inc.
295 Woodcliff Drive
Fairport, New York 14450
United States

Re: Agreement for Consulting Services – Addendum 1

This letter is addendum 1 (“Addendum 1”) to the agreement between AlixPartners, LLP (“AlixPartners”) and Monro, Inc. (the “Company”) dated March 28, 2025 (the “Engagement Letter”). Unless otherwise modified herein, the terms and conditions of the Engagement Letter remain in full force and effect. Capitalized terms not otherwise defined herein shall have the meaning given to them in the Engagement Letter. If there is any conflict between the terms of this Addendum 1 and the Engagement Letter, Addendum 1 will prevail.

Background

Based on the completion of our QuickStrike diagnostic and our discussions to date with both members of management and the Board of Directors, AlixPartners understands that the Company is aligned with its recommendations on performance improvement and wishes to pursue such course of action to drive sustainable operating income improvement.

AlixPartners has been requested to perform the Phase II Implementation to work with the company to make changes necessary to drive these changes in the business and provide a path for operating income and TSR improvement.

Services

AlixPartners will perform the Implementation with a primary focus on five areas within the company:

- Store closures, closing the identified store locations with an efficient disposition of both inventory and real estate associated with these stores
- Store operations, improving both selling effectiveness and operational efficiency
- Customer traffic and customer profit growth, increasing both the quantity and quality of customer traffic, as well as increasing profit through more effective pricing and promotions actions
- Tariff mitigation and assortment strategy, off-setting as much of anticipated profit impact resulting from tariff-related supplier cost increases as possible, as well as creating a service line and assortment strategy to maximize profit contribution

- Inventory strategy and process improvement, improving the productivity of inventory owned by the Company

While not a primary focus, AlixPartners will also provide insights from its prior experiences, as well as benchmarks and tools, to assist the Company in its efforts to reduce Operating SG&A expenses, specifically [***] and spend with [***].

The Engagement activities will include:

- Store Closures
 - Identify, conduct RFPs, and oversee the onboarding of 3rd parties required
 - Recommend a course of action and providing analytics to support the disposition of inventory, equipment, and real estate
 - Provide support for the Company as required to facilitate an orderly and efficient store closure process
 - Store Operations
 - Set up a Stores Turnaround Taskforce led by cross-functional team from AlixPartners and the Company field team to problem solve issues
 - Establish baseline of relevant KPIs to track progress of store operations improvement initiatives
 - Identify pilot locations to develop performance improvement initiatives and methods to scale improvements to additional stores
 - Deploy Taskforce team into the pilot locations to observe, problem solve, and create improvement fixes at the individual store cohort level
 - Apply standardized problem-solving techniques (e.g., PDCA, A3, 5 Whys, etc.) through customer review, store observations, and personnel interviews,
 - Identify effective levers of improvement,
 - Test levers for effectiveness and scalability,
 - Measure improvements and validate durability of improvements,
 - Document and develop training materials, best practices, and competency models to scale improvements to additional stores, (Management Operating System)
 - Quantify any costs, one-time or on-going, required to make improvements sustainable
 - Deliver outputs to the Company for on-going use, including any dashboards, training materials, best practices, documentation or artifacts developed in the Engagement
 - Recommend changes to [***], including [***] to make improvements sustainable
-

- Customer Traffic and Profit Growth
 - Align marketing operations to increase traffic into the stores through the most effective means, with alignment between marketing and field leadership
 - Develop tests to identify the effectiveness of improving customer traffic and profit growth through changes in:
 - New customer acquisition targeting
 - Retargeting efforts with existing customers
 - Media mix, including new media types
 - List pricing
 - Promotional pricing, timing, and duration
 - Measure test results, determine scalability to broader set of stores, quantify benefits, and implement changes as required
 - Identify opportunities to improve the efficiency of third-party, non-working media spend, conduct supplier evaluations as needed, and identify opportunities to rationalize demand to reduce third-party spend or secure improved value
 - Deliver outputs to the Company for on-going use, including machine learning (ML) models, recommended media allocations, and any documentation or artifacts developed in the Engagement
 - Recommend changes to [***], including the addition of [***], operating model changes and technology integrations required, as well as providing sufficient training throughout the Engagement to make identified improvements sustainable
 - Quantify any costs, one-time or on-going, required to make improvements sustainable

 - Tariff Mitigation and Assortment Strategy
 - Develop a view of "dead-net" profit at the supplier, product and service-line level to assess opportunities for improvement
 - Create and maintain dashboards to evaluate:
 - Past supplier, product, and service-line performance
 - Customer behavior related to supplier, product, and service-line offerings
 - Projected impact of tariff increases on product costs
 - Opportunities to modify or rationalize suppliers, products, or service lines
 - Develop materials and approach to conductive effective negotiations with existing suppliers, and as required, RFPs to identify new suppliers
 - Execute negotiations with existing suppliers and RFPs for new suppliers, with support from the Company
-

- Recommend revisions to the following:
 - Service-level offering
 - Assortment plan
 - Supplier matrix
 - Quantify and document improvements secured through negotiations, RFPs, and recommended changes to service line offering, assortment plan or supplier matrix
 - Quantify any costs, one-time or on-going, required to make improvements sustainable
 - Deliver outputs to the Company for on-going use, including any documentation or artifacts developed in the Engagement
 - Recommend changes to [***], including [***], approaches to supplier management, and operating model changes, as well as providing sufficient training throughout the Engagement to make identified improvements sustainable
 - Inventory Strategy and Process Improvements
 - Create and maintain dashboards to evaluate:
 - Past assortment models, including SKU breadth and depth parameters by store
 - Effectiveness and efficiency of past inventory allocation methods
 - Supplier performance in meeting demand
 - Review, recommend changes to, and re-negotiate current supplier agreements as possible, to improve the efficiency of the Company's inventory
 - Evaluate current ordering processes, including replenishment software utilized by the Company, and recommend changes as required
 - Develop or refine demand forecasts to guide go-forward purchasing decisions
 - Recommend and oversee changes to:
 - Assortment of SKUs to be stocked within the Company's stores
 - Target depth by SKU to be maintained on a regular basis
 - Processes around ordering inventory in advance of anticipated increases in demand
 - Processes to dispose of aged or obsolete inventory in a timely and cost-effective manner
 - Recommend and oversee the implementation of reporting and control measures to improve visibility of changes in the quantity and quality of inventory
-

- Quantify and document improvements secured through changes to assortment breadth or depth, supplier agreement changes, timing or orders, or timely disposition of aged/obsolete inventory
- Quantify any costs, one-time or on-going, required to make improvements sustainable
- Deliver outputs to the Company for on-going use, including demand-forecast models and any documentation or artifacts developed in the Engagement
- Recommend changes to [***], including [***], approaches to inventory management, and operating model changes, as well as providing sufficient training throughout the Engagement to make identified improvements sustainable

Oversight

AlixPartners recommends a Steering Committee composed of members of the Company senior management and AlixPartners, oversee the work. Peter Fitzsimmons will recommend the composition of the Steering Committee to guide its creation. The Steering Committee should be kept small to aid in scheduling and to drive efficient decision making.

This Steering Committee will report progress to the Executive Committee of the Board of Directors on a monthly cadence and seek approval on any material changes required to effect changes necessary to achieve the Company's desired outcomes.

Staffing

Gaurav Chhabra, Arun Kumar, and Jeremy Lambert will be responsible for the engagement, supported by the AlixPartners personnel necessary to complete the services provided under this Addendum 1. In addition, AlixPartners and its Affiliates have relationships with, and may periodically use, independent contractors with specialized skills and abilities to assist in this engagement.

Timing and Fees

AlixPartners will commence this engagement on or about June 2, 2025, after receipt of an executed copy of this Addendum 1.

The Implementation is expected to take between four and six months, based on the current scope and assumptions.

The Company shall compensate AlixPartners for its services, and reimburse AlixPartners for expenses, as set forth on Schedule 1.

* * *

By signing below, the Company acknowledges its engagement of AlixPartners subject to the terms of this Addendum 1 and the Engagement Letter.

Sincerely yours,

/s/ Gaurav Chhabra
Gaurav Chhabra
Partner & Managing Director

/s/ Arun Kumar
Arun Kumar
Partner & Managing Director

/s/ Jeremy Lambert
Jeremy Lambert
Partner

For and on behalf of AlixPartners, LLP

Agreement and acceptance confirmed

By: /s/ Robert E. Mellor
Its: Chairman of the Board
Dated: 5/30/2025
For and on behalf of Monro, Inc.

Schedule 1

Fees and Expenses

- 1. Fees:** AlixPartners agrees to professional fees of USD 650,000 per week for the months of June and July, 2025, subject to the scope and assumptions herein remaining unchanged (the "Engagement Fee"). Prior to the end of July, AlixPartners and the Board of Directors will discuss and agree on the scope of work beyond July 31, 2025.

AlixPartners' total fees include any retainer, break fee, or success fee payable hereunder, if any (together, the "Fees").

- 2. Success Fee:** AlixPartners does not seek a success fee in connection with this engagement.
- 3. Expenses:** In addition to the Fees, the Company will reimburse AlixPartners for all reasonable out-of-pocket expenses incurred in connection with this engagement, such as travel, lodging and meals, plus an administrative fee of 4% of the Fees to cover all other indirect administrative costs, including general administrative support, legal and IT support, as well as any technology costs associated with secure storage and handling of client data that are not otherwise specified in the Agreement.
- 4. Break Fee:** AlixPartners does not require a break fee in connection with this engagement.
- 5. Retainer:** AlixPartners does not require a retainer in connection with this engagement.
- 6. Payment:** AlixPartners will submit invoices for the Engagement Fee and administrative fees twice a month on the 15th day and the last day of each month. Other expenses will be invoiced once per month on the last day of the month. All invoices are due and payable upon receipt of relevant invoice.

CERTIFICATION

I, Peter D. Fitzsimmons, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Monroe, 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(s) 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(s) 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: July 30, 2025

/s/ Peter D. Fitzsimmons

Peter D. Fitzsimmons
President and Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION

I, Brian J. D'Ambrosia, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Monro, 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(s) 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(s) 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: July 30, 2025

/s/ Brian J. D'Ambrosia

Brian J. D'Ambrosia
Executive Vice President – Finance, Chief Financial Officer and
Treasurer
(Principal Financial Officer and Principal Accounting Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
(SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002)**

Pursuant to, and solely for purposes of, 18 U.S.C. Section 1350 (Section 906 of the Sarbanes-Oxley Act of 2002), each of the undersigned hereby certifies in the capacity and on the date indicated below that:

1. The Quarterly Report of Monro, Inc. ("Monro") on Form 10-Q for the period ended June 28, 2025 as filed with the Securities and Exchange Commission on the date hereof (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 Monro.

/s/ Peter D. Fitzsimmons Dated: July 30, 2025
Peter D. Fitzsimmons
President and Chief Executive Officer
(Principal Executive Officer)

/s/ Brian J. D'Ambrosia Dated: July 30, 2025
Brian J. D'Ambrosia
Executive Vice President – Finance, Chief Financial Officer
and Treasurer
(Principal Financial Officer and Principal Accounting
Officer)
