

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 December 23, 2023

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.)

200 Holleder Parkway, Rochester, New York

(Address of principal executive offices)

14615

(Zip code)

Registrant's telephone number, including area code: **(585) 647-6400**

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 January 19, 2024, 29,902,141 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)	December 23, 2023		March 25, 2023	
Assets				
Current assets				
Cash and equivalents	\$	23,846	\$	4,884
Accounts receivable		14,434		13,294
Federal and state income taxes receivable		808		—
Inventories		160,360		147,397
Other current assets		72,246		92,892
Total current assets		271,694		258,467
Property and equipment, net		284,563		304,989
Finance lease and financing obligation assets, net		189,774		217,174
Operating lease assets, net		205,244		211,101
Goodwill		736,435		736,457
Intangible assets, net		14,087		16,562
Assets held for sale		5,883		—
Other non-current assets		24,971		29,365
Long-term deferred income tax assets		446		2,762
Total assets	\$	1,733,097	\$	1,776,877
Liabilities and shareholders' equity				
Current liabilities				
Current portion of finance leases and financing obligations	\$	38,858	\$	39,982
Current portion of operating lease liabilities		38,953		37,520
Accounts payable		287,330		261,724
Federal and state income taxes payable		—		541
Accrued payroll, payroll taxes and other payroll benefits		19,805		15,951
Accrued insurance		53,601		47,741
Deferred revenue		15,427		15,422
Other current liabilities		32,658		30,296
Total current liabilities		486,632		449,177
Long-term debt		94,000		105,000
Long-term finance leases and financing obligations		259,794		295,281
Long-term operating lease liabilities		184,777		191,107
Other long-term liabilities		10,168		10,721
Long-term deferred income tax liabilities		37,799		30,460
Long-term income taxes payable		209		209
Total liabilities		1,073,379		1,081,955
Commitments and contingencies - Note 9				
Shareholders' equity:				
Class C Convertible Preferred stock		29		29
Common stock		400		400
Treasury stock		(250,115)		(205,648)
Additional paid-in capital		252,801		250,702
Accumulated other comprehensive loss		(3,834)		(4,115)
Retained earnings		660,437		653,554
Total shareholders' equity		659,718		694,922
Total liabilities and shareholders' equity	\$	1,733,097	\$	1,776,877

Class C Convertible Preferred stock Authorized 150,000 shares, \$1.50 par value, one preferred stock share to 61.275 common stock shares and one preferred stock share to 23.389 common stock shares conversion value as of December 23, 2023 and March 25, 2023, respectively; 19,664 shares issued and outstanding

Common stock Authorized 65,000,000 shares, \$0.01 par value; 40,006,829 shares issued as of December 23, 2023 and 39,966,401 shares issued as of March 25, 2023

Treasury stock 10,104,688 and 8,561,121 shares as of December 23, 2023 and March 25, 2023, respectively, at cost

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

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CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Statements of Income and Comprehensive Income

(thousands, except per share data) (unaudited)	Three Months Ended		Nine Months Ended	
	December 23, 2023	December 24, 2022	December 23, 2023	December 24, 2022
Sales	\$ 317,653	\$ 335,193	\$ 966,712	\$ 1,014,546
Cost of sales, including distribution and occupancy costs	204,976	221,742	624,666	662,171
Gross profit	112,677	113,451	342,046	352,375
Operating, selling, general and administrative expenses	91,294	89,605	280,959	278,802
Operating income	21,383	23,846	61,087	73,573
Interest expense, net of interest income	5,043	5,949	15,052	17,312
Other income, net	(62)	(98)	(153)	(275)
Income before income taxes	16,402	17,995	46,188	56,536
Provision for income taxes	4,232	4,961	12,317	17,897
Net income	\$ 12,170	\$ 13,034	\$ 33,871	\$ 38,639
Other comprehensive income (loss)				
Changes in pension, net of tax	94	(98)	281	(296)
Other comprehensive income (loss)	94	(98)	281	(296)
Comprehensive income	\$ 12,264	\$ 12,936	\$ 34,152	\$ 38,343
Earnings per share				
Basic	\$ 0.38	\$ 0.41	\$ 1.06	\$ 1.18
Diluted	\$ 0.38	\$ 0.41	\$ 1.05	\$ 1.17
Weighted average common shares outstanding				
Basic	30,934	31,470	31,263	32,386
Diluted	32,188	31,985	32,142	32,890

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

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 September 24, 2022	20	\$ 29	39,957	\$ 400	7,977	\$ (179,944)	\$ 247,907	\$ (4,692)	\$ 658,070	\$ 721,770
Net income									13,034	13,034
Other comprehensive loss										
Pension liability adjustment								(98)		(98)
Dividends declared										
Preferred									(129)	(129)
Common									(8,791)	(8,791)
Dividend payable									(64)	(64)
Repurchase of stock					584	(25,704)				(25,704)
Stock options and restricted stock							10			10
Stock-based compensation							1,155			1,155
Balance at December 24, 2022	20	\$ 29	39,957	\$ 400	8,561	\$ (205,648)	\$ 249,072	\$ (4,790)	\$ 662,120	\$ 701,183
Balance at September 23, 2023	20	\$ 29	40,006	\$ 400	8,561	\$ (205,648)	\$ 252,212	\$ (3,928)	\$ 657,078	\$ 700,143
Net income									12,170	12,170
Other comprehensive income										
Pension liability adjustment								94		94
Dividends declared										
Preferred									(337)	(337)
Common									(8,392)	(8,392)
Dividend payable									(82)	(82)
Repurchase of stock ^(a)					1,544	(44,467)				(44,467)
Stock options and restricted stock			1							
Stock-based compensation							589			589
Balance at December 23, 2023	20	\$ 29	40,007	\$ 400	10,105	\$ (250,115)	\$ 252,801	\$ (3,834)	\$ 660,437	\$ 659,718
Balance at March 26, 2022	20	\$ 29	39,907	\$ 399	6,360	\$ (108,729)	\$ 244,577	\$ (4,494)	\$ 651,124	\$ 782,906
Net income									38,639	38,639
Other comprehensive loss										
Pension liability adjustment								(296)		(296)
Dividends declared										
Preferred									(386)	(386)
Common									(27,096)	(27,096)
Dividend payable									(161)	(161)
Repurchase of stock					2,201	(96,919)				(96,919)
Stock options and restricted stock			50	1			296			297
Stock-based compensation							4,199			4,199
Balance at December 24, 2022	20	\$ 29	39,957	\$ 400	8,561	\$ (205,648)	\$ 249,072	\$ (4,790)	\$ 662,120	\$ 701,183
Balance at March 25, 2023	20	\$ 29	39,966	\$ 400	8,561	\$ (205,648)	\$ 250,702	\$ (4,115)	\$ 653,554	\$ 694,922
Net income									33,871	33,871
Other comprehensive income										
Pension liability adjustment								281		281
Dividends declared										
Preferred									(804)	(804)
Common									(25,992)	(25,992)
Dividend payable									(192)	(192)
Repurchase of stock ^(a)					1,544	(44,467)				(44,467)
Stock options and restricted stock			41				(414)			(414)
Stock-based compensation							2,513			2,513
Balance at December 23, 2023	20	\$ 29	40,007	\$ 400	10,105	\$ (250,115)	\$ 252,801	\$ (3,834)	\$ 660,437	\$ 659,718

(a) Inclusive of excise tax of \$0.4 million for the three months and nine months ended December 23, 2023. The excise tax is assessed at one percent of the fair value of net stock repurchases after December 31, 2022.

We declared \$0.28 dividends per common share or equivalent for the three months ended December 23, 2023 and the three months ended December 24, 2022, and \$0.84 per common share or equivalent for the nine months ended December 23, 2023 and the nine months ended December 24, 2022.

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

Consolidated Statements of Cash Flows

(thousands) (unaudited)	Nine Months Ended	
	December 23, 2023	December 24, 2022
Operating activities		
Net income	\$ 33,871	\$ 38,639
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	54,437	58,201
Share-based compensation expense	2,513	4,199
Gain on disposal of assets	(1,579)	(2,748)
Gain on divestiture	—	(2,394)
Deferred income tax expense	9,557	3,306
Change in operating assets and liabilities (excluding acquisitions and divestitures)		
Accounts receivable	(1,140)	(2,360)
Inventories	(12,709)	(12,319)
Other current assets	6,388	(18,156)
Other non-current assets	30,837	27,732
Accounts payable	25,606	96,366
Accrued expenses	12,984	5,323
Federal and state income taxes payable	(1,349)	2,269
Other long-term liabilities	(28,953)	(26,979)
Long-term income taxes payable	—	112
Cash provided by operating activities	130,463	171,191
Investing activities		
Capital expenditures	(18,892)	(28,535)
Acquisitions, net of cash acquired	—	(954)
Proceeds from divestiture	—	56,586
Deferred proceeds received from divestiture	15,839	4,294
Proceeds from the disposal of assets	2,793	4,416
Other	(25)	(256)
Cash (used for) provided by investing activities	(285)	35,551
Financing activities		
Proceeds from borrowings	99,103	139,176
Principal payments on long-term debt, finance leases and financing obligations	(139,496)	(215,439)
Repurchase of stock	(44,044)	(96,919)
Exercise of stock options	17	—
Dividends paid	(26,796)	(27,482)
Deferred financing costs	—	(1,027)
Cash used for financing activities	(111,216)	(201,691)
Increase in cash and equivalents	18,962	5,051
Cash and equivalents at beginning of period	4,884	7,948
Cash and equivalents at end of period	\$ 23,846	\$ 12,999
Supplemental information		
Leased assets reduced in exchange for reduced finance lease liabilities	\$ (4,539)	\$ (10,436)
Leased assets obtained in exchange for new operating lease liabilities	\$ 21,577	\$ 25,963

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 1,296 Company-operated retail stores located in 32 states and 51 franchised locations as of December 23, 2023.

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 25, 2023.

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 25, 2023.

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 year 2024 covers 53 weeks and fiscal year 2023 covers 52 weeks. Unless specifically indicated otherwise, any references to “2024” or “fiscal 2024” and “2023” or “fiscal 2023” relate to the years ending March 30, 2024 and March 25, 2023, respectively.

Recent accounting pronouncements

In September 2022, the Financial Accounting Standards Board (“FASB”) issued new accounting guidance which requires certain disclosure for supplier finance programs used in connection with the purchase of goods and services. We adopted this guidance during the first quarter of fiscal 2024, other than the roll forward information disclosure which we expect to adopt during the first quarter of the fiscal year ending March 29, 2025. The adoption of this guidance did not have a material impact on our consolidated financial statements.

In October 2021, the FASB issued new accounting guidance which requires an acquiring entity to recognize and measure contract assets and contract liabilities acquired in a business combination as if they entered into the original contract at the same time and same date as the acquiree. We adopted this guidance during the first quarter of fiscal 2024. The adoption of this guidance did not have a material impact on our consolidated financial statements.

In November 2023, the FASB issued new accounting guidance which requires expanding disclosure of significant segment expenses that are regularly provided to the chief operating decision maker and included within each reported measure of segment profit or loss, an amount and description of its composition for other segment items, and interim disclosures of a reportable segment’s profit or loss and assets. This guidance is effective for fiscal years beginning after December 15, 2023, and for interim periods within those years beginning after December 15, 2024. Early application permitted. We are currently evaluating the impact of adopting this guidance.

In December 2023, the FASB issued new accounting guidance 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 periods beginning after December 15, 2024. Early application permitted. 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 \$440.6 million and \$426.7 million as of December 23, 2023 and March 25, 2023, respectively.

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.

On June 1, 2023, we announced the planned sale of our corporate headquarters at 200 Holleder Parkway in Rochester, New York and our plan to relocate our corporate headquarters to another location in the greater Rochester area. We determined that the related assets met the criteria to be classified as held for sale as of December 23, 2023.

Note 2 – Acquisitions and Divestitures

Acquisitions

Monro’s acquisitions are strategic moves in our plan to fill in and expand our presence in our existing and contiguous markets, expand into new markets and leverage fixed operating costs such as distribution, advertising, and administration.

During 2023, we acquired six retail tire and automotive repair stores. We accounted for the 2023 acquisitions as business combinations using the acquisition method of accounting in accordance with the FASB ASC Topic 805, “Business Combinations.” See [Note 2](#) of our [Form 10-K](#) for the fiscal year ended March 25, 2023 for additional information.

We refined the valuation data and estimates primarily related to inventory, warranty reserves, intangible assets, real property leases, and certain liabilities for the 2023 acquisitions and completed the valuations prior to the first anniversary date of the acquisitions. Any adjustments were made to the fair values of identifiable assets acquired and liabilities assumed. Such amounts are immaterial to our consolidated financial statements.

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 will be paid quarterly over approximately two years based on our tire purchases from or through ATD pursuant to a distribution and fulfillment agreement with ATD. We received \$11.1 million of the Earnout during the first nine months of fiscal 2024, \$8.7 million of the Earnout during fiscal 2023 and \$20.2 million of the Earnout is outstanding as of December 23, 2023. Under a distribution agreement between us and ATD, ATD agreed to supply and sell tires to retail locations we own. After ATD satisfies the Earnout payments, 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 is five years after the completion of the Earnout Period, with automatic 12-month renewal periods thereafter. The divestiture enables us to focus our resources on our core retail business operations. The divestiture did not meet the criteria to be reported as discontinued operations in our consolidated financial statements as our decision to divest this business did not represent a strategic shift that would have a major effect on our operations and financial results.

In connection with this transaction, we recognized a pre-tax gain of \$2.4 million within OSG&A expenses, as finalized in June 2022. We also expensed \$0.4 million of closing costs and costs associated with the closing of a related warehouse within OSG&A expenses, as finalized in September 2022. We finalized the impact of these associated closing costs and the subsequent gain on the sale of related warehouses of \$2.3 million during the remainder of fiscal 2023, in addition to a subsequent final inventory adjustment of \$0.3 million of expense in November 2023. Additionally, in August 2022 we incurred \$1.3 million in costs in connection with restructuring and elimination of certain executive management positions upon completion of the divestiture.

See [Note 2](#) of our [Form 10-K](#) for the fiscal year ended March 25, 2023 for additional information. For additional information regarding discrete tax impacts because of the divestiture, see [Note 4](#).

Note 3 – Earnings per Common Share

Basic 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 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.

Earnings per Common Share (thousands, except per share data)	Three Months Ended		Nine Months Ended	
	December 23, 2023	December 24, 2022	December 23, 2023	December 24, 2022
Numerator for earnings per common share calculation:				
Net income	\$ 12,170	\$ 13,034	\$ 33,871	\$ 38,639
Less: Preferred stock dividends	(337)	(129)	(804)	(386)
Income available to common shareholders	\$ 11,833	\$ 12,905	\$ 33,067	\$ 38,253
Denominator for earnings per common share calculation:				
Weighted average common shares - basic	30,934	31,470	31,263	32,386
Effect of dilutive securities:				
Preferred stock	1,205	460	815	460
Restricted stock	49	55	64	44
Weighted average common shares - diluted	32,188	31,985	32,142	32,890
Basic earnings per common share	\$ 0.38	\$ 0.41	\$ 1.06	\$ 1.18
Diluted earnings per common share	\$ 0.38	\$ 0.41	\$ 1.05	\$ 1.17

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

Note 4 – Income Taxes

For the three months and nine months ended December 23, 2023, our effective income tax rate was 25.8 percent and 26.7 percent, respectively, compared to 27.6 percent and 31.7 percent for the three months and nine months ended December 24, 2022, respectively. The difference from the statutory rate is due to state taxes and the discrete tax impact related to share-based awards. Our effective income tax rate for the three months and nine months ended December 23, 2023 was higher by 0.3 percent and 0.8 percent, respectively, and was higher by 0.9 percent and 0.7 percent for the three months and nine months ended December 24, 2022, respectively, due to the discrete tax impact related to share-based awards. Our effective income tax rate for the nine months ended December 24, 2022 was higher by 4.7 percent because of discrete tax impacts from the divestiture of assets relating to our wholesale tire operations and internal tire distribution operations as well as the revaluation of deferred tax balances due to changes in the mix of pre-tax income in various U.S. state jurisdictions because of the divestiture.

Note 5 – Fair Value

Long-term debt had a carrying amount that approximates a fair value of \$94.0 million as of December 23, 2023, as compared to a carrying amount and a fair value of \$105.0 million as of March 25, 2023. 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 \$26.8 million during the nine months ended December 23, 2023. 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. Under our Credit Facility, there are no restrictions on our ability to declare dividends as long as we are in compliance with the covenants in the Credit

Facility. 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 as well as commissions earned from the delivery of tires on behalf of certain tire vendors and 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		Nine Months Ended	
	December 23, 2023	December 24, 2022	December 23, 2023	December 24, 2022
Tires ^(a)	\$ 161,116	\$ 176,532	\$ 467,069	\$ 507,501
Maintenance	84,179	86,217	267,325	267,131
Brakes	39,824	41,396	133,663	137,613
Steering	24,490	25,379	78,851	82,973
Exhaust	5,031	5,006	15,386	17,202
Franchise royalties	3,013	663	4,418	2,126
Total	\$ 317,653	\$ 335,193	\$ 966,712	\$ 1,014,546

(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 December 23, 2023 and March 25, 2023 were \$22.1 million and \$22.4 million, respectively, of which \$15.4 million and \$15.4 million, respectively, are reported in Deferred revenue and \$6.7 million and \$7.0 million, respectively, are reported in Other long-term liabilities in our Consolidated Balance Sheets.

Changes in Deferred Revenue

Changes in Deferred Revenue (thousands)	
Balance at March 25, 2023	\$ 22,354
Deferral of revenue	16,480
Recognition of revenue	(16,722)
Balance at December 23, 2023	\$ 22,112

As of December 23, 2023, we expect to recognize \$5.1 million of deferred revenue related to road hazard warranty agreements in the remainder of fiscal 2024, \$12.4 million of deferred revenue during our fiscal year ending March 29, 2025, and \$4.6 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. See [Note 6](#) of our [Form 10-K](#) for the fiscal year ended March 25, 2023 for additional information.

On November 10, 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 Agreement, as amended by the Second Amendment.

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. Except as amended by the First Amendment, Second Amendment and Third Amendment, the remaining terms of the credit agreement remain in full force and effect.

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 December 23, 2023.

We are 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.

We were in compliance with all debt covenants at December 23, 2023.

There was \$94.0 million outstanding and \$475.9 million available under the Credit Facility at December 23, 2023.

Note 9 – Commitments and Contingencies

Commitments

Commitments Due by Period (thousands)	Total	Within 1 Year	2 to 3 Years	4 to 5 Years	After 5 Years
Principal payments on long-term debt	\$ 94,000			\$ 94,000	
Finance lease commitments/financing obligations ^(a)	365,192	\$ 51,045	\$ 94,171	\$ 79,883	\$ 140,093
Operating lease commitments ^(a)	259,079	46,356	82,249	59,096	71,378
Total	\$ 718,271	\$ 97,401	\$ 176,420	\$ 232,979	\$ 211,471

(a) Finance and operating lease commitments represent future undiscounted lease payments and include \$78.6 million and \$51.4 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 at the sole discretion of both the supplier and the 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 360 days. We have concluded that the program is a trade payable program and not indicative of a borrowing arrangement.

Our outstanding supplier obligations eligible for advance payment under the program totaled \$168.4 million, \$167.3 million, and \$133.9 million as of December 23, 2023, March 25, 2023, and December 24, 2022, 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 – Share Repurchase

We periodically repurchase shares of our common stock under a board-authorized repurchase program through open market transactions. The share repurchase activity below does not include excise tax of \$0.4 million during the three and nine months ended December 23, 2023. The excise tax is assessed at one percent of the fair market value of net stock repurchases after December 31, 2022.

Share Repurchase Activity (thousands, except per share data)	Three Months Ended		Nine Months Ended	
	December 23, 2023	December 24, 2022	December 23, 2023	December 24, 2022
Number of shares purchased	1,543.6	583.8	1,543.6	2,201.3
Average price paid per share	\$ 28.50	\$ 44.00	\$ 28.50	\$ 44.00
Total repurchased	\$ 43,997	\$ 25,687	\$ 43,997	\$ 96,853

Note 12 – 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 three months ended December 23, 2023. 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.

Additionally, on August 15, 2023, our shareholders voted to approve an amendment to our Certificate of Incorporation to declassify the Board of Directors. Under this amendment, the class of directors standing for election at our 2024 annual meeting of shareholders will stand for election for one-year terms expiring at the 2025 annual meeting of shareholders. Starting with the 2025 annual meeting of shareholders, the Board of Directors will no longer be classified, and all the directors elected at that meeting (and each meeting thereafter) will be elected for a term expiring at the next annual meeting of shareholders.

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

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

There were no recent developments during the quarter ended December 23, 2023 that materially affected, or are reasonably likely to materially affect, our financial reporting.

Economic Conditions

The United States economy experienced higher inflation during fiscal 2023 and fiscal 2024 and there are market expectations that inflation may remain at elevated levels for a sustained period. In addition, labor availability has continued to be constrained and market labor costs have continued to increase. The U.S. Federal Reserve Board also increased interest rates during fiscal 2023 and into fiscal 2024. These conditions may give rise to an economic slowdown, and perhaps a recession, and could further increase our costs and/or impact our revenues. It is unclear whether the current economic conditions and government responses to these conditions, including inflation, changing interest rates, and geopolitical uncertainty, will result in an economic slowdown or recession in the United States. If that occurs, demand for our products and services may decline, possibly significantly, which may significantly and adversely impact our business, results of operations and financial position.

Financial Summary

Third quarter 2024 included the following notable items:

- Diluted earnings per common share ("EPS") were \$0.38.
- Adjusted diluted EPS, a non-GAAP measure, were \$0.39.
- Sales decreased 5.2 percent, due to lower overall comparable store sales resulting from lower store traffic.
- Comparable store sales decreased 6.1 percent, driven primarily by lower tire unit sales.
- Operating income of \$21.4 million was 10.3 percent lower than the comparable prior-year period.
- Net income was \$12.2 million.
- Adjusted net income, a non-GAAP measure, was \$12.5 million.

Earnings Per Common Share	Three Months Ended			Nine Months Ended		
	December 23, 2023	December 24, 2022	Change	December 23, 2023	December 24, 2022	Change
Diluted EPS	\$ 0.38	\$ 0.41	(7.3) %	\$ 1.05	\$ 1.17	(10.3) %
Adjustments	0.01	0.02		0.05	0.10	
Adjusted diluted EPS	\$ 0.39	\$ 0.43	(9.3) %	\$ 1.11	\$ 1.27	(12.6) %

Note: Amounts may not foot due to rounding.

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 net income and adjusted diluted EPS are useful in providing period-to-period comparisons of the results of our operations by excluding certain non-recurring items, such as costs related to shareholder matters from our equity capital structure recapitalization, transition costs related to back-office optimization, corporate headquarters relocation costs, and items related to store closings, as well as acquisition initiatives. 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 Income	Three Months Ended			Nine Months Ended		
	December 23, 2023	December 24, 2022	Change	December 23, 2023	December 24, 2022	Change
(thousands)						
Sales	\$ 317,653	\$ 335,193	(5.2) %	\$ 966,712	\$ 1,014,546	(4.7)%
Cost of sales, including distribution and occupancy costs	204,976	221,742	(7.6)	624,666	662,171	(5.7)
Gross profit	112,677	113,451	(0.7)	342,046	352,375	(2.9)
Operating, selling, general and administrative expenses	91,294	89,605	1.9	280,959	278,802	0.8
Operating income	\$ 21,383	\$ 23,846	(10.3) %	\$ 61,087	\$ 73,573	(17.0)%

Sales

Sales include automotive undercar repair, tire replacement and tire related service sales, net of discounts, returns, etc., 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 of equivalent length. There were 90 selling days in the three months ended December 23, 2023 and in the three months ended December 24, 2022, and 271 selling days in the nine months ended December 23, 2023 and in the nine months ended December 24, 2022.

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		Nine Months Ended	
	December 23, 2023	December 24, 2022	December 23, 2023	December 24, 2022
Sales	\$ 317,653	\$ 335,193	\$ 966,712	\$ 1,014,546
Dollar change compared to prior year	\$ (17,540)		\$ (47,834)	
Percentage change compared to prior year	(5.2) %		(4.7) %	

The sales decrease was due to a decrease in comparable store sales, including a comparable store sales decrease in approximately 300 of our small or underperforming stores, resulting from lower store traffic due to milder weather as well as a pressured low-to-middle income consumer that continued to defer purchases in the Company's high-ticket tire category, and a decrease in sales from closed stores. The decrease in sales from closed stores during the nine months ended December 23, 2023 from the prior year comparable period was primarily driven by the sale of our wholesale tire locations of approximately \$23.9 million. These decreases were partially offset by an increase in sales from new stores and franchise royalties. The following table shows the primary drivers of the change in sales for each of the three months and nine months ended December 23, 2023, as compared to the same periods ended December 24, 2022.

Sales Percentage Change	Three Months Ended		Nine Months Ended	
	December 23, 2023		December 23, 2023	
Sales change	(5.2) %		(4.7) %	
Primary drivers of change in sales				
Comparable store sales	(6.1) %		(2.7) %	
Closed store sales ^(a)	(0.1) %		(2.6) %	
New store sales ^(b)	0.3 %		0.4 %	
Franchise royalties	0.7 %		0.2 %	

(a) The change in closed stores for the nine months ended December 23, 2023 is primarily due to sales from the wholesale locations sold to American Tire Distributors ("ATD").

(b) Sales from the fiscal 2023 acquisitions primarily represent the change.

Broad-based inflationary pressures impacting consumers partly led to lower demand in tires and our higher margin service categories during the three months and nine months ended December 23, 2023. We expect the inflationary environment to continue to impact our customers throughout the remainder of fiscal 2024.

Comparable Store Product Category Sales Change (a)	Three Months Ended		Nine Months Ended	
	December 23, 2023	December 24, 2022	December 23, 2023	December 24, 2022
Tires	(9) %	8 %	(4) %	4 %
Maintenance service	(3) %	7 %	(0) %	3 %
Brakes	(1) %	(5) %	(2) %	(3) %
Alignment	(5) %	(5) %	(4) %	(5) %
Front end/shocks	(5) %	(5) %	(6) %	(1) %

(a) The comparable store product category sales change for the three months and nine months ended December 24, 2022 are adjusted for selling days.

Sales by Product Category	Three Months Ended		Nine Months Ended	
	December 23, 2023	December 24, 2022	December 23, 2023	December 24, 2022
Tires	51 %	53 %	49 %	50 %
Maintenance service	27	26	28	26
Brakes	13	12	14	14
Steering ^(a)	8	8	8	8
Other	1	1	1	2
Total	100 %	100 %	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		Nine Months Ended	
	December 23, 2023	December 24, 2022	December 23, 2023	December 24, 2022
Beginning store count	1,298	1,297	1,299	1,304
Opened	1	1	1	4
Closed	(3)	(2)	(4)	(12)
Ending store count	1,296	1,296	1,296	1,296

Cost of Sales and Gross Profit

Gross Profit (thousands)	Three Months Ended		Nine Months Ended	
	December 23, 2023	December 24, 2022	December 23, 2023	December 24, 2022
Gross profit	\$ 112,677	\$ 113,451	\$ 342,046	\$ 352,375
Percentage of sales	35.5 %	33.8 %	35.4 %	34.7 %
Dollar change compared to prior year	\$ (774)		\$ (10,329)	
Percentage change compared to prior year	(0.7) %		(2.9) %	

Gross profit, as a percentage of sales, increased 170 basis points for the three months ended December 23, 2023, as compared to the prior year comparable period. Retail material costs, as a percentage of sales, decreased due primarily to tire mix improvement and opportunistic pricing actions. Technician labor costs, as a percentage of sales, decreased due primarily to reduced labor hours as we have optimized staffing levels. Partially offsetting these cost decreases was an increase in retail distribution and occupancy costs, as a percentage of sales, as we lost leverage on these largely fixed costs with lower overall comparable store sales.

Gross profit, as a percentage of sales, increased 70 basis points for the nine months ended December 23, 2023, as compared to the prior year comparable period. Retail material costs, as a percentage of sales, decreased due primarily to tire mix improvement and opportunistic pricing actions, in addition to the impact from the sale of our wholesale operations to ATD during June 2022. Partially offsetting this increase in gross profit, as a percentage of sales, were increased technician labor costs, as a percentage of sales, due to the impact from wage inflation, as well as an increase in retail distribution and occupancy costs, as a percentage of sales, as we lost leverage on these largely fixed costs with lower overall comparable store sales.

Gross Profit as a Percentage of Sales Change	Three Months Ended	Nine Months Ended
	December 23, 2023	December 23, 2023
Gross profit change	170 bps	70 bps
Primary drivers of change in gross profit as a percentage of sales		
Retail material costs	190 bps	150 bps
Technician labor costs	40 bps	(60) bps
Retail distribution and occupancy costs	(60) bps	(30) bps
Impact from the sale of wholesale operations	— bps	10 bps

OSG&A Expenses

OSG&A Expenses (thousands)	Three Months Ended		Nine Months Ended	
	December 23, 2023	December 24, 2022	December 23, 2023	December 24, 2022
OSG&A Expenses	\$ 91,294	\$ 89,605	\$ 280,959	\$ 278,802
<i>Percentage of sales</i>	28.7 %	26.7 %	29.1 %	27.5 %
Dollar change compared to prior year	\$ 1,689		\$ 2,157	
Percentage change compared to prior year	1.9 %		0.8 %	

The increase of \$1.7 million and \$2.2 million in OSG&A expenses for the three months and nine months ended December 23, 2023, respectively, from the comparable prior year period is primarily due to an increase in OSG&A expenses from comparable and new stores, transition costs related to back-office optimization, corporate headquarters relocation costs, as well as the gain on the sale to ATD of our wholesale tire locations and distribution assets, net of closing costs and costs associated with the closing of a related warehouse and inventory adjustments during the comparable prior period. Partially offsetting these increases were decreases in costs related to closed stores, a decrease from litigation reserve/settlement costs and, in the three months ended December 23, 2023, a decrease in costs related to shareholder matters from our equity capital structure recapitalization. However, for the nine months ended December 23, 2023, there was an increase in costs related to shareholder matters from our equity capital structure recapitalization. Additionally, there was a decrease in executive management restructuring costs incurred during the comparable prior period for the nine months ended December 23, 2023. The following table shows the impact of these costs on the change in OSG&A expenses for each of the three months and nine months ended December 23, 2023, as compared to the same periods ended December 24, 2022.

OSG&A Expenses Change (thousands)	Three Months Ended	Nine Months Ended
	December 23, 2023	December 23, 2023
OSG&A expenses change	\$ 1,689	\$ 2,157
Drivers of change in OSG&A expenses		
Decrease from closed stores	\$ (547)	\$ (2,642)
Decrease in management restructuring costs	\$ —	\$ (1,338)
Decrease from litigation reserve/settlement costs	\$ (450)	\$ (450)
Increase from net gain on sale of wholesale tire locations and distribution assets, net	\$ 304	\$ 2,272
Increase from new stores	\$ 332	\$ 969
(Decrease) increase from costs related to shareholder matters	\$ (156)	\$ 802
Increase from transition costs related to back-office optimization	\$ 58	\$ 699
Increase from corporate headquarters relocation costs	\$ 95	\$ 155
Increase from comparable stores	\$ 2,053	\$ 1,690

Other Performance Factors
Net Interest Expense

Net interest expense of \$5.0 million for the three months ended December 23, 2023 decreased \$0.9 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 December 23, 2023 decreased by approximately \$104 million as compared to the three months ended December 24, 2022. This decrease is primarily related to a decrease in debt outstanding under the Credit Facility. The weighted average interest rate increased approximately 60 basis points from the prior year comparable quarter due to an increase in the Credit Facility's floating borrowing rates.

Net interest expense of \$15.1 million for the nine months ended December 23, 2023 decreased \$2.3 million as compared to the prior year period, and decreased as a percentage of sales from 1.7 percent to 1.6 percent. Weighted average debt outstanding for the nine months ended December 23, 2023 decreased by approximately \$121 million and the weighted average interest rate increased approximately 80 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 and nine months ended December 23, 2023 was 25.8 percent and 26.7 percent, respectively, compared with 27.6 percent and 31.7 percent in the comparable prior-year periods. Our effective income tax rate for the three months and nine months ended December 23, 2023 was higher by 0.3 percent and 0.8 percent, respectively, and was higher by 0.9 percent and 0.7 percent for the three months and nine months ended December 24, 2022, respectively, due to the discrete tax impact related to share-based awards. Our effective income tax rate for the nine months ended December 24, 2022 was higher by 4.7 percent because of discrete tax impacts from the divestiture of assets relating to our wholesale tire operations and internal tire distribution operations as well as the revaluation of deferred tax balances due to changes in the mix of pre-tax income in various U.S. state jurisdictions because of the divestiture.

Non-GAAP Financial Measures

In addition to reporting net income and diluted EPS, which are GAAP measures, this Form 10-Q includes adjusted net income and adjusted diluted EPS, which are non-GAAP financial measures. We have included reconciliations to adjusted net income and adjusted diluted EPS from our most directly comparable GAAP measures, net income and diluted EPS, 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 non-recurring items, such as costs related to shareholder matters from our equity capital structure recapitalization, transition costs related to back-office optimization, corporate headquarters relocation costs, and items related to store closings, as well as acquisition initiatives.

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 net income is summarized as follows:

Reconciliation of Adjusted Net Income (thousands)	Three Months Ended		Nine Months Ended	
	December 23, 2023	December 24, 2022	December 23, 2023	December 24, 2022
Net income	\$ 12,170	\$ 13,034	\$ 33,871	\$ 38,639
Net loss (gain) on sale of wholesale tire and distribution assets ^(a)	304	—	304	(1,968)
Store closing costs	(30)	6	(26)	232
Monro.Forward initiative costs	—	68	—	110
Acquisition due diligence and integration costs	—	—	5	(9)
Litigation reserve/settlement costs	—	450	—	450
Management restructuring/transition costs ^(b)	—	—	—	1,338
Costs related to shareholder matters	80	236	1,355	553
Transition costs related to back-office optimization	58	—	699	—
Corporate headquarters relocation costs	95	—	155	—
Provision for income taxes on pre-tax adjustments	(131)	(191)	(637)	(178)
Certain discrete tax items ^(c)	—	—	—	2,644
Adjusted net income	\$ 12,546	\$ 13,603	\$ 35,726	\$ 41,811

(a) Amounts include a loss on subsequent inventory adjustments and gain on sale of a related warehouse, net of associated closing costs.

(b) Costs incurred in connection with restructuring and elimination of certain executive management positions upon completion of our sale of wholesale tire locations and distribution assets.

(c) Certain discrete tax items related to the sale of our wholesale tire locations and distribution assets as well as the revaluation of deferred tax balances due to changes in the mix of pre-tax income in various U.S. state jurisdictions because of the sale.

In the Reconciliation of Adjusted Net Income, we determined the Provision for income taxes on pre-tax adjustments by calculating our estimated annual effective income tax rate on pre-tax income before giving effect to any discrete tax items and applying it to the pre-tax adjustments.

Adjusted diluted EPS is summarized as follows:

Reconciliation of Adjusted Diluted EPS	Three Months Ended		Nine Months Ended	
	December 23, 2023	December 24, 2022	December 23, 2023	December 24, 2022
Diluted EPS	\$ 0.38	\$ 0.41	\$ 1.05	\$ 1.17
Net loss (gain) on sale of wholesale tire and distribution assets	0.01	—	0.01	(0.05)
Store closing costs ^(a)	(0.00)	0.00	(0.00)	0.01
Monro Forward initiative costs ^(a)	—	0.00	—	0.00
Acquisition due diligence and integration costs ^(a)	—	—	0.00	(0.00)
Litigation reserve/settlement costs	—	0.01	—	0.01
Management restructuring/transition costs	—	—	—	0.03
Costs related to shareholder matters	—	0.01	0.03	0.02
Transition costs related to back-office optimization ^(a)	0.00	—	0.01	—
Corporate headquarters relocation costs ^(a)	0.00	—	0.00	—
Certain discrete tax items	—	—	—	0.08
Adjusted diluted EPS	\$ 0.39	\$ 0.43	\$ 1.11	\$ 1.27

(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 certain discrete tax items for the nine months ended December 24, 2022 are tax affected. The other adjustments to diluted EPS reflect estimated annual effective income tax rates of 25.8 percent and 25.1 percent for the three months ended December 23, 2023 and December 24, 2022, respectively, and 25.6 percent and 25.1 percent for the nine months ended December 23, 2023 and December 24, 2022, respectively. These estimated annual effective income tax rates exclude the income tax impacts from share-based compensation and for the nine months ended December 24, 2022 exclude certain discrete tax items. 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. The cash we generate from our operations will allow us to continue to support business operations as well as invest in attractive acquisition opportunities intended to drive long-term sustainable growth, pay down debt, return cash to our shareholders through our dividend program and repurchase shares of our common stock under our common stock repurchase 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 \$30 million to \$35 million in the aggregate in fiscal 2024. Additionally, we have contractual finance lease and operating lease commitments with landlords through October 2040 for \$494.3 million in lease payments, of which \$96.7 million is due within one year. For details regarding these lease commitments, see [Note 9](#) to our consolidated financial statements.

As of December 23, 2023, we had \$94.0 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 paid cash dividends of \$0.28 per share totaling \$8.7 million and \$8.9 million for the three months ended December 23, 2023 and December 24, 2022, respectively, and \$0.84 per share totaling \$26.8 million and \$27.5 million for the nine months ended December 23, 2023 and December 24, 2022, respectively. We have paid dividends quarterly since fiscal 2006 and it is our intent to continue to do so in the future.

Share Repurchases

We returned \$44.5 million to shareholders through share repurchases during the nine months ended December 23, 2023. This amount is inclusive of excise tax of \$0.4 million for the nine months ended December 23, 2023. The excise tax is assessed at one percent of the fair market value of net stock repurchases after December 31, 2022. For details regarding our share repurchase program, see [Part II, Item 2, "Unregistered Sales of Equity Securities and Use of Proceeds"](#) of this report and [Note 11](#) to our consolidated financial statements.

Working Capital Management

As of December 23, 2023, we had a working capital deficit of \$214.9 million, an increase of \$24.2 million from a deficit of \$190.7 million as of March 25, 2023. The increase was primarily driven by an increase in accounts payable as a result of certain suppliers that participate in our supply chain finance program. We have agreed to contractual payment terms and conditions with our 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. 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 December 23, 2023, we had \$23.8 million of cash and equivalents. In addition, we had \$475.9 million available under the Credit Facility as of December 23, 2023.

We believe that our current sources of funds will provide us with adequate liquidity during the 12-month period following December 23, 2023, 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)	Nine Months Ended	
	December 23, 2023	December 24, 2022
Cash provided by operating activities	\$ 130,463	\$ 171,191
Cash (used for) provided by investing activities	(285)	35,551
Cash used for financing activities	(111,216)	(201,691)
Increase in cash and equivalents	18,962	5,051
Cash and equivalents at beginning of period	4,884	7,948
Cash and equivalents at end of period	\$ 23,846	\$ 12,999

Cash provided by operating activities

For the nine months ended December 23, 2023, cash provided by operating activities was \$130.5 million, which consisted of net income of \$33.9 million, adjusted by non-cash charges of \$64.9 million and by a change in operating assets and liabilities of \$31.7 million. The non-cash charges were largely driven by \$54.4 million of depreciation and amortization as well as \$9.6 million in deferred income tax expense. The change in operating assets and liabilities was primarily due to our supply chain finance program being a source of cash as we improved our cash flow by \$17.8 million. Additionally, the change in operating assets and liabilities was also partially due to accounts payable and accrued liabilities, net of vendor rebate receivables, being a source of cash of \$30.5 million driven by timing of payments. These sources of cash were partially offset by our inventory balance being a use of cash of \$12.7 million due to increased inventory purchases.

For the nine months ended December 24, 2022, cash provided by operating activities was \$171.2 million, which consisted of net income of \$38.6 million, adjusted by non-cash charges of \$60.6 million and by a change in operating assets and liabilities of \$72.0 million. The non-cash charges were largely driven by \$58.2 million of depreciation and amortization. The change in operating assets and liabilities was primarily due to our supply chain finance program being a source of cash as we improved our cash flow by \$94.8 million. This source of cash was partially offset by our inventory balance being a use of cash of \$12.3 million due to increased inventory purchases as well as accounts payable and accrued liabilities, net of vendor rebates, being a use of cash of \$9.7 million driven by timing of payments.

Cash used for / provided by investing activities

For the nine months ended December 23, 2023, cash used for investing activities was \$0.3 million. This was primarily due to cash used for capital expenditures, including property and equipment, of \$18.9 million, partially offset by cash provided by the escrow and earnout payments from the sale of our wholesale tire locations and distribution assets and the disposal of property and equipment of \$15.8 million and \$2.8 million, respectively.

For the nine months ended December 24, 2022, cash provided by investing activities was \$35.6 million. This was primarily due to cash from the sale of our wholesale tire locations and tire distribution assets for \$60.9 million, partially offset by cash used for capital expenditures, including property and equipment, and acquisitions of \$28.5 million and \$1.0 million, respectively.

Cash used for financing activities

For the nine months ended December 23, 2023, cash used for financing activities was \$111.2 million which was primarily due to payment on our Credit Facility, net of amounts borrowed during the period, of \$11.0 million, as well as payment of finance lease principal and dividends of \$29.4 million and \$26.8 million, respectively. Also, we used \$44.0 million to repurchase common stock during the period.

For the nine months ended December 24, 2022, cash used for financing activities was \$201.7 million which was primarily due to payment on our Credit Facility, net of amounts borrowed during the period, of \$46.4 million, as well as payment of finance lease principal and dividends of \$29.8 million and \$27.5 million, respectively. Also, we used \$96.9 million to repurchase common stock during the period.

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 25, 2023. There have been no material changes to our critical accounting estimates since our Form 10-K for the year ended March 25, 2023.

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 December 23, 2023 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," "could," "estimate," "expect," "intend," "may," "plan," "potential," "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;

MANAGEMENT'S DISCUSSION AND ANALYSIS

- the risks associated with vendor relationships and international trade, particularly imported goods such as those sourced from China;
- the impact of changes in U.S. trade relations and the ongoing trade dispute between the United States and China, and other potential impediments to imports;
- our ability to service our debt obligations, including our expected annual interest expense;
- 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 business combinations, insurance liabilities, and valuations for our 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 failure 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 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 25, 2023, 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 December 23, 2023, 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 \$0.9 million based upon our debt position at December 23, 2023 and approximately \$1.1 million based upon our debt position at March 25, 2023, given a change in SOFR of 100 basis points.

Debt financing had a carrying amount that approximates a fair value of \$94.0 million as of December 23, 2023, as compared to a carrying amount and a fair value of \$105.0 million as of March 25, 2023.

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 December 23, 2023 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.

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

On May 19, 2022, our Board of Directors authorized a share repurchase program for the repurchase of up to \$150 million of shares of our common stock with no stated expiration. Under the program, we have repurchased 3.7 million shares of common stock at an average price of \$37.61, for a total investment of \$140.9 million. The table below presents information with respect to Monro common stock purchases made during the three months ended December 23, 2023, by Monro or any “affiliated purchaser” of Monro, as defined in Rule 10b-18(a)(3) under the Exchange Act.

Share Repurchase Activity	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Dollar Value of Shares that May Yet Be Purchased Under Publicly Announced Programs
Period				
September 24, 2023 through October 21, 2023	—	—	—	\$ 53,146,593
October 22, 2023 through November 25, 2023	799,002	\$ 27.46	799,002	31,208,686
November 26, 2023 through December 23, 2023	744,565	29.63	744,565	9,149,800
Total	1,543,567	\$ 28.50	1,543,567	\$ 9,149,800

Item 6. Exhibits

Exhibit Index

[10.70 **# – Supply Agreement, effective as of November 1, 2023, by and between Monro, Inc. and VGP Holdings LLC](#)

[10.75 – Amended and Restated Employment Agreement by and between the Company and Brian J. D’Ambrosia, dated as of October 26, 2023*](#)

[10.76 – Amended and Restated Employment Agreement by and between the Company and Michael T. Broderick, dated as of October 26, 2023*](#)

[31.1 – Certification of Michael T. Broderick 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)

* Management contract or compensatory plan or arrangement.

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

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

SIGNATURES

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.

DATE: January 24, 2024

DATE: January 24, 2024

MONRO, INC.

By: /s/ Michael T. Broderick
Michael T. Broderick
President and Chief Executive Officer
(Principal Executive Officer)

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.**

SUPPLY AGREEMENT

THIS SUPPLY AGREEMENT (“Agreement”), is made and entered into this 31st day of October 2023 and effective as of November 1, 2023 (the “Effective Date”), by and between VGP Holdings LLC, a Delaware limited liability company, with a mailing address of 100 Valvoline Way, Suite 200 Lexington, KY 40509 (“Supplier”), and Monro, Inc., a New York corporation, and MNRO Service Holdings, LLC, a Delaware limited liability company, (“Customer” and, together with the Supplier, the “Parties” or each, a “Party”), with a mailing address of 200 Hollleder Parkway, Rochester, NY 14615.

WHEREAS, Supplier and Customer entered into a Supply Agreement effective 1 October 2020 and amended as of 29 September 2023 (together, (the “Prior Agreement”)

In consideration of the mutual promises set forth in this Agreement, and other good, valuable and sufficient consideration, the receipt and adequacy of which are hereby acknowledged, Supplier hereby agreed to sell and deliver, and Customer hereby agrees to purchase, receive and pay for, the Valvoline® products described below for use at the locations identified on **Schedule A**, attached hereto and incorporated herein by reference on the following terms and conditions:

1. **TERM.** The term of this Agreement (the “Term”) begins on the Effective Date and expires, unless sooner terminated pursuant to this Agreement, on October 31, 2026 (the “Expiration Date”). During the Term, Customer [***].

2. **SUPPLY AGREEMENT.** From time to time as directed by Customer, Supplier shall supply Products (defined below) to certain locations operated by Customer, as the parent company of Customer, as such locations are set forth on **Schedule A** (“Customer Locations”). Schedule A may be updated from time to time during the Term as follows:

a) For a location to be added as a Customer Location, Customer will provide notice to Supplier of such new location. Supplier shall consent to such location being added to Schedule A (such consent not to be unreasonably withheld, delayed or conditioned) by selling and delivering Products (defined below) to such location (such consent shall amend **Schedule A** to include such location as a “Customer Location”).

b) During the Term, Customer may cease operations at a particular Customer Location. Customer shall be permitted to remove such Customer Location from Schedule A upon notice to Supplier.

c) Should Customer acquire any additional business and/or locations during the Term, then such new business and/or location shall be added as Customer Locations upon the expiration of any supply agreement in place with the existing business and/or location on the date of Customer’s acquisition of same for any products that compete with the Products (as defined herein) and [***]. Customer shall not exercise any renewal options contained in any such supply agreements following the date of Customer’s acquisition of the relevant business and/or locations.

d) Customer shall use Supplier's VPS chemical service products [***] in accordance with **Schedule F**, including and not limited to disclosing to Supplier, [***].

During the Term, Supplier shall sell and deliver, and Customer shall purchase, pay and provide safe access for the delivery from Supplier (or its authorized distributor) at the Customer Locations, VALVOLINE® products set forth on **Schedule B** attached hereto and incorporated by reference (“**Products**”). It is understood and agreed that, during the Term, Customer [***] from Supplier for the Customer Locations, but excluding [***], provided that, Customer shall make all reasonable best efforts to sell the Products during the Term and shall not advertise, promote, or in any other way market competitive products.

Subject to Sections 2(b), (c) and (d), Customer shall promote and reasonably support Supplier-sponsored programs, as such programs shall be reasonably developed with, and agreed by, Customer (e.g. Stickerbucks, incentive trips, Spark, etc.) paid using the Marketing Fund provided for in **Schedule E**), [***]. Any failure of a parent, affiliate or subsidiary of Customer to adhere to the obligations contained in this Agreement that would otherwise qualify as a material default under Section 14 hereof, may be pursued by Supplier as a material default by Customer.

3. PRICE.

a) As of the Effective Date of this Agreement, Customer shall begin paying to Supplier the applicable “Invoice Price” for the Products, as outlined in Schedule B attached hereto (the “**Invoice Prices**”).

b) Thereafter, price adjustments to the Invoice Prices shall follow the guidelines established on **Schedule C**.

c) Customer is responsible for payment of all applicable taxes, fees and other government- imposed charges, whether or not included in such prices. If compliance with law prevents Supplier from charging or Customer from paying the price provided in this Agreement, any resulting failure to perform shall be excused pursuant to Section 26 hereof. Each delivery hereunder shall be considered a separate sale.

4. **PAYMENT TERMS.** Effective February 1st, 2024 payment terms are [***]. Payment terms pursuant to Agreement effective 1 October 2020 to the period January 31, 2024 are [***] for any invoices generated during this period. All proof of delivery (POD) requests shall be made within forty-five (45) days of invoice date. If based on a rolling 3 month average, the requested POD's exceed [***] POD's per month, both Parties shall on a good faith basis, work together to mitigate this amount. Supplier agrees to provide Customer with operational guidelines and best practices to assist in successful receipt of delivered goods at store level. Supplier must provide the POD in the form of a bill of lading, which shows the Product and quantity delivered on such date. Supplier will respond to a proof of delivery request in timely manner. If any requested POD cannot be provided by Supplier within [***]. Customer shall review each invoice for any discrepancies and will, within [***] of receipt thereof, notify Supplier in writing of any discrepancies found upon such review and submit a list of disputed charges. Supplier shall review the disputed charges and send a written explanation detailing the basis for the charges within [***] of receipt of Customer's notice of discrepancies and disputed charges. Subject to Supplier's agreement, Supplier shall credit any disputed amounts within [***] of notification to Customer. [***]. Any credit resulting from a [***] which occurs after the draft of the corresponding invoice will be applied to the next payment cycle. Customer has up to [***] from invoice date to notify Valvoline of any billing discrepancies (for example, double payment of the same invoice). Notification

must be in writing.

5. **BUSINESS DEVELOPMENT, PROMOTIONAL AND OPERATIONAL SUPPORT.** Business development, promotional and operational support to be provided by Supplier pursuant to this Agreement as described in Schedule E, attached hereto and incorporated herein by reference.

6. **FREIGHT.** Subject to agreement between the Parties and if applicable, Supplier agrees to deliver the Products to the Customer's warehouse destinations as may be agreed to in writing in advance by the parties hereto, freight prepaid, FOB the Customer's receipt address for regular stock orders meeting prepaid shipment minimums. Freight will be prepaid on orders of [***] units or more. For orders less than [***] units, freight will be added to the bottom of the invoice. Supplier agrees to allow the Customer to transport orders from the Supplier's designated shipping/receiving point. If Customer shall transport from Supplier, Supplier will issue a credit to the Customer equaling the prevailing freight charge of Supplier's preferred motor carrier.

7. **ORDER FULFILLMENT.** Except for events of force majeure contemplated herein, all orders will be shipped within five (5) working days from receipt of order where the applicable distributor's normal delivery schedule allows for the same; provided that, in some instances, a distributor may take up to ten (10) working days from receipt of order to ship such order, consistent with past business practices between Supplier and Customer for drum and bulk packaged products.

8. **SUPPLIER PRODUCT WARRANTIES.**

a) **SUPPLIER WARRANTS FOR A PERIOD OF NINETY (90) DAYS AFTER DATE OF DELIVERY THAT THE PRODUCTS SOLD HEREUNDER MEET THE THEN CURRENT SPECIFICATIONS DESIGNATED IN SUPPLIER'S APPLICABLE PUBLICATIONS. EXCEPT AS STATED IN THIS SECTION 8(a) AND 8(b), SUPPLIER MAKES NO OTHER WARRANTY OF ANY KIND, WHETHER EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR WARRANTY OF TITLE.**

b) Supplier shall provide a VPS guarantee consistent with this outlined in Schedule D; provided, that, the VPS guarantee is subject to change from time-to-time by Supplier in its sole discretion, but any such changes shall be consistent with those applied across the VPS guarantee programs to all of Supplier's customers. If the Supplier discontinues an applicable warranty or materially alters the warranties provided, Supplier will honor such warranty, as set forth on Schedule D, for the remainder of the Term.

9. **PRODUCT CATALOGS.** Supplier agrees to provide the most up-to-date lubricant specifications catalog information in its possession to Customer to supplement the catalog information Customer independently obtains from alternate source(s). All electronic data must be supplied in the then-current format specified by the Automotive Aftermarket Industry Association ("AAIA").

a) Electronic information shall be provided initially within thirty (30) days from the Effective Date and within thirty (30) days thereafter if any changes have occurred; and provided in its entirety; Supplier to provide upon request by customer, supporting documentation pursuant to any product assortment recommendation.

b) Electronic information shall provide the correct Supplier part information for the specific vehicle application as well as Supplier's chosen manufacturer's part information, without regard to Customer's decision to stock such part;

c) Supplier shall provide, upon release of same, a quantity of each catalog, specification guide or other such media, in an amount sufficient to supply each location operated or managed by Customer; and

d) Supplier will reimburse Customer for the cost of an electronic subscription to [***].

Failure to provide catalog information as outlined above will result in Customer obtaining the electronic information and/or print catalog editions in a manner most expeditious and beneficial to Customer. Supplier agrees to reimburse Customer for any and all costs associated with having to obtain catalog information from alternate source(s), [***].

10. PRICING NEW PRODUCTS. In the event Supplier introduces new products ("New Products") to its product line during the Term of this Agreement, based upon changes to formulation, product engineering or similar event, as a mandated for continued certification of product by the American Petroleum Institute ("API") or International Lubricants Standardization and Approval Committee, Supplier agrees that Customer's pricing on the New Products will be subject to the same discounts and credits to Supplier's standard invoice pricing on the New Products as provided for in this Agreement.

11. CONSIDERATION. Customer has given, and Supplier has received and accepted, adequate, good, and valuable consideration for this Agreement. Customer's adequate, good, and valuable consideration includes the mutual covenants, obligation, and promises herein and the following (which separately and together have enabled Supplier to execute and deliver this Agreement and have assisted and will assist Supplier's performance of its obligations under this Agreement): (1) Customer, one of the U.S.'s largest providers of automotive under-car repair and tire services, has at great length discussed and upon reasonable request during the Term will discuss its business needs with Supplier for the purpose of enabling Supplier to make compelling business proposals to Customer; (2) Customer has entered into negotiations with Supplier that are expected to culminate in the execution and delivery of this Agreement, which Customer advises gives Supplier certain advantages over other suppliers of automotive lubricants; (3) Customer has provided and upon reasonable request during the Term will provide information to Supplier about Customer's operations; (4) subject to the terms of this Agreement, Customer [***]; and (5) in this Agreement, Customer agrees with Supplier to negotiate in good faith to determine the price for products not listed on **Price List** that Customer purchases from Supplier, if any. Supplier has bargained for and will receive material benefits, interests, rights and value from Customer through such consideration and that Supplier is not entitled to and would not have received such benefits, interests, rights and value absent this Agreement. This Agreement is legally binding; and Supplier will not, directly or indirectly, plead or otherwise assert in any manner in any litigation, arbitration, mediation, or other dispute-resolution proceeding that this Agreement is invalid, void, voidable, revocable, terminable, or otherwise unenforceable for lack of or insufficiency of consideration; and by this Agreement irrevocably waives and will be estopped from pleading or asserting directly or indirectly any cause of action, claim, defense, right, or prayer for relief to such effect. Each of Supplier's waivers in this Section 11 is reasonable and made with Supplier's full knowledge of its significance and consequences.

12. REPRESENTATIONS AND WARRANTIES. Customer and Supplier each represents and warrants to the other that (i) it has the right, power and authority to grant the rights provided in this Agreement and to perform its obligations under this Agreement, and (ii) its execution, delivery, and performance of this Agreement have been duly authorized and will not violate any other agreement, restriction, or law to which it is a party or by which it is bound.

13. NOTICE. Notices under this Agreement are sufficient if given by nationally recognized overnight courier service, certified mail (return receipt requested) or personal delivery to the other party at the address below, provided, that either party may change the mailing address or other information provided for it by written notice given in accordance with this Section 10:

Customer:

Monro, Inc.

Attn: President and CEO 200 Holleder

Parkway

Rochester, NY 14615

MNRO Service Holdings, LLC Attn: President

200 Holleder Parkway

Rochester, NY 14615

With copy to:

Monro, Inc.

Attn: Vice President – Marketing, Merchandising and Commercial 200 Holleder

Parkway

Rochester, NY 14615

With copy to:

Monro, Inc. and MNRO Service Holdings, LLC Attn: Legal

Department

200 Holleder Parkway

Rochester, NY 14615

Supplier:

VGP Holdings LLC

100 Valvoline Way, Suite 200

Lexington, KY 40509

Attn: Director, Strategic Accounts

With copy to:

VGP Holdings LLC

100 Valvoline Way, Suite 200

Lexington, KY 40509

Attn: Legal Department

14. TERMINATION; REMEDIES. This Agreement may be terminated only by mutual consent of the parties in writing prior to the expiration hereof or by either the Supplier or Customer, as applicable, without cost or penalty if any one or more of the following events occur during the term of this Agreement:

a) By either of the Parties if the other party materially defaults in the performance of or breaches any provision of this Agreement and does not cure the same within thirty (30) days after receipt of written notice of such default or breach;

b) By either Party if any payment due by the other Party is unpaid when due and remains unresolved for thirty (30) days after written notice to the default party by the non- defaulting party;

c) By either of the Parties if, with respect to the other party, any proceeding in bankruptcy is filed, or any order for relief in bankruptcy is issued, by or against such party, or if a receiver of such party or its premises is appointed in any suit or proceeding brought by or against a party, or if there is an assignment by such Party for the benefit of that Party's creditor(s);

d) By Customer, if Supplier is acquired, either directly or indirectly, through the sale of assets, merger, or otherwise by a direct competitor of Customer;

e) By Supplier, if the Customer is acquired, either directly or indirectly, through the sale of assets, merger, or otherwise by a direct competitor of Supplier; or

f) By Customer, in the event that a change of control of Supplier shall result in a Party, person or corporate entity controlling a majority shares of Supplier and such party, person or corporate entity shall be a citizen of, or based in, a country which is, or becomes, listed on the United States of America's Department of State's Office of Defense Trade Control's Embargo Reference Chart.

g) If a Force Majeure event occurs under Section 26 and materially impacts one Party's ability to perform hereunder for more than [***]. For the purposes of this Section 14(g),

materially means [***].

Upon the early termination of this Agreement under the terms of this Section (the “**Early Termination**”), all amounts due and owing to either Party, including, but not limited to any credits to Customer calculated in accordance with Section 5 hereof and Schedules B, C and E attached hereto, shall be calculated and paid or issued, as the case may be, *pro rata* to the effective date of such Early Termination. Nothing contained herein shall be deemed to limit or otherwise restrict any right, power, or remedy of either Party. Further, [***]. All other amounts due or owing, including prepayments owed by Customer to Supplier on a pro rata basis, shall be calculated and paid, in accordance with this Section. All rights, powers, and remedies shall be cumulative and concurrent and the exercise of one or more rights, powers or remedies existing under this Agreement or now or hereafter existing at law or in equity, shall not preclude the subsequent exercise by either Party of any other right, power or remedy.

15. ETHICAL BUSINESS PRACTICES. Customer and Supplier, respectively, acknowledge that each of its employees is required to maintain the highest standards of honesty, integrity and trustworthiness. In particular, reference is made to the Monro Inc. Code of Ethics, which may be found online at <https://corporate.monro.com/investors/corporate-governance/> and which applies to all employees of Customer. As such, both Parties affirm that they will conduct themselves, with respect to this Agreement, in accordance with these standards.

16. RELATIONSHIP OF THE PARTIES. The relationship of Supplier and its employees, agents, and contractors to Customer is at all times that of independent contractors, and Supplier will not represent Customer as Customer’s agent, employee, or partner in any manner. Supplier has no authority to enter into any contract or incur any expense or obligation in Customer’s name.

17. CONFIDENTIALITY.

a) **Confidential Information.** “**Confidential Information**” means any information, whether disclosed in oral, written, visual, electronic or other form, which any party discloses or observes in connection with any other party’s performance under this Agreement that relates to business plans, strategies, forecasts or analysis; financial information; employee, customer or vendor information; software (including all documentation and code), hardware or system designs, architectures or protocols; specifications for the Products or other products; Supplier and Customer purchasing, logistics, sales, marketing and other business processes; or the terms of this Agreement.

b) Each Party shall use Confidential Information and reproduce materials containing Confidential Information only as necessary to perform its obligations under this Agreement. Each Party shall restrict disclosure of Confidential Information to its personnel who have a need to know such information to perform its obligations under the Agreement and who have first agreed to be bound by the terms of this Section. Each Party is liable for an unauthorized disclosure or use of Confidential Information by any of its current or former personnel. Within ten (10) days after receiving a written request, a Party shall destroy or return (as instructed) any materials containing Confidential Information.

c) **Exceptions to Confidential Treatment.** The obligations under this Section do not apply to Confidential Information that a Party can demonstrate:

- i. Is or becomes publicly available without its breach of this Agreement;
 - ii. Is independently developed by it without using Confidential Information; or
-

iii. Is received by it from a third party that does not have an obligation of confidentiality to the other Party; or

iv. Is properly and lawfully known to the receiving party prior to the Effective Date of this Agreement without an obligation of confidentiality to the other Party.

A Party may disclose Confidential Information to the extent that, in the reasonable opinion of its legal counsel, it is legally required to be disclosed. A Party shall notify the other Party in a reasonable time prior to disclosure and allow the other Party a reasonable opportunity to seek appropriate protective measures.

18. **NO WAIVER.** This Agreement's terms, covenants and conditions may be waived only by a written instrument signed by the party waiving compliance. Any Party's failure at any time to require performance of any provision shall, in no manner, affect that Party's right to enforce that or any other provision at a later date. No waiver of any condition or breach of any provision, term or covenant contained in this Agreement, whether by conduct or otherwise, in any one or more instances shall be deemed or to be construed as a further or continuing waiver of that or any other condition or of the breach of that or other provision, term or covenant of this Agreement.

19. **ENTIRETY OF CONTRACT.** This writing is intended by the Parties as the final, complete and exclusive statement of the terms, conditions and specifications of their agreement and is intended to supersede all previous oral or written agreements and understandings between the parties relating to its specific subject matter. No employee or agent of Supplier has authority to make any statement, representation, promise or agreement not contained in this Agreement. No prior stipulation, agreement, understanding or course of dealing between the parties or their agents with respect to the subject matter of this Agreement shall be valid or enforceable unless embodied in this Agreement. No amendment, modification or waiver of any provision of this Agreement shall be valid or enforceable unless in writing and signed by all parties to this Agreement. This Agreement shall supersede, and shall not be modified or amended in any way by the terms of, any purchase order which may be issued by Customer for the purchase of product hereunder.

20. **SEVERABILITY/ASSIGNABILITY.** If any provision of this Agreement or the application of any such provision to any person or circumstance is held invalid, the application of such provision to any other person or circumstance and the remainder of this Agreement will not be affected thereby and will remain in full effect. Any Party must obtain written consent from the other(s) before assigning or transferring to a third party all or any part of its rights under this Agreement. Notwithstanding the foregoing, upon written notice to the other Party, any Party can assign or transfer its right or obligations (so long as not violative of any other provision in this Agreement) to (a) an affiliate of such Party; or (ii) a purchaser or a successor to a significant portion of such Party's assets or business; provided that such purchaser or successor is not a direct competitor of the other Party. In the event Customer intends to assign or transfer its interests under this Agreement to a purchaser or successor to a significant portion of Customer's assets or business, then Customer's written notice to Supplier, pursuant to this Article 20, shall include a representation confirming that Customer's obligations under this Agreement are being fully assumed by the assignee, purchaser or successor, and that the assignee, purchaser or successor shall be liable to Supplier for any breaches of this Agreement.

21. **SURVIVAL.** All obligations of Customer and Supplier that expressly or by their nature survive the expiration or termination of this Agreement, including the obligation of either Party to pay any amounts accrued hereunder, will continue in full force and effect beyond the expiration or termination of this Agreement and until they are satisfied or by their nature expire.

22. **INDEMNIFICATION.**

a) To the fullest extent permitted by law, Supplier shall defend, indemnify and hold Customer, its parent, subsidiaries, related entities and their respective officers, directors and employees harmless from and against any and all claims, suits, damages, losses, liabilities, fines, penalties, costs or expenses (including reasonable attorney's fees) arising from or related to (i) Supplier's negligence, gross negligence or willful misconduct in the performance of its duties and obligations hereunder, or (ii) any violation of applicable law by Supplier or its products and services.

b) To the fullest extent permitted by law, Customer shall defend, indemnify and hold Supplier, its parent, subsidiaries, related entities and their respective officers, directors and employees harmless from and against any and all claims, suits, damages, losses, liabilities, fines, penalties, costs or expenses (including reasonable attorney's fees) arising from or related to (I) Customer's negligence, gross negligence or willful misconduct in the performance of its duties and obligations hereunder, or (ii) any violation of applicable law by Customer or its products and services.

23. **INSURANCE.** Supplier shall procure and maintain at its sole expense throughout the term of this Agreement, the following minimum levels of insurance coverages:

a) Commercial General Liability Insurance: including Broad Form Property Damage, and Personal Injury with a combined single limit of not less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) general aggregate.

b) Worker's Compensation: including One Million Dollars (\$1,000,000) Employers Liability coverage.

With respect to Commercial General Liability, Monro Inc. shall be named as additional insureds. Evidence of Coverage will be provided upon execution of the Agreement to Customer.

In addition to the General Liability limits being requested, Monro Service Corporation and MNRO Service Holdings, LLC is requesting from Valvoline:

1. Auto Liability with a limit of \$1,000,000 Combined Single Limit.

2. Statutory Workers' Compensation coverage including the \$1,000,000 in Employers Liability and Umbrella Liability coverage of \$5,000,000.

3. Pollution Liability coverage of \$5,000,000 due to the potential exposure that could be an issue with Valvoline's packaging causing a pollution issue at a Monro store.

24. **GOVERNING LAW. THIS AGREEMENT HAS BEEN DELIVERED AND ACCEPTED AND SHALL BE**

DEEMED TO HAVE BEEN MADE AT ROCHESTER, NEW YORK. Any dispute, claim or controversy arising out of or related to this Agreement (or any of the Agreements attached hereto as schedules) or breach, termination or validity thereof, may be, by mutual consent of the Parties, settled by arbitration conducted expeditiously in accordance with the commercial Arbitration Rules of the American Arbitration Association ("AAA"). Within ten (10) business days of the filing of arbitration, the Parties shall select a sole independent and impartial arbitrator in accordance with such Rules. If the Parties mutually agree to arbitration, but are unable to agree upon an arbitrator within such period, the AAA will appoint an arbitration on the eleventh (11th) day, which arbitrator shall be experienced in commercial matters. The arbitrator will issue findings of fact and conclusions of law to support his/her opinion and is not empowered to award damages in excess of compensatory damages. The place of arbitration shall be Rochester, New York. Judgment upon the award rendered by the arbitrator may be entered by any court having jurisdiction thereof. **NOTWITHSTANDING ANY OF THE FOREGOING, EITHER PARTY MAY SEEK REMEDY THROUGH THE COURTS, INCLUDING, WITHOUT LIMITATION, INJUNCTIVE RELIEF, PRIOR AND WITHOUT PREJUDICE TO ARBITRATION IN ACCORDANCE WITH THIS PROVISION. THE TERMS AND PROVISIONS OF THIS AGREEMENT SHALL BE INTERPRETED IN ACCORDANCE WITH AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK**

WITHOUT REGARD TO PRINCIPLES OF CONFLICTS OF LAW. THE PARTIES HEREBY WAIVE ANY AND ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING DIRECTLY OR INDIRECTLY HEREUNDER.

Notwithstanding anything contained in this Agreement, neither party shall be liable in any arbitration, litigation or other proceeding for anything other than actual, compensatory damages.

25. PRODUCT IDENTIFICATION. Supplier shall have the right at any time to change or discontinue use of any trademark, service mark, grade designation, trade dress, trade name or other indication of source of origin (“Marks”) under which the Products are sold and shall give 120 day written notice of any such change or discontinuation to Customer. Supplier shall also have a right at any time to change or discontinue a product so long as sixty (60) days written notice is given to the Customer. Notwithstanding any of the foregoing, Supplier commits to providing Customer with continued sales support needed for Customer’s sell-out of any discontinued Products. If, however, the Supplier fails to provide a reasonable and/or similar replacement product, the Customer shall have the right to terminate this Agreement. Customer shall use its best efforts to maintain the quality, good name and reputation of Supplier and the Products. Only the Products shall be stored or sold using any equipment or container which bears the Marks. Supplier grants to Customer a license to use the Marks only to identify the Products, and store and advertise the Products. Customer shall not alter in composition, co-mingle with products from other sources, or otherwise adulterate the Products. Customer shall not bring or cause to be brought any proceedings, either administrative or judicial in nature, contesting Supplier’s ownership of rights to, or registration of Marks.

26. FORCE MAJEURE. The Parties to this Agreement shall not be responsible for any delay or failure to perform under this Agreement (other than to make payments when due hereunder) if delayed or prevented from performing by acts of God; transportation difficulty; epidemic, pandemic; any armed conflict or act of terrorism, sabotage or military authority, revolution, riot, blockade, embargo, trade sanction, strike or other industrial disturbances; any law, regulation, ruling, order or action of any governmental authority; any allocation or shortage of product, as determined by Supplier in its sole discretion; or any other cause or causes beyond such party’s reasonable control whether similar or dissimilar to those stated above. It is specifically acknowledged that any amount of Product that Supplier fails to provide to Customer pursuant to the terms of this Section will be credited towards this Agreement.

27. COMPLIANCE WITH LAWS/TAXES. Customer shall, at its own expense, (i) comply with all applicable laws, regulations, rulings and orders, including without limitation those relating to taxation, workers’ compensation, and environmental protection; and (ii) obtain all necessary licensed and permits for the purchase and sale of the Products.

28. SUPPLIER’S RIGHT TO INSPECT. Supplier, or its authorized agents, shall have the right, but not the obligation to inspect Customer’s premises, sample, monitor or test any motor oil, grease or filter offered for sale, and to inspect or test any tank, line, pump, dispenser, or other operating equipment, including without limitation equipment owned by Customer, used at Customer’s premises bearing the Marks, or being represented to contain the Products, at any time during Customer’s business hours. At least seventy-two (72) hours prior to any such inspection, Supplier shall provide Customer with a written notice of such inspection and shall permit Customer to have management present during such inspection.

29. **TIME OF THE ESSENCE.** In performing all obligations under this Agreement, time is of the essence. The failure of any party hereto to exercise any right such Party may have with respect to breach of any provision of this Agreement shall not impair or be deemed a waiver of such Party's rights with respect to any continuing or subsequent breach of the same or any other provision of this Agreement.

30. **E-LEARNING COURSE REPORTING.** From time to time Supplier shall provide to Customer access to training courses from its E-Learning Course Catalog. In the event Customer utilizes such training courses through its proprietary learning platform, Customer may report to Supplier the participation and completion rate for each course on a quarterly basis during the Term of this Agreement.

31. **STRATEGIC PARTNERSHIP SUMMIT.** The Parties agree that Supplier is a strategic partner, and as such operates with the goal of advancing Customer's business across its many facets. In order to best achieve their collective goals, the Parties agree to conduct a summit to understand Customer's key strategic priorities and align on possible solutions where Supplier may offer value adding knowledge, products or services (the "Summit"). The Summit will be held twice a year during the Term of the Agreement, with the first Summit to be scheduled as close as possible to Customer's fiscal year renewal. Customer agrees to participate in the Summit, whether in person or remote, and to have participants which may include, at Customer's discretion, leadership from the following areas of the business: Operations Leadership, Marketing, Merchandising Training, and Other Key Constituents, as Customer deems appropriate. Any travel would be subject to Customer's then-current travel policy. Supplier's Summit participants shall include the leadership across Valvoline's Installer Channel, Strategic Accounts, Marketing and Training (and others as required).

32. **VPS SERVICE KITS.** [***].

IN WITNESS WHEREOF, the Parties hereto have set their hands as of the date first written above.

MONRO, INC.

By: /s/ Michael T. Broderick

Print Name: Michael Broderick

Title: President and CEO

Witness: Angela M. Chase

MNRO SERVICE HOLDINGS, LLC

By: /s/ Maureen E. Mulholland

Print Name: Maureen E. Mulholland

Title: Secretary

Witness: Angela M. Chase

VGP HOLDINGS LLC

By: /s/ Jamal Muashsher

Print Name: Jamal Muashsher

Title: President and CEO

Witness: Ashur Tamson

SCHEDULE A – Company-Owned Locations as of the Effective Date
[ATTACHED]

¹Schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant will provide a copy of any omitted schedule to the Securities and Exchange Commission upon request.

SCHEDULE B – Products and Applicable Invoice Amounts

SCHEDULE C – Price Adjustments on Motor Oil and Transmission Fluid Products

SCHEDULE D – Product Warranties

[ATTACHED]

SCHEDULE E – Business Development, Promotional and Operational Support

SCHEDULE F – VPS Chemical Service Products Supply

SCHEDULE G – Monro Growth Plan

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

AMENDED AND RESTATED EMPLOYMENT AGREEMENT, entered into on October 26, 2023 (the “**Effective Date**”), between Monro, Inc. (the “**Company**”) and Brian J. D’Ambrosia (the “**Executive**”).

WHEREAS, the Company and the Executive are parties to an Employment Agreement dated December 21, 2020, the extended term of which will expire on December 31, 2023 (the “**Prior Agreement**”); and WHEREAS, the Company and the Executive wish for the Executive to continue to be employed by the Company upon the terms and conditions as set forth herein commencing on the Effective Date;

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. EMPLOYMENT AND DUTIES.

1.1 Employment by the Company. The Company hereby agrees to employ the Executive for the Term (as herein defined), to render exclusive and full-time services in the capacity of Executive Vice President and Chief Financial Officer of the Company, subject to the control and direction of the Company’s Chief Executive Officer (the “**CEO**”) and its Board of Directors (the “**Board**”).

1.2 Duties/Authority. During the Term, the Executive shall have responsibility for the conduct of the fiscal affairs of the Company and the general supervision of and control over the Company’s Finance; Information Technology; Real Estate, Facilities and Business Development; and Risk Management Departments, in each case subject to the control and direction of the CEO and the Board. The Executive’s duties hereunder during the Term shall be consistent with the duties, responsibilities and authority generally incident to the position of Executive Vice President and Chief Financial Officer and such other reasonably related duties as may be assigned to him from time to time by the CEO or the Board.

2. TERM OF EMPLOYMENT. The “**Term**” of this Agreement shall commence on the Effective Date and end on December 31, 2026 (the “**Initial Term**”), unless sooner terminated as provided herein. Unless earlier terminated, the Term shall automatically renew (each a “**Renewal Term**”) at the end of the Initial Term and on each anniversary thereafter for a period of one (1) year unless either party shall give written notice of intent not to extend the then-current term to the other party not later than ninety (90) days prior to the end of then-current Term. References herein to the Term shall mean the period of the Executive’s employment during the Initial Term and any Renewal Term.

3. COMPENSATION.

3.1 Salary. As consideration for services rendered, the Company shall pay the Executive a salary of \$428,480 per annum (\$450,000 per annum commencing on January 1, 2024) (the “**Base Salary**”), payable not less frequently than monthly. The Executive’s Base Salary will be reviewed annually by the Compensation Committee of the Board (the “**Committee**”) and may be increased (but not decreased without the Executive’s consent) to reflect the Executive’s performance and responsibilities.

3.2 Annual Bonus. Pursuant to the Company’s bonus plan (the “**Bonus Plan**”), the Company shall pay the Executive, within 120 days of its fiscal year-end, a cash bonus in respect of each prior fiscal year during the Term, of 30% of the Base Salary if the company achieves its threshold performance levels and 60% of the Base Salary if the Company achieves its target level of performance set by the Committee with respect to such fiscal year, increased up to a maximum of 90% of the Base Salary if the Company exceeds such performance targets by amounts to be determined by the Committee (the “**Annual Bonus**”). If this Agreement terminates other than at the end of a fiscal year either: (i) upon the expiration of the Term; or (ii) pursuant to Section 4, and the Executive is entitled to a pro rata bonus for such partial fiscal year pursuant to Section 5 or Section 6 hereof, such pro rata bonus shall be equal to the bonus the Executive would have received under the Bonus Plan, based on the Company’s actual performance during such fiscal year, had he been employed by the Company for the entire fiscal year, multiplied by a fraction, the numerator of which shall be the number of days during such fiscal year he was so employed and the denominator of which shall be the number of days in such fiscal year (the “**Pro Rata Bonus**”). The Executive may be entitled to the Annual Bonus for the fiscal year prior to the fiscal year in which the Executive’s employment is terminated, to the extent not yet paid (the “**Preceding Bonus**”). The Executive shall be entitled to receive the Preceding Bonus and/or the Pro Rata Bonus, as applicable: (a) at the same time the annual bonuses for the same periods are paid to other senior executives of the Company; and (b) only to the extent the Board or the Committee determines to pay such bonus to the other senior executives of the Company. The Annual Bonus shall, in all respects, be subject to the terms of the Bonus Plan.

3.3 Participation in Employee Benefit Plans. The Executive shall be permitted during the Term, if and to the extent eligible, to participate in any group life, hospitalization or disability insurance plan, health program, or any pension plan or similar benefit plan of the Company, which is available generally to other senior executives of the Company.

3.4 Equity Awards.

(A) Special Grant. Effective as of the Effective Date, the Company shall grant the Executive 5,000 nonqualified stock options (“**Options**”). The Options shall vest in three equal increments on each of the first, second and third anniversaries of the Effective Date, subject to the Executive’s continued employment with the Company through the applicable vesting date; provided that, if the Executive’s employment is terminated by the Company without Cause or the Executive resigns with

Good Reason, any unvested Options shall vest on the date of such termination, subject to the release of claims requirement in Section 5.4 or Section 6.2, as applicable. The exercise price of the Options shall equal the fair market value of the underlying common stock on the date of grant and the maximum term of the Options (subject to earlier expiration in connection with the Executive's termination of employment) shall be six years. The Options shall be granted pursuant to the Company's 2007 Stock Incentive Plan and the standard form of stock option agreement thereunder (as modified to reflect this Section 3.4(A)).

(B) Annual Grants. During the Term, the Executive shall be eligible to receive equity incentive awards, as determined by the Committee, that are comparable to such awards made to similarly-situated senior executives of the Company.

3.5 Expenses. Subject to such policies generally applicable to senior executives of the Company, as may from time to time be established by the Board, the Company shall pay or reimburse the Executive for all reasonable expenses (including travel expenses) actually incurred or paid by the Executive during the Term in the performance of the Executive's services under this Agreement ("**Expenses**") upon presentation of expense statements or vouchers or such other supporting information as it may require.

3.6 Vacation. During the Term, the Executive shall be entitled to such amount of vacation which is available generally to other senior executives of the Company.

3.7 Additional Benefits. During the Term, the Executive shall be entitled to the use of an automobile comparable to that provided to other senior executives in connection with the rendering of services to the Company pursuant to this Agreement, together with reimbursement for all gas, maintenance, insurance and repairs required by reason of his use of such vehicle.

3.8 Controlling Document. To the extent there is any inconsistency between the terms of this Agreement and the terms of any plan or program under which compensation or benefits are provided hereunder, this Agreement shall control. Otherwise, the Executive shall be subject to the terms, conditions and provisions of the Company's plans and programs, as applicable.

3.9 Indemnification/Insurance. The Company agrees to indemnify, defend and hold the Executive harmless pursuant to the Company's governing documents against any and all losses, judgments, liabilities, claims, fines and amounts paid in settlement of, and expenses (including attorneys' fees and expenses) incurred by him in connection with any claim in connection with or arising out of the Executive's service as an officer or director to the Company or any of its subsidiaries or affiliates (and the service at the request of the Company as a director, officer, member, employee, or agent of another corporation or a partnership, joint venture, trust, or other enterprise), and the defense of any action or proceeding (or any appeal therefrom) in which he is a party by reason of the fact that the Executive is or was an officer or director of the Company, but in all events excluding the Executive's fraud or intentional

misconduct. To the extent provided by its policies, the Company agrees to advance all of the Executive's reasonable attorneys' fees, costs and expenses of independent counsel selected by and representing the Executive in connection with any such action or proceeding, provided that such selection shall be subject to the Company's written consent (which shall not be unreasonably withheld). The Executive shall promptly repay any such advance if there is a final determination by a court that the Executive was not entitled to indemnification in connection therewith. Without limiting the foregoing, the Company agrees that it shall maintain directors' and officers' and errors and omissions liability insurance, which insurance shall cover the Executive during the Term and following the termination thereof for any or no reason for a period of not less than six (6) years, on the same basis as such coverage is provided to the Company's directors and other executive officers.

3.10 Clawback Policy. Amounts paid or payable under this Agreement shall be subject to the provisions of any applicable clawback policies or procedures adopted by the Company or any of its affiliates applicable to the Executive, which clawback policies or procedures may provide for forfeiture and/or recoupment of amounts paid or payable under this Agreement. Notwithstanding any provision of this Agreement to the contrary, the Company and each of its affiliates reserves the right, without the consent of Executive, to adopt any such clawback policies and procedures, including such policies and procedures applicable to this Agreement with retroactive effect.

4. TERMINATION OR REMOVAL FROM DUTIES.

4.1 Termination Upon Death. This Agreement shall terminate automatically upon the Executive's death.

4.2 Removal from Position Upon Disability. If during the Term, as a result of a physical or mental incapacity or infirmity, the Executive is unable to perform the essential functions of his job with or without reasonable accommodation for a period or periods aggregating 90 days during any 12-month period, the Executive shall be deemed disabled (his "**Disability**") and the Company, by written notice to the Executive, shall have the right to remove him from his position. The Executive's status as an inactive employee of the Company shall continue after such removal for the period of time that his Disability continues. However, the Company shall have no obligation to reinstate or otherwise continue the Executive's employment if he should recover from his Disability and any such termination shall not constitute a termination without Cause or without Good Reason (as herein defined). The existence of his Disability shall be determined by a reputable, licensed physician selected by the Company in good faith, whose determination shall be final and binding on the parties.

4.3 Termination for Cause. The Company may at any time, by written notice to the Executive, terminate the Executive's employment hereunder for Cause. For purposes hereof, the term "**Cause**" shall mean: (A) the Executive's conviction of or pleading guilty or no contest to a felony; (B) failure or refusal of the Executive in any material respect (i) to perform the duties of his employment or to follow the lawful and proper directives of the CEO or the Board, provided such duties or directives are consistent with this Agreement and such duties or directives have been given to the Executive in writing, or (ii) to comply with the reasonable and substantial written policies, practices, standards or regulations of the Company (so long as same

are not inconsistent with this Agreement) as may be established from time to time, if such failure or refusal under either clause (i) or clause (ii) continues uncured for a period of ten days after written notice thereof, specifying the nature of such failure or refusal and requesting that it be cured, is given by the Company to the Executive; (C) any willful or intentional act of the Executive committed for the purpose, or having the reasonably foreseeable effect, of injuring the Company, its business or reputation or of improperly or unlawfully converting for the Executive's own personal benefit any property of the Company; or (D) any violation or breach of the provisions of Section 7 of this Agreement. For the avoidance of doubt, the Company's failure to attain operating or other goals shall not be grounds for a termination for "Cause".

4.4 Termination without Cause. The Company may terminate the Executive's employment without Cause at any time.

4.5 Termination with or without Good Reason. With 45 days' prior written notice to the Company, this Agreement and the Executive's employment hereunder may be terminated by the Executive with or without Good Reason. For purposes of this Agreement, "**Good Reason**" means if the Executive is able to document, to the reasonable satisfaction of the Company's outside counsel, that the reason for such resignation is as a direct result of either: (i) the Company's material breach of this Agreement; or (ii) the Board or the CEO requiring the Executive to act, or omit to act, in a way that the Executive reasonably believes is illegal; provided, however, that a termination by the Executive for Good Reason pursuant to (i) or (ii) shall be effective only if, within 30 days following the delivery of written notice of a termination for Good Reason by Executive to the Company, the Company has failed to cure the circumstances giving rise to the Good Reason. The written notice of termination for Good Reason must specify in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, if applicable. Any resignation or termination pursuant to the terms of this Section shall not constitute a breach of this Agreement by either party.

5. **RIGHTS AND OBLIGATIONS OF THE COMPANY AND THE EXECUTIVE UPON TERMINATION, OR REMOVAL.** . Other provisions of this Agreement notwithstanding, and except as otherwise provided by Section 6 hereof, upon the occurrence of an event described in Section 4, the parties shall have the following rights and obligations:

5.1 Death. If the Executive's employment is terminated during the Term by reason of the Executive's death, the Company shall pay the Executive's estate in one lump sum amount, one year's Base Salary (as in effect as of the date of termination) payable on the six-month anniversary of the date of the Executive's death; plus (B) any Preceding and/or Pro Rata Bonus to which the Executive is entitled, which shall be paid in accordance with Section 3.2. Any outstanding equity awards shall be treated as specified in the applicable equity plan and award agreement.

5.2 Disability.

(A) If the Executive is removed from his position during the Term because of a Disability, the Executive, for the period of time

during which his Disability continues, may continue to participate in certain of the employee benefit plans in which he participated immediately prior to his removal. These benefits would include participation in, as applicable and to the extent defined in the Company's applicable plans, group life, medical/dental and disability insurance plans, each at the same ratio of employer/employee contribution as applicable to the Executive immediately prior to his removal; and, thereafter, at the same ratio of employer/employee contribution as then-applicable to other executive-level employees in the Company. In addition, the Executive shall be entitled to compensation and benefits accrued through the date of his removal from his duties, including any amounts payable to the Executive under any Company profit sharing or other employee benefit plan up to the date of removal, to the extent permitted under the terms of such plan. For avoidance of doubt, the payment of any bonus to which the Executive may be entitled for the period of time up to the date of his removal pursuant to Section 4.2 hereof, would be paid pursuant to Section 5.2(B), below. However, the Executive's rights to bonuses and fringe benefits accruing after his removal, if any, shall cease upon such removal; provided, however, that nothing contained in this Agreement is intended to limit or otherwise restrict the availability of any benefits to the Executive required to be provided pursuant to Section 4980B of the Code.

(B) If the Executive is removed from his position during the Term because of a Disability, the Executive shall be entitled to payments equal to one year's Base Salary (as in effect as of the date of removal) payable as continued payment of Base Salary (payable in accordance with the Company's payroll practice); plus (ii) any Preceding and/or Pro Rata Bonus to which the Executive is entitled (payable in accordance with Section 3.2). Any outstanding equity awards shall be treated as specified in the applicable equity plan and award agreement.

5.3 Termination for Cause or without Good Reason. If the Executive's employment shall be terminated during the Term (A) by the Company for Cause, or (B) by the Executive without Good Reason, the Company shall pay to the Executive his Base Salary through the date of termination at the rate then in effect and shall reimburse the Executive for any Expenses incurred but not yet paid and shall have no further obligations to the Executive under this Agreement.

5.4 Termination without Cause or with Good Reason; Termination Due to Nonrenewal by the Company. If the Executive's employment is terminated (A) during the Term (x) by the Company without Cause, or (y) by the Executive with Good Reason, or (B) due to nonrenewal of the Term by the Company pursuant to Section 2, the Company shall pay (unless otherwise noted, in the normal course) to the Executive or provide the following amounts or benefits:

(i) to the extent not yet paid, the Executive's Base Salary through the date of termination at the rate in effect on the date of termination;

(ii) one year's Base Salary (as in effect as of the date of termination), payable as continued payment of Base Salary (payable in accordance with the Company's payroll practice);

(iii) payment of the Preceding and/or Pro Rata Bonus to which the Executive is entitled, payable in accordance with Section 3.2; and

(iv) any and all time-vesting equity awards that have been granted to the Executive (that have neither expired nor been previously exercised by the Executive) through the termination date shall be deemed fully vested on such termination date and, to the extent applicable, exercisable for a period of 90 days following such date (but, in no case, beyond each such award's specified expiration date), and any performance-vesting equity awards shall be eligible to vest on a pro rata basis based on the period of time the Executive was employed during the performance period and achievement of the applicable performance goals, all in accordance with the other terms of any such plan or grant.

All payments to be provided to the Executive under this Section 5.4 shall be subject to the Executive's (x) compliance with the restrictions in Section 7 and (y) execution, within 60 days of the Executive's termination, of a general release and waiver of claims against the Company, its officers, directors, employees and agents from any and all liability arising from the Executive's employment relationship with the Company (which release will include an agreement between both parties not to disparage the other) that is not revoked.

6. CHANGE IN CONTROL.

6.1 In the event of the occurrence of a Change in Control of the Company, the Executive shall remain employed by the Company, pursuant to the terms and conditions of this Agreement. If, within two years after the Change in Control, (A) the Executive's employment is terminated without Cause or with Good Reason, (B) the Term ends due to nonextension of the Term by the Company pursuant to Section 2, or (C) the Executive resigns following:

(i) a material diminution in his duties as set forth in Section 1.2 of this Agreement; or

(ii) in the case of the sale of the Company, the Executive either: (a) is not offered a comparable position by the buyer; or (b) is required by the buyer to be based anywhere beyond 50 miles from the Company's current offices in Rochester, New York (except for required travel on Company business to an extent substantially consistent with that preceding the Change in Control), (either (i) or (ii), a "**Resignation for Good Cause**"), then the Executive shall be entitled to the benefits described in Section 6.2.

6.2 Upon a termination without Cause or with Good Reason in a Change in Control, the Term ends due to nonextension of the Term by the Company or a Resignation for Good Cause described in Section 6.1 during the Term, the Executive will receive in one lump sum amount, unless otherwise noted:

(A) to the extent not yet paid, the Executive's Base Salary through the date of termination at the rate in effect on the date of termination;

(B) two year's Base Salary (as in effect as of the date of such termination or resignation), payable as continued payment of Base Salary (payable in accordance with the Company's payroll practice);

(C) payment of the Preceding and/or Pro Rata Bonus to which the Executive is entitled, payable in accordance with Section 3.2; and

(D) any and all time-vesting equity awards that have been granted to the Executive (that have neither expired nor been previously exercised by the Executive) through the termination date shall be deemed fully vested on such termination date and, to the extent applicable, exercisable for a period of 90 days following such date (but, in no case, beyond each such award's specified expiration date), and any performance-vesting equity awards shall be eligible to vest on a pro rata basis based on the period of time the Executive was employed during the performance period and achievement of the applicable performance goals, all in accordance with the other terms of any such plan or grant.

All payments to be provided to the Executive under this Section shall be subject to the Executive's (x) compliance with the restrictions in Section 7 and (y) execution, within 60 days of the Executive's termination, of a general release and waiver of claims against the Company, its officers, directors, employees and agents from any and all liability arising from the Executive's employment relationship with the Company (which release will include an agreement between both parties not to disparage the other) that is not revoked.

6.3 For purposes of this Agreement, a "**Change in Control**" shall mean any of the following: (A) any person who is not an "affiliate" (as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended) of the Company as of the date of this Agreement becomes the beneficial owner, directly or indirectly, of 50% or more of the combined voting power of the then outstanding securities of the Company except pursuant to a public offering of securities of the Company; (B) the sale of the Company substantially as an entity (whether by sale of stock, sale of assets, merger, consolidation, or otherwise) to a person who is not an affiliate of the Company as of the date of this Agreement; or (C) there occurs a merger, consolidation or other reorganization of the Company with a person who is not an affiliate of the Company as of the date of this Agreement, and in which shareholders of the Company immediately preceding the merger hold less than 50% (the voting and consent rights of Class C Preferred Stock shall be disregarded in this calculation) of the combined voting power for the election of directors of the Company immediately following the merger. For purposes of this Section 6.3, the term "person" shall include a legal entity, as well as an individual. A Change in Control shall not be deemed to occur because of the sale or conversion of any or all of Class C

Preferred Stock of the Company unless there is a simultaneous change described in clauses (A), (B) or (C) of the preceding sentence.

7. CONFIDENTIALITY AND COVENANT AGAINST COMPETITION.

7.1 Non-Disclosure.

(A) The Executive shall forever hold in a fiduciary capacity for the benefit of the Company all secret or confidential information, knowledge or data relating to the Company or any of its affiliated companies, and their respective businesses, which shall have been obtained by the Executive during the Executive's employment by the Company or any of its affiliated companies and which shall not be public knowledge (other than as a result of a breach of this Section 7.1 by the Executive). The Executive shall not, without the prior written consent of the Company or except as required by law or in a judicial or administrative proceeding with subpoena powers, communicate or divulge any such information, knowledge or data to anyone other than the Company and those designated by it.

(B) Notwithstanding the foregoing, nothing in this Agreement shall (i) prohibit the Executive from making reports of possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of state or federal law or regulation, or (ii) require notification or prior approval by the Company of any reporting described in clause (i).

(C) Pursuant to The Defend Trade Secrets Act (18 USC § 1833(b)), the Executive may not be held criminally or civilly liable under any federal or state trade secret law for disclosure of a trade secret: (i) made in confidence to a government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; and/or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Additionally, the Executive, if suing the Company for retaliation based on the reporting of a suspected violation of law, may disclose a trade secret to his attorney and use the trade secret information in the court proceeding, so long as any document containing the trade secret is filed under seal and the Executive does not disclose the trade secret except pursuant to court order.

7.2 Non-Competition. The Executive will not, during the period of the Executive's employment with the Company, and for a period of one year thereafter, directly or indirectly, (a) engage in (as a principal, partner, director, officer, stockholder (except as permitted below), agent, employee, consultant or otherwise); or (b) be financially interested in,

any entity materially engaged in any portion of the business of the Company within the territory served, or contemplated to be entered, by the Company on the date of such termination of employment. Nothing contained herein shall prevent the Executive from owning beneficially or of record not more than five percent of the outstanding equity securities of any entity whose equity securities are registered under the Securities Act of 1933, as amended, or are listed for trading on any recognizable United States or foreign stock exchange or market. The business of the Company shall be defined to include the automotive repair/maintenance services, as well as the sale and service of tires and related accessories, each of which shall be deemed a portion of the business.

7.3 Non-Solicitation of Employees. The Executive will not, during the period of the Executive's employment with the Company, and for a period of one year after the termination of the Executive's employment with the Company for any reason, directly or indirectly, recruit, solicit or otherwise induce or attempt to induce any employee of the Company to leave the employment of the Company, nor hire any such employee at any enterprise with which the Executive is then affiliated.

7.4 Enforceability of Provisions. If any restriction set forth in this Section 7 is found by any court of competent jurisdiction to be unenforceable because it extends for too long a period of time or over too great a range of activities or in too broad a geographic area, it shall be interpreted to extend only over the maximum period of time, range of activities or geographic area as to which it may be enforceable, it being understood and agreed that by the execution of this Agreement, the parties hereto regard the restrictions herein as reasonable and compatible with their respective rights.

7.5 Remedy for Breach. The Executive hereby acknowledges that the provisions of this Section 7 are reasonable and necessary for the protection of the Company and its respective subsidiaries and affiliates. In addition, the Executive further acknowledges that the Company and its respective subsidiaries and affiliates will be irrevocably damaged if such covenants are not specifically enforced. Accordingly, the Executive agrees that, in addition to any other relief to which the Company may be entitled, the Company will be entitled to seek and obtain injunctive relief (without the requirement of any bond) from a court of competent jurisdiction for the purposes of restraining the Executive from an actual or threatened breach of such covenants. In addition, and without limiting the Company's other remedies, in the event of any breach by the Executive of such covenants, the Company will have no obligation to pay any of the amounts that remain payable by the Company in Sections 5 and 6 of this Agreement.

8. **EXECUTIVE'S REPRESENTATIONS.** The Executive represents that he is not precluded from performing this employment by reason of a preexisting contractual restriction or physical or mental disability. Upon any breach or inaccuracy of the foregoing, the terms and benefits of this Agreement shall be null and void. The Executive shall indemnify and hold harmless the Company from and against any and all claims, liabilities, damages and reasonable costs of defense and investigation arising out of any breach or inaccuracy in any of the foregoing representations.

9. OTHER PROVISIONS.

9.1 Withholdings The Company may withhold from any amounts payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

9.2 Notices. Any notice or other communication required or which may be given hereunder shall be in writing and shall be delivered personally, telecopied, or sent by certified, registered or express mail, postage prepaid, to the parties at the following addresses or at such other addresses as shall be specified by the parties by like notice, and shall be deemed given when so delivered personally, telecopied or if mailed, two days after the date of mailing, as follows:

(a) if to the Company, to it at:

Monro, Inc.
200 Holleder Parkway
Rochester, New York 14615
Attention: Chief Executive Officer
with a copy to:
Monro, Inc.
200 Holleder Parkway
Rochester, New York 14615
Attention: General Counsel

(b) if to the Executive, to him at:

500 Webster Road
Webster, New York 14580

9.3 Entire Agreement This Agreement contains the entire understanding of the Company and the Executive with respect to the subject matter hereof and supersedes all prior written or verbal understandings with respect thereto (including, effective as of the Effective Date, the Prior Agreement).

9.4 Waivers and Amendments This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives. No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party of any right, power or privilege hereunder, nor any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

9.5 Governing Law; Jurisdiction. This Agreement shall be governed by and construed and enforced in accordance with and subject to, the laws of the State of New York applicable to agreements made and to be performed entirely within such state. The courts of New York and the United States District Courts for New York shall have jurisdiction over the

parties with respect to any dispute or controversy between them arising under or in connection with this Agreement.

9.6 Assignment. This Agreement shall inure to the benefit of and shall be binding upon the Company and its successors. This Agreement is personal to the Executive and shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, “**Company**” shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

9.7 Headings. The headings in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

9.8 Severability. If any term, provision, covenant or restriction of this Agreement, or any part thereof, is held by a court of competent jurisdiction of any foreign, federal, state, county or local government or any other governmental, regulatory or administrative agency or authority to be invalid, void, unenforceable or against public policy for any reason, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

9.9 Section 280G. In the event that the Executive becomes entitled to any payments or benefits under this Agreement and any portion of such payments or benefits, when combined with any other payments or benefits provided to Executive (including, without limiting the generality of the foregoing, by reason of the exercise or vesting of any stock options or the receipt or vesting of any other equity awards), which in the absence of this Section 9.9 would be subject to the tax (the “**Excise Tax**”) imposed by Section 4999 of the Internal Revenue Code of 1986, as amended (the “**Code**”), then the amount payable to the Executive under this Agreement shall, either (A) be reduced to the largest amount or greatest right such that none of the amounts payable to the Executive under this Agreement and any other payments or benefits received or to be received by Executive as a result of, or in connection with, an event constituting a change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company (within the meaning of Section 280G(b)(2)(A) of the Code) or the termination of employment shall be treated as “parachute payments” within the meaning of Section 280G(b)(2) of the Code or (B) be made in full, with Executive bearing full responsibility for any Excise Tax liability, whichever of (A) or (B) provides the Executive with a larger net after-tax amount. The Company shall cooperate in good faith with the Executive in making such determination, including but not limited to providing the Executive with an estimate of any parachute payments as soon as reasonably practicable prior to an event constituting a change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company (within the meaning of Section 280G(b)(2)(A) of the Code). Any reduction pursuant to this Section 9.9 shall be made in a manner compliant with Section 409A of the Code. This Section 9.9 shall apply in lieu of any provision applicable to the Executive under any other agreement or arrangement (including the Plan) with respect to Section 4999 of the

Code. All determinations with respect to this Section 9.9 shall be made by an independent nationally recognized certified public accounting firm reasonably acceptable to the Executive at the Company's sole expense. The after tax amount shall be calculated, as applicable, using the maximum marginal income tax rates for each year in which the payment is payable to the Executive (based upon the rates in effect for such year as set forth in the Code at the relevant time).

9.10 Section 409A. The compensation and benefits provided under this Agreement are intended to qualify for an exemption from or to comply with the requirements of Section 409A of the Code and the treasury regulations and other official guidance issued thereunder (collectively, "**Section 409A**"), so as to prevent the inclusion in gross income of any compensation or benefits accrued hereunder in a taxable year prior to the taxable year or years in which such amount would otherwise be actually distributed or made available to the Executive, and this Agreement shall be administered and interpreted consistent with such intention. For purposes of Sections 4, 5 and 6 of this Agreement, "removal," "termination of the Executive's employment" and words of similar import mean a "separation from service" with the Company as defined by Section 409A. The reimbursement of taxable expenses such as contemplated in Sections 3.5 and 3.7 to the Executive shall be made no later than the end of the year following the year in which the expense was incurred, and the expenses reimbursed in one year shall not affect the expenses eligible for reimbursement in any other year. Where the 60-day period for the Executive to execute and not revoke a general release and waiver begins in one calendar year and ends in the following calendar year, payment shall be made no sooner than the first day of the following calendar year. Each payment shall be a payment in a series of separate payments for all purposes under Section 409A. If the Executive is a "specified employee" within the meaning of Section 409A at the time of his "separation from service" within the meaning of Section 409A, then any payment otherwise required to be made to him under this Agreement on account of his separation from service, to the extent such payment (after taking in to account all exclusions applicable to such payment under Section 409A) is properly treated as deferred compensation subject to Section 409A, shall not be made until the first business day after (i) the expiration of six months from the date of the Executive's separation from service, or (ii) if earlier, the date of the Executive's death (the "**Delayed Payment Date**") and, on the Delayed Payment Date, there shall be paid to the Executive or, if the Executive has died, to the Executive's estate, in a single cash lump sum, an amount equal to aggregate amount of the payments delayed pursuant to the preceding clause.

9.11 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Employment Agreement on the date first above written.

MONRO, INC.

By: /s/ Maureen E Mulholland

Name: Maureen E. Mulholland
Title: EVP – Chief Legal Officer and Secretary

 /s/ Brian J. D’Ambrosia
Brian J. D’Ambrosia

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

AMENDED AND RESTATED EMPLOYMENT AGREEMENT, entered into on October 26, 2023 (the “**Effective Date**”), between Monro, Inc. (the “**Company**”) and Michael Broderick (the “**Executive**”).

WHEREAS, the Company and the Executive are parties to an Employment Agreement dated as of March 12, 2021 (the “**Prior Agreement**”), and the “Initial Term” under the Prior Agreement ends on December 31, 2023;

WHEREAS, the Company wishes to continue to employ the Executive as its President and Chief Executive Officer following of the Effective Date, and the Executive wishes to serve in that capacity; and

WHEREAS, the Company and the Executive wish for the Executive to be employed by the Company upon the terms and conditions as set forth herein commencing on the Effective Date;

NOW, THEREFORE, in consideration of the mutual covenants and promises herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. EMPLOYMENT AND DUTIES.

1.1 Employment by the Company. The Company hereby agrees to employ the Executive for the Term (as herein defined), to render exclusive and full-time services in the capacities of President and Chief Executive Officer of the Company, subject to the control and direction of the Company’s Board of Directors (the “**Board**”). In addition, while Executive serves as President and Chief Executive Officer, he shall be nominated and recommended to shareholders to serve as a member of the Board.

1.2 Duties/Authority. During the Term, the Executive shall have responsibility for the conduct of the business and fiscal affairs of the Company and the general supervision of and control over the assets, business interests, and agents of the Company, in each case subject to the control and direction of the Board. The Executive’s duties hereunder shall be consistent with the duties, responsibilities, and authority generally incident to the positions of President and Chief Executive Officer and such other reasonably related duties as may be assigned to him from time to time by the Board consistent with his role as a senior executive.

1.3 Principal Place of Employment. The Executive’s principal place of employment shall be at the Company’s headquarters in Rochester, New York, subject to customary travel.

2. TERM OF EMPLOYMENT. The “**Term**” of this Agreement shall commence on the Effective Date and end on December 31, 2026 (the “**Initial Term**”), unless sooner terminated as provided herein. Unless earlier terminated, the term shall automatically renew (each a “**Renewal Term**”) at the end of the initial term and on each anniversary thereafter

for a period of one (1) year unless either party shall give written notice of intent not to extend the then-current Term to the other party not later than ninety (90) days prior to the end of then-current Term. References herein to the Term shall mean the period of the Executive's employment during the Initial Term and any Renewal Term.

3. COMPENSATION.

3.1 Salary. As consideration for services rendered, the Company shall pay the Executive a salary of \$700,000 per annum (\$800,000 per annum commencing on January 1, 2024) (the "**Base Salary**"), payable not less frequently than monthly. The Executive's Base Salary will be reviewed annually by the Compensation Committee of the Board (the "**Committee**") and may be increased (but not decreased without the Executive's consent) to reflect the Executive's performance and responsibilities.

3.2 Annual Bonus. Pursuant to the Company's bonus plan (the "**Bonus Plan**"), the Company shall pay the Executive, within 120 days of its fiscal year-end, a cash bonus in respect of each prior fiscal year during the Term, of 75% of the Base Salary if the company achieves its threshold performance levels and 100% of the Base Salary if the Company achieves its target level of performance set by the Committee with respect to such fiscal year, increased up to a maximum of 150% of the Base Salary if the Company exceeds such performance targets by amounts to be determined by the Committee (the "**Annual Bonus**"). If this Agreement terminates other than at the end of a fiscal year either: (i) upon the expiration of the Term; or (ii) pursuant to Section 4, and the Executive is entitled to a pro rata bonus for such partial fiscal year pursuant to Section 5 or Section 6 hereof, such pro rata bonus shall be equal to the bonus the Executive would have received under the Bonus Plan, based on the Company's actual performance during such fiscal year, had he been employed by the Company for the entire fiscal year, multiplied by a fraction, the numerator of which shall be the number of days during such fiscal year he was so employed and the denominator of which shall be the number of days in such fiscal year (the "**Pro Rata Bonus**"). The Executive may be entitled to the Annual Bonus for the fiscal year prior to the fiscal year in which the Executive's employment is terminated, to the extent not yet paid (the "**Preceding Bonus**"). The Executive shall be entitled to receive the Preceding Bonus and/or the Pro Rata Bonus, as applicable: (a) at the same time the annual bonuses for the same periods are paid to other senior executives of the Company; and (b) only to the extent the Board or the Committee determines to pay such bonus to the other senior executives of the Company. The Annual Bonus shall, in all respects, be subject to the terms of the Bonus Plan.

3.3 Participation in Employee Benefit Plans. The Executive shall be permitted during the Term, if and to the extent eligible, to participate in any group life, hospitalization or disability insurance plan, health program, or any pension plan or similar benefit plan of the Company, which is available generally to other senior executives of the Company.

3.4 Equity Awards.

(A) Special Grant. Effective as of the Effective Date, the Company shall grant the Executive 10,000 nonqualified stock options ("**Options**"). The Options shall vest in three equal increments on each of the first, second and third anniversaries of the Effective Date, subject to the Executive's continued employment with the Company through the applicable vesting date; provided that, if the Executive's employment is terminated by the Company without Cause or the Executive resigns with Good Reason, any unvested Options shall vest on the date of such

termination, subject to the release of claims requirement in Section 5.4 or Section 6.2, as applicable. The exercise price of the Options shall equal the fair market value of the underlying common stock on the date of grant and the maximum term of the Options (subject to earlier expiration in connection with the Executive's termination of employment) shall be six years. The Options shall be granted pursuant to the Company's 2007 Stock Incentive Plan and the standard form of stock option agreement thereunder (as modified to reflect this Section 3.4(A)).

(B) Annual Grants. During the Term, the Executive shall be eligible to receive annual equity incentive awards with a target value of \$1,500,000 in a combination of awards on a basis comparable to such awards made to other senior executives of the Company, as determined by the Committee.

3.6 Expenses. Subject to such policies generally applicable to senior executives of the Company, as may from time to time be established by the Board, the Company shall pay or reimburse the Executive for all reasonable expenses (including travel expenses) actually incurred or paid by the Executive during the Term in the performance of the Executive's services under this Agreement ("**Expenses**") upon presentation of expense statements or vouchers or such other supporting information as it may require. In addition, for up to three (3) years following the Effective Date or such longer period as agreed by the parties, the Company shall pay Executive's reasonable travel expenses for his travel from his home to the Company's offices in Rochester, New York, subject to the Company's standard expense reimbursement policies, and shall provide Executive an apartment in Rochester, New York.

3.7 Vacation. During the Term, the Executive shall be entitled to such amount of vacation which is available generally to other senior executives of the Company.

3.8 Additional Benefits. During the Term, the Executive shall be entitled to the use of an automobile comparable to that provided to other senior executives in connection with the rendering of services to the Company pursuant to this Agreement, together with reimbursement for all gas, maintenance, insurance and repairs required by reason of his use of such vehicle.

3.9 Controlling Document. To the extent there is any inconsistency between the terms of this Agreement and the terms of any plan or program under which compensation or benefits are provided hereunder, this Agreement shall control. Otherwise, the Executive shall be subject to the terms, conditions and provisions of the Company's plans and programs, as applicable.

3.8 Indemnification/Insurance. The Company agrees to indemnify, defend and hold the Executive harmless pursuant to the Company's governing documents against any and all losses, judgments, liabilities, claims, fines and amounts paid in settlement of, and expenses (including attorneys' fees and expenses) incurred by him in connection with any claim in connection with or arising out of the Executive's service as an officer or director to the Company or any of its subsidiaries or affiliates (and the service at the request of the Company as a director, officer, member, employee, or agent of another corporation or a partnership, joint venture, trust, or other enterprise), and the defense of any action or proceeding (or any appeal therefrom) in which he is a party by reason of the fact that the Executive is or was an officer or director of the Company, but in all events excluding the Executive's fraud or intentional misconduct. To the extent provided by its policies, the Company agrees to advance all of the Executive's reasonable attorneys' fees, costs and expenses of independent counsel selected by and representing the Executive in

connection with any such action or proceeding, provided that such selection shall be subject to the Company's written consent (which shall not be unreasonably withheld). The Executive shall promptly repay any such advance if there is a final determination by a court that the Executive was not entitled to indemnification in connection therewith. Without limiting the foregoing, the Company agrees that it shall maintain directors' and officers' and errors and omissions liability insurance, which insurance shall cover the Executive during the Term and following the termination thereof for any or no reason for a period of not less than six (6) years, on the same basis as such coverage is provided to the Company's directors and other executive officers.

3.9 Clawback Policy. Amounts paid or payable under this Agreement shall be subject to the provisions of any applicable clawback policies or procedures adopted by the Company or any of its affiliates applicable to the Executive, which clawback policies or procedures may provide for forfeiture and/or recoupment of amounts paid or payable under this Agreement. Notwithstanding any provision of this Agreement to the contrary, the Company and each of its affiliates reserves the right, without the consent of Executive, to adopt any such clawback policies and procedures, including such policies and procedures applicable to this Agreement with retroactive effect.

4. TERMINATION OR REMOVAL FROM DUTIES.

4.1 Termination Upon Death. This Agreement shall terminate automatically upon the Executive's death.

4.2 Removal from Position Upon Disability. If during the Term, as a result of a physical or mental incapacity or infirmity, the Executive is unable to perform the essential functions of his job with or without reasonable accommodation for a period or periods aggregating 90 days during any 12-month period, the Executive shall be deemed disabled (his "**Disability**") and the Company, by written notice to the Executive, shall have the right to remove him from his position. The Executive's status as an inactive employee of the Company shall continue after such removal for the period of time that his Disability continues. However, the Company shall have no obligation to reinstate or otherwise continue the Executive's employment if he should recover from his Disability and any such termination shall not constitute a termination without Cause or without Good Reason (as herein defined). The existence of his Disability shall be determined by a reputable, licensed physician selected by the Company in good faith, whose determination shall be final and binding on the parties.

4.3 Termination for Cause. The Company may at any time, by written notice to the Executive, terminate the Executive's employment hereunder for Cause. For purposes hereof, the term "**Cause**" shall mean: (A) the Executive's conviction of or pleading guilty or no contest to a felony; (B) failure or refusal of the Executive in any material respect (i) to perform the duties of his employment or to follow the lawful and proper directives of the Board, provided such duties or directives are consistent with this Agreement and such duties or directives have been given to the Executive in writing, or (ii) to comply with the reasonable and substantial written policies, practices, standards or regulations of the Company (so long as same are not inconsistent with this Agreement) as may be established from time to time, if such failure or refusal under either clause (i) or clause (ii) continues uncured for a period of ten days after written notice thereof, specifying the nature of such failure or refusal and requesting that it be cured, is given by the

Company to the Executive; (C) any willful or intentional act of the Executive committed for the purpose, or having the reasonably foreseeable effect, of injuring the Company, its business or reputation or of improperly or unlawfully converting for the Executive's own personal benefit any property of the Company; or (D) any violation or breach of the provisions of Section 7 of this Agreement. For the avoidance of doubt, the Company's failure to attain operating or other goals shall not be grounds for a termination for "Cause".

4.4 Termination without Cause. The Company may terminate the Executive's employment without Cause at any time.

4.5 Termination with or without Good Reason. With 45 days' prior written notice to the Company, this Agreement and the Executive's employment hereunder may be terminated by the Executive with or without Good Reason. For purposes of this Agreement, "**Good Reason**" means if the Executive is able to document, to the reasonable satisfaction of the Company's outside counsel, that the reason for such resignation is as a direct result of either: (i) the Company's material breach of this Agreement; or (ii) the Board requiring the Executive to act, or omit to act, in a way that the Executive reasonably believes is illegal; provided, however, that a termination by the Executive for Good Reason pursuant to (i) or (ii) shall be effective only if, within 30 days following the delivery of written notice of a termination for Good Reason by Executive to the Company, the Company has failed to cure the circumstances giving rise to the Good Reason. The written notice of termination for Good Reason must specify in reasonable detail the facts and circumstances claimed to provide a basis for termination of the Executive's employment under the provision so indicated, if applicable. Any resignation or termination pursuant to the terms of this Section shall not constitute a breach of this Agreement by either party.

5. RIGHTS AND OBLIGATIONS OF THE COMPANY AND THE EXECUTIVE UPON TERMINATION, OR REMOVAL. Other provisions of this Agreement notwithstanding, and except as otherwise provided by section 6 hereof, upon the occurrence of an event described in section 4, the parties shall have the following rights and obligations:

5.1 Death. If the Executive's employment is terminated during the Term by reason of the Executive's death, the Company shall pay the Executive's estate in one lump sum amount, one year's Base Salary (as in effect as of the date of termination) payable on the six-month anniversary of the date of the Executive's death; plus (B) any Preceding and/or Pro Rata Bonus to which the Executive is entitled, which shall be paid in accordance with Section 3.2. Any outstanding equity awards shall be treated as specified in the applicable equity plan and award agreement.

5.2 Disability.

(A) If the Executive is removed from his position during the Term because of a Disability, the Executive, for the period of time during which his Disability continues, may continue to participate in certain of the employee benefit plans in which he participated immediately prior to his removal. These benefits would include participation in, as applicable and to the extent defined in the Company's applicable plans, group life, medical/dental and disability insurance plans, each at the same ratio of employer/employee contribution as applicable to the Executive immediately prior to his removal; and, thereafter, at the same ratio of employer/employee contribution as then-applicable to other executive-level employees in the Company. In addition, the Executive shall be entitled to compensation and benefits accrued

through the date of his removal from his duties, including any amounts payable to the Executive under any Company profit sharing or other employee benefit plan up to the date of removal, to the extent permitted under the terms of such plan. For avoidance of doubt, the payment of any bonus to which the Executive may be entitled for the period of time up to the date of his removal pursuant to Section 4.2 hereof, would be paid pursuant to Section 5.2(B), below. However, the Executive's rights to bonuses and fringe benefits accruing after his removal, if any, shall cease upon such removal; provided, however, that nothing contained in this Agreement is intended to limit or otherwise restrict the availability of any benefits to the Executive required to be provided pursuant to Section 4980B of the Code.

(B) If the Executive is removed from his position during the Term because of a Disability, the Executive shall be entitled to payments equal to one year's Base Salary (as in effect as of the date of removal) payable as continued payment of Base Salary (payable in accordance with the Company's payroll practice); plus (ii) any Preceding and/or Pro Rata Bonus to which the Executive is entitled (payable in accordance with Section 3.2). Any outstanding equity awards shall be treated as specified in the applicable equity plan and award agreement.

5.3 Termination for Cause or without Good Reason. If the Executive's employment shall be terminated during the Term (A) by the Company for Cause, or (B) by the Executive without Good Reason, the Company shall pay to the Executive his Base Salary through the date of termination at the rate then in effect and shall reimburse the Executive for any Expenses incurred but not yet paid and shall have no further obligations to the Executive under this Agreement.

5.4 Termination without Cause or with Good Reason; Termination Due to Nonrenewal by the Company. If the Executive's employment is terminated (A) during the Term (x) by the Company without Cause, or (y) by the Executive with Good Reason, or (B) due to nonrenewal of the Term by the Company pursuant to Section 2, the Company shall pay (unless otherwise noted, in the normal course) to the Executive or provide the following amounts or benefits:

(i) to the extent not yet paid, the Executive's Base Salary through the date of termination at the rate in effect on the date of termination;

(ii) one year's Base Salary (as in effect as of the date of termination), payable as continued payment of Base Salary (payable in accordance with the Company's payroll practice);

(iii) payment of the Preceding and/or Pro Rata Bonus to which the Executive is entitled, payable in accordance with Section 3.2;

(iv) vesting of any unvested Options; and

(v) any and all time-vesting equity awards that have been granted to the Executive (that have neither expired nor been previously exercised by the Executive) through the termination date shall be deemed fully vested on such termination date and, to the extent applicable, exercisable for a period of 90 days following such date (but, in no case, beyond each such award's specified expiration date), and any performance-vesting equity awards shall be eligible to vest on a pro rata basis based on the period of time the Executive was employed during the performance period and

achievement of the applicable performance goals, all in accordance with the other terms of any such plan or grant.

All payments to be provided to the Executive under this Section 5.4 shall be subject to the Executive's (x) compliance with the restrictions in Section 7 and (y) execution, within 60 days of the Executive's termination, of a general release and waiver of claims against the Company, its officers, directors, employees and agents from any and all liability arising from the Executive's employment relationship with the Company (which release will include an agreement between both parties not to disparage the other) that is not revoked.

6. CHANGE IN CONTROL.

6.1 In the event of the occurrence of a Change in Control of the Company, the Executive shall remain employed by the Company, pursuant to the terms and conditions of this Agreement. If, within two years after the Change in Control, (A) the Executive's employment is terminated without Cause or with Good Reason, (B) the Term ends due to nonextension of the Term by the Company pursuant to Section 2, or (C) the Executive resigns following:

(i) a material diminution in his duties as set forth in Section 1.2 of this Agreement; or

(ii) in the case of the sale of the Company, the Executive either: (a) is not offered a comparable position by the buyer; or (b) is required by the buyer to be based anywhere beyond 50 miles from the Company's current offices in Rochester, New York (except for required travel on Company business to an extent substantially consistent with that preceding the Change in Control), (either (i) or (ii), a "**Resignation for Good Cause**"),

then the Executive shall be entitled to the benefits described in Section 6.2.

6.2 Upon a termination without Cause or with Good Reason in a Change in Control, the Term ends due to nonextension of the Term by the Company or a Resignation for Good Cause described in Section 6.1 during the Term, the Executive will receive in one lump sum amount, unless otherwise noted:

(A) to the extent not yet paid, the Executive's Base Salary through the date of termination at the rate in effect on the date of termination;

(B) two year's Base Salary (as in effect as of the date of such termination or resignation), payable as continued payment of Base Salary (payable in accordance with the Company's payroll practice);

(C) payment of the Preceding and/or Pro Rata Bonus to which the Executive is entitled, payable in accordance with Section 3.2; and

(D) vesting of any unvested Options;

(E) any and all time-vesting equity awards that have been granted to the Executive (that have neither expired nor been previously exercised by the Executive) through the termination date shall be deemed fully vested on such termination date and, to the extent applicable, exercisable for a period of 90 days following such date (but, in no case, beyond each such award's specified expiration date), and any performance-vesting equity awards shall be eligible to vest on a pro rata

basis based on the period of time the Executive was employed during the performance period and achievement of the applicable performance goals, all in accordance with the other terms of any such plan or grant.

All payments to be provided to the Executive under this Section shall be subject to the Executive's (x) compliance with the restrictions in Section 7 and (y) execution, within 60 days of the Executive's termination, of a general release and waiver of claims against the Company, its officers, directors, employees and agents from any and all liability arising from the Executive's employment relationship with the Company (which release will include an agreement between both parties not to disparage the other) that is not revoked.

6.3 For purposes of this Agreement, a "**Change in Control**" shall mean any of the following: (A) any person who is not an "affiliate" (as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended) of the Company as of the date of this Agreement becomes the beneficial owner, directly or indirectly, of 50% or more of the combined voting power of the then outstanding securities of the Company except pursuant to a public offering of securities of the Company; (B) the sale of the Company substantially as an entity (whether by sale of stock, sale of assets, merger, consolidation, or otherwise) to a person who is not an affiliate of the Company as of the date of this Agreement; or (C) there occurs a merger, consolidation or other reorganization of the Company with a person who is not an affiliate of the Company as of the date of this Agreement, and in which shareholders of the Company immediately preceding the merger hold less than 50% (the voting and consent rights of Class C Preferred Stock shall be disregarded in this calculation) of the combined voting power for the election of directors of the Company immediately following the merger. For purposes of this Section 6.3, the term "person" shall include a legal entity, as well as an individual. A Change in Control shall not be deemed to occur because of the sale or conversion of any or all of Class C Preferred Stock of the Company unless there is a simultaneous change described in clauses (A), (B) or (C) of the preceding sentence.

7. CONFIDENTIALITY AND COVENANT AGAINST COMPETITION.

7.1 Non-Disclosure.

(A) The Executive shall forever hold in a fiduciary capacity for the benefit of the Company all secret or confidential information, knowledge or data relating to the Company or any of its affiliated companies, and their respective businesses, which shall have been obtained by the Executive during the Executive's employment by the Company or any of its affiliated companies and which shall not be public knowledge (other than as a result of a breach of this Section 7.1 by the Executive). The Executive shall not, without the prior written consent of the Company or except as required by law or in a judicial or administrative proceeding with subpoena powers, communicate or divulge any such information, knowledge or data to anyone other than the Company and those designated by it.

(B) Notwithstanding the foregoing, nothing in this Agreement shall (i) prohibit the Executive from making reports of possible violations of federal law or regulation to any governmental agency or entity in accordance with the provisions of and rules promulgated under Section 21F of the Securities Exchange Act of 1934 or Section 806 of the Sarbanes-Oxley Act of 2002, or of any other whistleblower protection provisions of state or federal law or regulation, or (ii) require notification or prior approval by the Company of any reporting described in clause (i).

(C) Pursuant to The Defend Trade Secrets Act (18 USC § 1833(b)), the Executive may not be held criminally or civilly liable under any federal or state trade secret law for disclosure of a trade secret: (i) made in confidence to a government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law; and/or (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. Additionally, the Executive, if suing the Company for retaliation based on the reporting of a suspected violation of law, may disclose a trade secret to his attorney and use the trade secret information in the court proceeding, so long as any document containing the trade secret is filed under seal and the Executive does not disclose the trade secret except pursuant to court order.

7.2 Non-Competition. The Executive will not, during the period of the Executive's employment with the Company, and for a period of one year thereafter, directly or indirectly, (a) engage in (as a principal, partner, director, officer, stockholder (except as permitted below), agent, employee, consultant or otherwise); or (b) be financially interested in, any entity materially engaged in any portion of the business of the Company within the territory served, or contemplated to be entered, by the Company on the date of such termination of employment. Nothing contained herein shall prevent the Executive from owning beneficially or of record not more than five percent of the outstanding equity securities of any entity whose equity securities are registered under the Securities Act of 1933, as amended, or are listed for trading on any recognizable United States or foreign stock exchange or market. The business of the Company shall be defined to include the automotive repair/maintenance services, as well as the sale and service of tires and related accessories, each of which shall be deemed a portion of the business.

7.3 Non-Solicitation of Employees. The Executive will not, during the period of the Executive's employment with the Company, and for a period of one year after the termination of the Executive's employment with the Company for any reason, directly or indirectly, recruit, solicit or otherwise induce or attempt to induce any employee of the Company to leave the employment of the Company, nor hire any such employee at any enterprise with which the Executive is then affiliated.

7.4 Enforceability of Provisions. If any restriction set forth in this Section 7 is found by any court of competent jurisdiction to be unenforceable because it extends for too long a period of time or over too great a range of activities or in too broad a geographic area, it shall be interpreted to extend only over the maximum period of time, range of activities or geographic area as to which it may be enforceable, it being understood and agreed that by the execution of this Agreement, the parties hereto regard the restrictions herein as reasonable and compatible with their respective rights.

7.5 Remedy for Breach. The Executive hereby acknowledges that the provisions of this Section 7 are reasonable and necessary for the protection of the Company and its respective subsidiaries and affiliates. In addition, the Executive further acknowledges that the Company and its respective subsidiaries and affiliates will be irrevocably damaged if such covenants are not specifically enforced. Accordingly, the Executive agrees that, in addition to any other relief to which the Company may be entitled, the Company will be entitled to seek and obtain injunctive relief from a court of competent jurisdiction for the purposes of restraining the Executive from an actual or threatened breach of such covenants. In addition, and without limiting the Company's other remedies, in the event of any breach by the Executive of such covenants, as

determined by the applicable court, the Company will have no obligation to pay any of the amounts that remain payable by the Company in Sections 5 and 6 of this Agreement.

8. EXECUTIVE'S REPRESENTATIONS. The Executive represents that he is not precluded from performing this employment by reason of a preexisting contractual restriction or physical or mental disability. Upon any breach or inaccuracy of the foregoing, the terms and benefits of this Agreement shall be null and void. The Executive shall indemnify and hold harmless the Company from and against any and all claims, liabilities, damages and reasonable costs of defense and investigation arising out of any breach or inaccuracy in any of the foregoing representations.

9. OTHER PROVISIONS.

9.1 Withholdings. The Company may withhold from any amounts payable under this Agreement such federal, state or local taxes as shall be required to be withheld pursuant to any applicable law or regulation.

9.2 Notices. Any notice or other communication required or which may be given hereunder shall be in writing and shall be delivered personally, telecopied, or sent by certified, registered or express mail, postage prepaid, to the parties at the following addresses or at such other addresses as shall be specified by the parties by like notice, and shall be deemed given when so delivered personally, telecopied or if mailed, two days after the date of mailing, as follows:

- (a) if to the Company, to it at:
Monro, Inc.
200 Holleder Parkway
Rochester, New York 14615
Attention: Chief Financial Officer

with a copy to:

Monro, Inc.
200 Holleder Parkway
Rochester, New York 14615
Attention: Chief Legal Officer

- (b) if to the Executive, to him at the address reflected in the Company's payroll records

with a copy to:

Jordan Price Wall Gray Jones & Carlton, PLLC
1951 Clark Avenue
Raleigh, North Carolina 27605
Attention: Terry J. Carlton

9.3 Entire Agreement. This Agreement contains the entire understanding of the Company and the Executive with respect to the subject matter hereof and supersedes all prior

written or verbal understandings with respect thereto (including, without limitation, the Prior Agreement).

9.4 Waivers and Amendments. This Agreement may not be amended or modified otherwise than by a written agreement executed by the parties hereto or their respective successors and legal representatives. No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any party of any right, power or privilege hereunder, nor any single or partial exercise of any right, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

9.5 Governing Law; Jurisdiction. This Agreement shall be governed by and construed and enforced in accordance with and subject to, the laws of the State of New York applicable to agreements made and to be performed entirely within such state. The courts of New York and the United States District Courts for New York shall have jurisdiction over the parties with respect to any dispute or controversy between them arising under or in connection with this Agreement.

9.6 Assignment. This Agreement shall inure to the benefit of and shall be binding upon the Company and its successors. This Agreement is personal to the Executive and shall not be assignable by Executive otherwise than by will or the laws of descent and distribution. The Company will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company to expressly assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform it if no such succession had taken place. As used in this Agreement, “**Company**” shall mean the Company as hereinbefore defined and any successor to its business and/or assets as aforesaid which assumes and agrees to perform this Agreement by operation of law, or otherwise.

9.7 Headings. The headings in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement.

9.8 Severability. If any term, provision, covenant or restriction of this Agreement, or any part thereof, is held by a court of competent jurisdiction of any foreign, federal, state, county or local government or any other governmental, regulatory or administrative agency or authority to be invalid, void, unenforceable or against public policy for any reason, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

9.9 Section 280G. In the event that the Executive becomes entitled to any payments or benefits under this Agreement and any portion of such payments or benefits, when combined with any other payments or benefits provided to Executive (including, without limiting the generality of the foregoing, by reason of the exercise or vesting of any stock options or the receipt or vesting of any other equity awards), which in the absence of this Section 9.9 would be subject to the tax (the “**Excise Tax**”) imposed by Section 4999 of the Internal Revenue Code of 1986, as amended (the “**Code**”), then the amount payable to the Executive under this Agreement shall, either (A) be reduced to the largest amount or greatest right such that none of the amounts payable to the Executive under this Agreement and any other payments or benefits received or to be received by Executive as a result of, or in connection with, an event constituting a change in

the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company (within the meaning of Section 280G(b)(2)(A) of the Code) or the termination of employment shall be treated as “parachute payments” within the meaning of Section 280G(b)(2) of the Code or (B) be made in full, with Executive bearing full responsibility for any Excise Tax liability, whichever of (A) or (B) provides the Executive with a larger net after-tax amount. The Company shall cooperate in good faith with the Executive in making such determination, including but not limited to providing the Executive with an estimate of any parachute payments as soon as reasonably practicable prior to an event constituting a change in the ownership or effective control of the Company or in the ownership of a substantial portion of the assets of the Company (within the meaning of Section 280G(b)(2)(A) of the Code). Any reduction pursuant to this Section 9.9 shall be made in a manner compliant with Section 409A of the Code. This Section 9.9 shall apply in lieu of any provision applicable to the Executive under any other agreement or arrangement (including the Plan) with respect to Section 4999 of the Code. All determinations with respect to this Section 9.9 shall be made by an independent nationally recognized certified public accounting firm reasonably acceptable to the Executive at the Company’s sole expense. The after tax amount shall be calculated, as applicable, using the maximum marginal income tax rates for each year in which the payment is payable to the Executive (based upon the rates in effect for such year as set forth in the Code at the relevant time).

9.10 Section 409A. The compensation and benefits provided under this Agreement are intended to qualify for an exemption from or to comply with the requirements of Section 409A of the Code and the treasury regulations and other official guidance issued thereunder (collectively, “**Section 409A**”), so as to prevent the inclusion in gross income of any compensation or benefits accrued hereunder in a taxable year prior to the taxable year or years in which such amount would otherwise be actually distributed or made available to the Executive, and this Agreement shall be administered and interpreted consistent with such intention. For purposes of Sections 4, 5 and 6 of this Agreement, “removal,” “termination of the Executive’s employment” and words of similar import mean a “separation from service” with the Company as defined by Section 409A. The reimbursement of taxable expenses such as contemplated in Sections 3.5 and 3.7 to the Executive shall be made no later than the end of the year following the year in which the expense was incurred, and the expenses reimbursed in one year shall not affect the expenses eligible for reimbursement in any other year. Where the 60-day period for the Executive to execute and not revoke a general release and waiver begins in one calendar year and ends in the following calendar year, payment shall be made no sooner than the first day of the following calendar year. Each payment shall be a payment in a series of separate payments for all purposes under Section 409A. If the Executive is a “specified employee” within the meaning of Section 409A at the time of his “separation from service” within the meaning of Section 409A, then any payment otherwise required to be made to him under this Agreement on account of his separation from service, to the extent such payment (after taking in to account all exclusions applicable to such payment under Section 409A) is properly treated as deferred compensation subject to Section 409A, shall not be made until the first business day after (i) the expiration of six months from the date of the Executive’s separation from service, or (ii) if earlier, the date of the Executive’s death (the “**Delayed Payment Date**”) and, on the Delayed Payment Date, there shall be paid to the Executive or, if the Executive has died, to the Executive’s estate, in a single cash

lump sum, an amount equal to aggregate amount of the payments delayed pursuant to the preceding clause.

9.11 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Amended and Restated Employment Agreement on the date first above written.

MONRO, INC.

By: /s/ Maureen E. Mulholland
Name: Maureen E. Mulholland
Title: EVP – Chief Legal Officer and
Secretary

 /s/ Michael T. Broderick
Michael T. Broderick

CERTIFICATION

I, Michael T. Broderick, 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: January 24, 2024

/s/ Michael T. Broderick
Michael T. Broderick
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: January 24, 2024

/s/ Brian J. D'Ambrosia
Brian J. D'Ambrosia
Executive Vice President – Finance, Treasurer and
Chief Financial Officer
(Principal Financial 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 December 23, 2023 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/ Michael T. Broderick

Dated: January 24, 2024

Michael T. Broderick
Chief Executive Officer
(Principal Executive Officer)

/s/ Brian J. D'Ambrosia

Dated: January 24, 2024

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